CMR GREEN TECHNOLOGIES LIMITED

Our Company was incorporated in New Delhi as 'Grand Metal Industries Private Limited' pursuant to a certificate of incorporation dated August 23, 2005 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, pursuant to the conversion of our Company to a public limited company, the name of our Company was changed to 'Grand Metal Industries Limited', and a fresh certificate of incorporation dated May 28, 2020 was issued to our Company by the RoC. Subsequently, our name was changed to 'CMR Green Technologies Limited', and a fresh certificate of incorporation dated August 11, 2021 was issued to our Company by the RoC. For further details on the changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 181.

Registered and Corporate Office: Unit Nos. 802-803, 8th Floor, SSR Corporate Park, Sector 27 B, Faridabad 121 003, Haryana, India; **Telephone:** +91 129 422 3050
Contact Person: Lohit Chhabra, Company Secretary and Compliance Officer; **E-mail:** complianceofficer@cmr.co.in
Website: www.cmr.co.in; **Corporate Identity Number**: U00337HR2005PLC085675

OUR PROMOTERS: GAURI SHANKAR AGARWALA, MOHAN AGARWAL, KALAWATI AGARWAL AND PRATIBHA AGARWAL

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF CMR GREEN TECHNOLOGIES LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION. THE OFFER COMPRISES A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 3,000.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 33,414,138 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION, COMPRISING UP TO 3,432,730 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY GAURI SHANKAR AGARWALA, UP TO 3,009,235 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY MOHAN AGARWAL, UP TO 3,344,870 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY KALAWATI AGARWAL AND UP TO 3,009,235 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY PRATIBHA AGARWAL (COLLECTIVELY, THE "PROMOTER SELLING SHAREHOLDERS"), UP TO 538,885 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY GAURI SHANKAR AGARWALA (HUF) (THROUGH ITS KARTA) AND UP TO 165,045 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY MOHAN AGARWAL (HUF) (THROUGH ITS KARTA) (COLLECTIVELY, THE "OTHER SELLING SHAREHOLDERS"), AND UP TO 19,914,138 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY GLOBAL SCRAP PROCESSORS LIMITED (THE "INVESTOR SELLING SHAREHOLDER" AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS AND THE OTHER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS") (THE "OFFER FOR SALE", AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER WILL CONSTITUTE [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

OUR COMPANY MAY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, CONSIDER A PRE-IPO PLACEMENT FOR AN AMOUNT AGGREGATING UP TO ₹ 600.00 MILLION FOR CASH CONSIDERATION ("PRE-IPO PLACEMENT") PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS. IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, THE NUMBER OF EQUITY SHARES ISSUED PURSUANT TO THE PRE-IPO PLACEMENT SHALL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH THE MINIMUM ISSUE SIZE REQUIREMENTS PRESCRIBED UNDER REGULATION 19(2)(B) OF THE SCRR.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 2 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE INVESTOR SELLING SHAREHOLDER IN CONSULTATION WITH THE BRLMs AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI ALSO BEING THE REGIONAL LANGUAGE OF HARYANA WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID / OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision in the Price Band, the Bid / Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid / Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid / Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank.

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 (the "**SEBI ICDR Regulations**"). This 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 Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company and the Investor Selling Shareholder in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than Anchor Investor Portion). Further, 5% of the Net 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, the Bid Amounts received by our Company shall be refunded. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the 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. All Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Account (including UPI ID in case of Retail Individual Bidders), which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"), or through the UPI Mechanism. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA Process. For details, see "*Offer Procedure*" on page 588.

RISK 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 ₹ 2 each. The Offer Price, Floor Price and Price Band 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 RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 29.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft 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 Draft 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. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms that the statements made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to them and their respective portion of the Offered Shares 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 to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid / Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 686.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India **Telephone:** +91 22 2288 2460 **E-mail:** cmr.ipo@icicisecurities.com **Investor grievance e-mail:** customercare@icicisecurities.com **Website:** www.icicisecurities.com **Contact person:** Rupesh Khant / Kristina Dias **SEBI registration number:** INM000011179	**Axis Capital Limited** Axis House, Level 1 C-2, Wadia International Centre Pandurang Budhkar Marg, Worli Mumbai 400 025 Maharashtra, India **Telephone:** +91 22 4325 2183 **E-mail:** cmrl.ipo@axiscap.in **Website:** www.axiscapital.co.in **Investor Grievance E-mail:** complaints@axiscap.in **Contact Person:** Akash Aggarwal **SEBI Registration Number:** INM000012029	**JM Financial Limited** 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India **Tel:** + 91 22 6630 3030 **Email:** cmr.ipo@jmfl.com **Investor grievance e-mail**: grievance.ibd@jmfl.com **Website**: www.jmfl.com **Contact Person**: Prachee Dhuri **SEBI Registration No**: INM000010361	**KFin Technologies Private Limited** (*Formerly known as 'Karvy Fintech Private Limited'*) Selenium Tower-B, Plot No. 31 & 32 Financial District, Nanakramguda Serilingampally, Hyderabad, Rangareddi 500 032 Telangana, India **Telephone:** +91 40 6716 2222 **E-mail:** cmr.ipo@kfintech.com **Website:** www.kfintech.com **Investor Grievance E-mail:** einward.ris@kfintech.com **Contact Person:** M. Murali Krishna **SEBI Registration No.** INR000000221

BID / OFFER PROGRAMME	
BID / OFFER OPENS ON	[●]*
BID / OFFER CLOSES ON	[●]**

* *Our Company and the Investor Selling Shareholder may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid / Offer Opening Date.*

** *Our Company and the Investor Selling Shareholder may, in consultation with the BRLMs, consider closing the Bid / Offer Period for QIBs one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations.*

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below, and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rule guidelines or policy as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "Basis for the Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies in India", "Restated Financial Information", "Outstanding Litigation and Other Material Developments", and "Main Provisions of the Articles of Association" on pages 100, 102, 115, 176, 224, 556, and 609, respectively, will have the meaning ascribed to such terms in those respective sections.

General terms

Term	Description
our Company / the Company / the Issuer	CMR Green Technologies Limited (*formerly known as 'Grand Metal Industries Limited'*), a public limited company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at Unit Nos. 802-803, 8th Floor, SSR Corporate Park, Sector 27 B, Faridabad 121 003, Haryana, India
we / us / our	Unless the context otherwise indicates or implies, our Company on a consolidated basis

Company-related terms

Term	Description
AoA / Articles of Association / Articles	The articles of association of our Company, as amended
Audit Committee	Audit committee of our Company, described in "*Our Management – Corporate Governance*" on page 204
Auditors / Statutory Auditors	The current statutory auditors of our Company, currently being S. R. Batliboi & Co. LLP, Chartered Accountants
Board / Board of Directors	The board of directors of our Company
CCIIPL	CMR Chiho Industries India Private Limited
CCRTPL	CMR-Chiho Recycling Technologies Private Limited
Chief Financial Officer	Chief financial officer of our Company
CMR	The erstwhile Century Metal Recycling Limited, which has amalgamated into our Company pursuant to the Scheme of Arrangement
CMR Consolidated Audited Financial Statements	The audited consolidated financial statements of CMR as at and for the Fiscals ended March 31, 2019 and March 31, 2020, prepared in accordance with Ind AS
CMRC	CMR-Chiho Recycling Technologies Private Limited
CMRK	CMR-Kataria Recycling Private Limited
CMRN	CMR Nikkei India Private Limited
CMRT	CMR Toyotsu Aluminium India Private Limited
Company Secretary	Company secretary of our Company
Compliance Officer	Compliance officer of our Company appointed in accordance with the requirements of the SEBI Listing Regulations and the SEBI ICDR Regulations
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, described in "*Our Management – Corporate Governance*" on page 204
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company of face value of ₹ 2 each
Executive Director(s)	Executive director(s) of our Company
FMPL	The erstwhile Forever Multimedia Private Limited, which has amalgamated into our Company pursuant to the Scheme of Arrangement
GMRPL	The erstwhile Grand Metal Recycling Private Limited, which has amalgamated into our Company pursuant to the Scheme of Arrangement

Term	Description
Group Companies	The group companies of our Company in accordance with the SEBI ICDR Regulations. For details, see "*Group Companies*" on page 220
Independent Director(s)	Independent director(s) of our Company
Investor Selling Shareholder	Global Scrap Processors Limited
IPO Committee	IPO committee of the board of directors of our Company, comprising Raghav Agarwal, Mohan Agarwal, Peter Francis Amour and Gyan Mohan
Joint Ventures	The joint ventures of our Company as on the date of this Draft Red Herring Prospectus, namely CMR Nikkei India Private Limited, CMR Toyotsu Aluminium India Private Limited, CMR-Kataria Recycling Private Limited, CMR-Chiho Recycling Technologies Private Limited, CMR Chiho Industries India Private Limited and Nikkei CMR Aluminium India Private Limited For the purpose of financial information in this Draft Red Herring Prospectus and the Restated Financial Information, joint ventures would mean Joint Ventures as at and during the relevant fiscal year
Kent	Kent Industrial Park Private Limited
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as further described in "*Our Management – Key Managerial Personnel*" on page 213
Material Subsidiaries	CMRN and CMRT
Materiality Policy	The policy adopted by our Board on September 18, 2021 for identification of material (a) outstanding litigation proceedings; (b) group companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus
MoA / Memorandum of Association	The memorandum of association of our Company, as amended
NCMR	Nikkei CMR Aluminium India Private Limited
Nikkei	Nikkei MC Aluminium Company Limited
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, described in "*Our Management – Corporate Governance*" on page 204
Non-Executive Director(s)	Non-executive directors of our Company
Other Selling Shareholders	Gauri Shankar Agarwala (HUF) (through its *karta*) and Mohan Agarwal (HUF) (through its *karta*),
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page 216
Promoter Selling Shareholders	Gauri Shankar Agarwala, Mohan Agarwal, Kalawati Agarwal and Pratibha Agarwal
Promoter(s)	The Promoter(s) of our Company, namely Gauri Shankar Agarwala, Mohan Agarwal, Kalawati Agarwal and Pratibha Agarwal. For details, see "*Our Promoters and Promoter Group*" on page 216
Registered and Corporate Office	The registered and corporate office of our Company, situated at Unit Nos. 802-803, 8th Floor, SSR Corporate Park, Sector 27 B, Faridabad 121 003, Haryana, India
Restated Financial Information	Our restated consolidated financial information as at and for the financial years ended March 31, 2021, March 31, 2020 (proforma) and March 31, 2019 (proforma), comprising the restated consolidated summary statement of assets and liabilities as at March 31, 2021, March 31, 2020 (proforma) and March 31, 2019 (proforma), the restated consolidated summary statements of profit and loss (including other comprehensive income), the restated consolidated summary statement of change in equity and the restated consolidated summary statement of cash flows for the years ended March 31, 2021, March 31, 2020 (proforma) and March 31, 2019 (proforma), together with the summary statement of significant accounting policies, and other explanatory information thereon derived from audited financial statements as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Indian GAAP and restated by us including adjustment to make them compliant with recognition and measurement principles under Ind AS, in accordance with the SEBI ICDR Regulations, as amended and SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016, as amended, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI.
RoC / Registrar of Companies	The Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi
RPPL	The erstwhile Ramayana Polymers Private Limited, which has amalgamated into our Company pursuant to the Scheme of Arrangement
Scheme of Arrangement	Scheme of arrangement involving the amalgamation of Grand Metal Recycling Private Limited, Suvridhi Financial Services Limited, Sanjivani Non Ferrous Trading Private

Term	Description
	Limited, Ramayana Polymers Private Limited, Forever Multimedia Private Limited, Century Metal Recycling Limited and our Company
Selling Shareholders	Collectively, the Promoter Selling Shareholders, the Other Selling Shareholders and the Investor Selling Shareholder
SFSL	The erstwhile Suvridhi Financial Services Limited, which has amalgamated into our Company pursuant to the Scheme of Arrangement
Shareholders	The holders of the Equity Shares from time to time
SMP / Senior Management Personnel	The senior management personnel of our Company
SNFTPL	The erstwhile Sanjivani Non Ferrous Trading Private Limited, which has amalgamated into our Company pursuant to the Scheme of Arrangement
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, described in "*Our Management – Corporate Governance*" on page 204
Subsidiaries	The subsidiaries of our Company as on the date of this Draft Red Herring Prospectus, as defined under the Companies Act, 2013 and the applicable accounting standard, namely (a) CMR Nikkei India Private Limited; (b) CMR Toyotsu Aluminium India Private Limited; (c) CMR-Kataria Recycling Private Limited; (d) CMR Welfare Foundation; and (e) CMR Aluminium Private Limited. For the purpose of financial information in this Draft Red Herring Prospectus and the Restated Financial Information, subsidiaries would mean Subsidiaries as at and during the relevant fiscal year
Toyota Tsusho	Toyota Tsusho India Private Limited

Offer-related terms

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment or transfer, as the case may be of Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the 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 Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus, which will be decided by our Company and the Investor Selling Shareholder in consultation with the BRLMs during the Anchor Investor Bidding Date
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Investor Selling Shareholder, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Investor Selling Shareholder in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid / Offer Closing Date

Term	Description
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB or to block the Bid Amount using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB which may be blocked by such SCSB or the account of the RIBs blocked upon acceptance of UPI Mandate Request by the RIBs using the UPI Mechanism to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Axis	Axis Capital Limited
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank and Public Offer Account Bank(s)
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 588
Bid	An indication to make an offer during the Bid / Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. 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 blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid / Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered and Corporate Office is located). In case of any revisions, the extended Bid / Offer Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank
Bid / Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered and Corporate Office is located)
Bid / Offer Period	Except in relation to Anchor Investors, 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. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors Our Company and the Investor Selling Shareholder may, in consultation with the BRLMs, consider closing the Bid / Offer Period for the QIB Category one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which at the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for 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 the Offer is being made
Book Running Lead Managers / BRLMs	The book running lead managers to the Offer namely, ICICI Securities Limited, Axis Capital Limited and JM Financial Limited
Broker Centres	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 Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)

Term	Description
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on / after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow and Sponsor Bank Agreement	Agreement to be entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs and the Banker(s) to the Offer for the appointment of the Sponsor Bank in accordance with the UPI Circulars, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant(s) / 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 as per the list available on the websites of BSE and NSE
Collecting Registrar and Share Transfer Agents / CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI Circulars
CRISIL Report	A report dated September 2021 and titled "*Assessment of secondary aluminium industry in India*" that has been prepared by CRISIL, and which has been commissioned and paid for by our Company for an agreed fee, exclusively for the purpose of this Offer
Cut-off Price	Offer Price, finalised by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, which shall be any price within the Price Band Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs, including Anchor Investors, 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, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants 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 funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate / agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, sub-syndicate / agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where 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)
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus / DRHP	This draft red herring prospectus dated September 26, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares

Term	Description
Escrow Account(s)	Account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit / NEFT / RTGS / NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, 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(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue component of the Offer comprising an issuance of up to [●] Equity Shares at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 3,000 million by our Company Our Company may, in consultation with the Book Running Lead Managers, consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with the minimum issue size requirements prescribed under regulation 19(2)(b) of the SCRR
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
I-Sec	ICICI Securities Limited
JM	JM Financial Limited
Mobile App	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism
Monitoring Agency	[●]
Mutual Fund Portion	5% of the Net QIB Portion, or up to [●] 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
Net Proceeds	The proceeds from the Fresh Issue less the Offer related expenses applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Offer related expenses, see "*Objects of the Offer*" on page 93
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Bidder / NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Offer, consisting of up to [●] 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	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offering of the Equity Shares of our Company by way of the Fresh Issue and the Offer for Sale
Offer Agreement	The agreement dated September 26, 2021 amongst our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and the Investor Selling Shareholder, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 93

Term	Description
Offer for Sale	The offer for sale component of the Offer, comprising an offer for sale of up to 33,414,138 Equity Shares at ₹ [●] per Equity Share aggregating up to ₹ [●] million, comprising up to 3,432,730 Equity Shares aggregating up to ₹ [●] million by Gauri Shankar Agarwala, up to 3,009,235 Equity Shares aggregating up to ₹ [●] million by Mohan Agarwal, up to 538,885 Equity Shares aggregating up to ₹ [●] million by Gauri Shankar Agarwala (HUF) (through its *karta*), up to 165,045 Equity Shares aggregating up to ₹ [●] million by Mohan Agarwal (HUF) (through its *karta*), up to 3,344,870 Equity Shares aggregating up to ₹ [●] million by Kalawati Agarwal, up to 3,009,235 Equity Shares aggregating up to ₹ [●] million by Pratibha Agarwal and up to 19,914,138 Equity Shares aggregating up to ₹ [●] million by Global Scrap Processors Limited
Offered Shares	The Equity Shares being offered by the Selling Shareholders as part of the Offer for Sale comprising an aggregate of up to 33,414,138 Equity Shares comprising up to 3,432,730 Equity Shares by Gauri Shankar Agarwala, up to 3,009,235 Equity Shares by Mohan Agarwal, up to 538,885 Equity Shares by Gauri Shankar Agarwala (HUF) (through its *karta*), up to 165,045 Equity Shares by Mohan Agarwal (HUF) (through its *karta*), up to 3,344,870 Equity Shares by Kalawati Agarwal, up to 3,009,235 Equity Shares by Pratibha Agarwal and up to 19,914,138 Equity Shares by Global Scrap Processors Limited.
Pre-IPO Placement	Pre-IPO placement, which may be undertaken by our Company, in consultation with the Book Running Lead Managers, for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with the minimum issue size requirements prescribed under regulation 19(2)(b) of the SCRR
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 and the minimum Bid Lot for the Offer will be decided by our Company and the Investor Selling Shareholder in consultation with the BRLMs, and will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered and Corporate Office is located) at least two Working Days prior to the Bid / Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at 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 Investor Selling Shareholder in consultation with the BRLMs, will finalise the Offer Price
Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of 18 months from the date of Allotment
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and 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
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The banks with which the Public Offer Account(s) will be opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
QIB Category / QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not less than 75% of the Offer, consisting of at least [●] Equity Shares which shall be Allotted to QIBs (including Anchor Investors)
Qualified Institutional Buyers / QIBs / QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus / RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date

Term	Description
Refund Account(s)	The account(s) to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids
Registrar Agreement	The agreement dated September 24, 2021 among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents / RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the websites of BSE and NSE
Registrar to the Offer / Registrar	KFin Technologies Private Limited (*formerly known as 'Karvy Fintech Private Limited'*)
Retail Individual Bidder(s) / RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their *karta* and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not more than 10% of the Offer consisting of up to [●] Equity Shares, which 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
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until Bid / Offer Closing Date
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time
Share Escrow Agent	Escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	Agreement to be entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by such Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders
Sponsor Bank	The Banker to the Offer registered with SEBI, which will be appointed by our Company 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, using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, in this case being [●]
Stock Exchanges	Collectively, BSE and NSE
Syndicate	Together, the BRLMs and the Syndicate Members
Syndicate Agreement	Agreement to be entered into among our Company, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries (other than the BRLMs) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, [●]
Systemically Important Non-Banking Financial Company / NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into among the Underwriters, our Company and the Selling Shareholders on or after the Pricing Date, but prior to filing of the Prospectus
UPI	Unified Payments Interface, which is an instant payment mechanism developed by NPCI

Term	Description
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard.
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 Mobile App and by way of a SMS directing the RIB to such UPI Mobile App) to the RIB initiated by the Sponsor Bank to authorise blocking of funds in the relevant ASBA Account through the UPI Mobile App equivalent to the Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The mechanism that may be used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
UPI Streamlining Circular	SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021
Wilful Defaulter	A company or person, as the case may be, categorised 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
Working Day	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid / Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) 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

Conventional and general terms and abbreviations

Term	Description
AIF(s)	Alternative Investment Funds
BSE	BSE Limited
CAGR	Compounded annual growth rate
CCI	Competition Commission of India
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder
Companies Act / Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force
Competition Act	Competition Act, 2002
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate Social Responsibility
Depositories	NSDL and CDSL, collectively
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's identity number
DPIIT	The Department for Promotion of Industry and Internal Trade (earlier known as Department of Industrial Policy and Promotion)

Term	Description
EPS	Earnings per share
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FEMA Regulations	Foreign Exchange Management (Transfer of Issue of Security by a Person Resident outside India) Regulations, 2017
Financial Year / Fiscal / Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	Foreign Portfolio Investors, as defined under SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government / Central Government	Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
IGST	Integrated Goods and Services Tax
Income Tax Act	Income-tax Act, 1961
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the IAS Rules and other relevant provisions of the Companies Act, 2013
Ind AS 24	Indian Accounting Standard 24, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules and other relevant provisions of the Companies Act, 2013
Indian GAAP	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended) and the Companies (Accounts) Rules, 2014, as amended
INR / Rupee / ₹ / Rs.	Indian Rupee, the official currency of the Republic of India
IRDAI	Insurance Regulatory and Development Authority of India
IT	Information Technology
KYC	Know Your Customer
MAT	Minimum Alternate Tax
MCA	The Ministry of Corporate Affairs, Government of India
Mn	Million
MoU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NAV / Net Asset Value per Equity Share	Net worth (as restated) including share capital and reserves and surplus (as restated at the end of the year / period) divided by number of equity shares outstanding at the end of the period / year
NEFT	National Electronic Fund Transfer
Net worth	Aggregate of equity share capital and other reserves (excluding revaluation reserves if any) for a given period
NPCI	National Payments Corporation of India
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian as defined under the FEMA Regulations
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB	Overseas Corporate Body
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Return on net worth	Net profit, as restated, attributable to the owners of the company / net worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956

Term	Description
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
SIDCUL	State Industrial Development Corporation of Uttaranchal Limited
SIPCOT	State Industries Promotion Corporation of Tamil Nadu Limited
STT	Securities Transaction Tax
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	Trademarks Act, 1999
US$ / USD / US Dollar	United States Dollar, the official currency of the United States of America
USA / U.S. / US	United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	U.S. Securities Act of 1933
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

Technical / industry-related terms

Term	Description
ACP	Aluminium composite panels
AHP	Aluminium honeycomb panels
BIR	Bureau of International Recycling
CAFÉ	Corporate average fuel efficiency
DFC	Dedicated freight corridor
ELVs	End of life vehicles
ERP	enterprise resource planning
EV	Electric vehicles
FTA	Free Trade Agreement
FAME	Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India
FRP	Flat rolled products
HMS	Heavy medium separation
ICE	Internal combustion engine
ISRI	Institute of Scrap Recycling Industries
JIT	Just-in-time
LCV	Light commercial vehicle
LSHS	Low sulphur high stock
MHCV	Medium and heavy commercial vehicle
MoEF&CC	The Ministry of Environment, Forest and Climate Change
NEMMP 2020	National Electric Mobility Mission Plan 2020
NREP	National Resource Efficiency Policy
NIR	Near-infrared
UNFCCC	United Nations Framework Convention on Climate Change

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Unless indicated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to page numbers of this Draft Red Herring Prospectus.

Financial data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information. The Restated Financial Information comprise our restated consolidated financial information as at and for the financial years ended March 31, 2021, March 31, 2020 (proforma) and March 31, 2019 (proforma), comprising the restated consolidated summary statement of assets and liabilities as at March 31, 2021, March 31, 2020 (proforma) and March 31, 2019 (proforma), the restated consolidated summary statements of profit and loss (including other comprehensive income), the restated consolidated summary statement of change in equity and the restated consolidated summary statement of cash flows for the years ended March 31, 2021, March 31, 2020 (proforma) and March 31, 2019 (proforma), together with the summary statement of significant accounting policies, and other explanatory information thereon derived from audited financial statements as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Indian GAAP and restated by us including adjustment to make them compliant with recognition and measurement principles under Ind AS, in accordance with the SEBI ICDR Regulations, as amended and SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016, as amended, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Our audited financial statements as at and for the years ended March 31, 2019 and 2020 were audited by M/s K. N. Gutgutia & Co. Chartered Accountants, the previous auditors of our Company. For further information on our Company's financial information, see "*Restated Financial Information*" on page 224.

We have also included, in this Draft Red Herring Prospectus, the CMR Consolidated Audited Financial Statements for the financial years ended March 31, 2020 and March 31, 2019, which have been prepared under Ind AS, together with the respective audit reports of the then statutory auditors of CMR.

Our restated consolidated financial statements as at and for the years ended March 31, 2019 (proforma) and March 31, 2020 (proforma) included in this Draft Red Herring Prospectus, do not take into account the impact of the Scheme of Arrangement and accordingly, such financial statements may not be comparable to the restated consolidated financial statements of the Company as at and for the years ended March 31, 2021 included in this Draft Red Herring Prospectus.

In this Draft 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 have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Draft Red Herring Prospectus are to a calendar year.

Non-GAAP financial measures

Certain non-GAAP measures such as EBITDA, EBITDA Margin, net worth, return on net worth, ROCE, total borrowings, total debt to total net worth ratio and interest coverage ratio ("**Non-GAAP Measures**") presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company's operating performance. In addition, we have also, in this Draft Red Herring Prospectus, included certain non-GAAP measures of CMR. Also see "*Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, net worth, return on net worth, ROCE, total borrowings, total debt to total net worth ratio and interest coverage ratio have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 56 and 514, respectively.

Industry and market data

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been obtained from publicly available information, as well as various government publications and industry sources. Further, the information has also been derived from a report dated September 2021 and titled "*Assessment of secondary aluminium industry in India*" (the "**CRISIL Report**") that has been prepared by CRISIL, and which has been commissioned and paid for by our Company for an agreed fee, exclusively for the purpose of this Offer. Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy, completeness or underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. Further, the data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – This Draft Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL Research.*" on page 54.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 29, 153 and 514, respectively, and elsewhere in this Draft Red Herring Prospectus, except certain operational metrics, have been calculated on the basis of amounts based on or derived from our Restated Financial Information.

Disclaimer of CRISIL

This Draft Red Herring Prospectus contains data and statistics from the CRISIL Report, which is subject to the following disclaimer:

> "*CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. 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. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the*

generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. CMR Green Technologies Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL Ratings Limited / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL Ratings Limited / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

Currency and Units of Presentation

All references to:

- '**Rupees**' or '**₹**' or '**Rs.**' are to Indian Rupees, the official currency of the Republic of India.
- '**U.S.$**', '**U.S. Dollar**', '**USD**' or '**U.S. Dollars**' are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

Exchange rates

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

The exchange rates of USD into Indian Rupees for the periods indicated are provided below:

(in ₹)

Currency	Exchange Rate as on		
	March 29, 2019[(1)]	March 31, 2020	March 31, 2021
1 USD	69.17	75.39	73.50

Source: RBI / Financial Benchmark India Private Limited

(1) Exchange rate as on March 29, 2019, as RBI reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday and a Saturday, respectively.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "are likely", "believe", "continue", "can", "could", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "propose", "seek to", "will achieve", "will continue", "will likely", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

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 future gains or losses could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's belief and assumptions, current plans, estimates and expectations, which in turn are based on currently available information.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by such 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. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to, and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence.

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

- Our possible inability to comply with the conditions of our loan facility availed by our Company, or if any adverse findings are made in any proceedings against us or we are declared insolvent, our business and financial condition could be affected adversely;
- Dependence on a limited number of customers and the loss of one or more of our significant customers or significant reduction in production and sales of, or demand for our production from our significant customers;
- Absence of firm commitment long-term agreements with our customers;
- Volatility in the supply and pricing of our raw materials may have an adverse effect on our business, financial condition and results of operations;
- Heavy dependence on our customers in the automotive sector and significant dependence on the performance of the automotive sector in India and overseas;
- Our inability to accurately forecast demand for our products, and accordingly manage our inventory or plan capacity increases;
- Reliance on third-party transportation providers for procurement of raw materials and for supply of our products and failure by any of our transportation providers;
- Our continued operations being critical to our business and any disruption to power or fuel sources or any shutdown of our manufacturing facilities;
- Impact of the COVID-19 pandemic and resulting deterioration of general economic conditions on our business and results of operations and the extent to which it may impact our future business and results of operations; and
- Any failure to comply with strict quality standards may lead to cancellation of existing and future orders.

For a further discussion of factors that could cause our actual results to differ, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 29, 153 and 514, respectively.

Neither our Company, nor the Selling Shareholders, nor the BRLMs, nor any Syndicate Member, 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 Selling Shareholders, severally and not jointly, will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares forming part of the Offer for Sale from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. The Selling Shareholders shall, severally and not jointly, to the extent of statements specifically made or confirmed by them in relation to their respective portion of Offered Shares in this Draft Red Herring Prospectus, ensure that investors are informed of material developments in relation to statements and undertakings specifically made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus until the time of grant of listing and trading permission by the Stock Exchanges for the Offer.

SECTION II – SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "Risk Factors", "The Offer", "Capital Structure", "Our Business", "Industry Overview", "Our Promoters and Promoter Group", "Objects of the Offer" and "Outstanding Litigation and Other Material Developments" on pages 29, 65, 82, 153, 115, 216, 93 and 556 respectively of this Draft Red Herring Prospectus.

Primary business of our Company

We are the largest metal recycler in the domestic aluminium recycling industry and amongst the largest in the world. (*Source: CRISIL Report*) We are primarily focused on the recycling of aluminum, which involves the processing of aluminium based metal scrap to manufacture aluminium alloys and supplying them both in liquid form as well as solid ingots, and on the manufacturing of zinc alloys. Additionally, we focus on segregation and recycling of other metals including stainless steel, copper and brass, and recycling of end-of-life vehicles where we undertake dismantling, shredding and sorting of ELV parts.

Industry in which our Company operates

Total aluminium (primary and secondary) demand in India in Fiscal 2020 is estimated at 3.7 million tonnes, logging a CAGR of 5-6% over Fiscals 2015 to fiscal 2020. The demand for secondary aluminium in India zoomed at a CAGR of 9-10% from Fiscal 2015 to 2020, while primary aluminium demand registered a CAGR of 3-4% only. Demand for primary and secondary aluminium is estimated at 2.4 and 1.3 million tonnes, respectively, in Fiscal 2020. The demand for secondary aluminium is primarily led by healthy demand from the autosector. Rising demand from packaging, consumer durables and construction sectors also led to increased demand. Due to better cost dynamics the share of secondary aluminium in aggregate aluminium market in India rose to 35-36% as of Fiscal 2020 from 29-30% in Fiscal 2015. (*Source: CRISIL Report*)

Name of Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters are Gauri Shankar Agarwala, Mohan Agarwal, Kalawati Agarwal and Pratibha Agarwal. For further details, see "*Our Promoters and Promoter Group*" on page 216.

The Offer

The following table summarizes the details of the Offer. For further details, see "*The Offer*" and "*Offer Structure*" on pages 65 and 585, respectively.

Offer(1)	Up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to ₹ [●] million
of which	
(i) Fresh Issue(1)(2)	Up to [●] Equity Shares aggregating up to ₹ 3,000.00 million
(ii) Offer for Sale(3)	Up to 33,414,138 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders

(1) *The Offer has been authorized by a resolution of our Board dated September 9, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated September 20, 2021.*

(2) *A Pre-IPO placement may be undertaken by our Company, in consultation with the Book Running Lead Managers, for an amount aggregating up to ₹ 600.00 million prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with the minimum issue size requirements prescribed under regulation 19(2)(b) of the SCRR.*

(3) *The Equity Shares being offered by the Selling Shareholders are eligible for being offered for sale in terms of the SEBI ICDR Regulations. Each of the Selling Shareholders has authorized the sale of its respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 566.*

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(in ₹ million)

Objects	Amount*^
Repayment or prepayment, in full or part, of certain borrowings availed by our Company	2,250.00
General corporate purposes	[●]
Net Proceeds*	**[●]**

* *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue.*

^ *Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement, we may utilise the proceeds from such Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer.*

Aggregate pre-Offer Shareholding of our Promoters, the members of our Promoter Group (other than our Promoters) and the Selling Shareholders

(a) The aggregate pre-Offer shareholding of our Promoters and Promoter Group as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S. No.	Name of Shareholder	No. of Equity Shares	% of total pre-Offer paid up Equity Share capital
Promoters			
1.	Gauri Shankar Agarwala	41,192,760	18.62
2.	Mohan Agarwal	56,265,600	25.43
3.	Kalawati Agarwal	40,138,440	18.14
4.	Pratibha Agarwal	44,349,780	20.04
Total (A)		**181,946,580**	**82.23**
Other members of the Promoter Group			
1.	Gauri Shankar Agarwala (HUF)*	6,466,620	2.92
2.	Mohan Agarwal (HUF)*	1,980,540	0.90
3.	Akshay Agarwal	990,540	0.45
4.	Raghav Agarwal	184,980	0.08
5.	Akshay Agarwal Family Private Trust^	780	*Negligible*
6.	GS Agarwala Family Private Trust^	780	*Negligible*
7.	K Agarwal Family Private Trust^	780	*Negligible*
8.	Raghav Agarwal Family Private Trust^	780	*Negligible*
Total (B)		**9,625,800**	**4.35**
Total (A) + (B)		**191,572,380**	**86.58**

***** *Through its karta.*

^ *Through its settlor.*

(b) The aggregate pre-Offer shareholding of our Investor Selling Shareholder as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S. No.	Name of Shareholder	No. of Equity Shares	% of total pre-Offer paid up Equity Share capital
1.	Global Scrap Processors Limited	29,695,791	13.42

Select financial information

The following information has been derived from our Restated Financial Information for the last three Fiscals:

(₹ in million, except per share data, which is in ₹)

Particulars	As at and for the Fiscal ended		
	March 31, 2019 (Proforma)	March 31, 2020 (Proforma)	March 31, 2021
Equity Share capital	3.93	3.93	3.27
Net worth (attributable to equity holders of the parent)*	215.51	216.75	7,623.07
Total income	0.07	-	29,272.96
Profit before exceptional deferred tax charge on goodwill	0.49	1.23	2,150.80
Profit for the year	0.49	1.23	407.29
Earnings per share before exceptional deferred tax charge on goodwill (basic and diluted)** (in ₹)	0.02	0.05	8.86

(₹ in million, except per share data, which is in ₹)

Particulars	As at and for the Fiscal ended		
	March 31, 2019 (Proforma)	March 31, 2020 (Proforma)	March 31, 2021
Earnings per share (basic and diluted)** (in ₹)	0.02	0.05	0.98
Net Asset Value per Equity Share***	9.14	9.19	34.45
Total borrowings****	0.11	0.22	4,811.78

* *Net worth is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off but does not include capital reserve, reserves created out of revaluation of assets, foreign currency translation reserve, write-back of depreciation and amalgamation. Return to be considered as profit or loss attributable to 'owners of the parent' and net worth should be considered as attributable to 'owners of the parent'.*

*** After considering the impact of issue of bonus Equity Shares on September 21, 2021 and sub-division of each equity share of a face value of ₹ 10 each to five Equity Shares of a face value of ₹ 2 each on September 4, 2021.*

**** Net Asset Value per share has been calculated as net worth (attributable to equity holders of parent) / total shares after impact of sub-division and bonus.*

***** Total borrowings includes non-current borrowings, current borrowings and current maturities of long-term borrowings.*

Auditor qualifications

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Information. However, our Statutory Auditors have included an emphasis of matter in the auditors' reports on our audited consolidated financial statements for the Fiscal ended March 31, 2021 and in their report on CMR Consolidated Audited Financial Statements as at and for the year ended March 31, 2020.

Our Statutory Auditors have also included certain observations in their reporting under Companies (Auditors Report) Order, 2016 ("**CARO**") on our audited standalone financial statements for Fiscal 2021.

For further details, see, "*Risk Factors – Our Statutory Auditor has included an emphasis of matter in its audit report on consolidated financial statements as at and for the year ended March 31, 2021 and in their report on CMR Consolidated Audited Financial Statements as at and for the year ended March 31, 2020. Further, our Statutory Auditors have included certain observations in their reporting under Companies (Auditors Report) Order, 2016 ("CARO") on our audited standalone financial statements for Fiscal 2021.*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations – Qualifications and Emphasis of Matter*" on pages 53 and 550.

Outstanding litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Other Material Developments*" in terms of the SEBI ICDR Regulations is provided below:

(*₹ in million*)

Nature of cases	Number of cases	Total amount involved (to the extent quantifiable)
Litigation involving our Company		
Proceedings against our Company		
Material civil	1	35.88
Criminal	2	*Not quantifiable*
Tax	33	458.77
Action by statutory or regulatory authorities	1	152.02
Proceedings by our Company		
Material civil	*Nil*	*Nil*
Criminal	7	*Not quantifiable*
Litigation involving our Subsidiaries		
Proceedings against our Subsidiaries		
Material civil	*Nil*	*Nil*
Criminal	1	*Not quantifiable*
Tax	6	48.34
Action by statutory or regulatory authorities	1	10.62
Proceedings by our Subsidiaries		
Material civil	*Nil*	*Nil*

Criminal	1	*Not quantifiable*
Litigation involving our Promoters		
Proceedings against our Promoters		
Material civil	1	35.88
Criminal	3	*Not quantifiable*
Tax	*Nil*	*Nil*
Action by statutory or regulatory authorities	1	152.02
Disciplinary action in the last five Fiscals	*Nil*	*Nil*
Proceedings by our Promoters		
Material civil	*Nil*	*Nil*
Criminal	*Nil*	*Nil*
Litigation involving our Directors		
Proceedings against our Directors		
Material civil	1	35.88
Criminal	3	*Not quantifiable*
Tax	*Nil*	Nil
Action by statutory or regulatory authorities	1	152.02
Proceedings by our Directors		
Material civil	*Nil*	*Nil*
Criminal	*Nil*	*Nil*

For further details, see "*Outstanding Litigation and Other Material Developments*" on page 556.

Risk factors

Specific attention of the Bidders is invited to "*Risk Factors*" on page 29 to have an informed view before making an investment decision.

Summary of contingent liabilities

As of March 31, 2021, our contingent liabilities and guarantees identified under the Ind AS 37, on a consolidated basis, were as follows:

Particulars	As of March 31, 2021 (₹ in million)
Demands received Under Customs Act 1962	5.05
Demands received Under Central Excise Act 1944	421.85
Demands received Under Finance Act 1994	0.14
Demands received Under Sales Tax Act/Entry Tax Act under appeal for various years	28.53
Demands received Under Good and Service Tax Act under appeal for various years	1.26
Demands received Under Income tax Act 1961	149.61
Claim related to legal case filed by ex-workers	6.14
Liability on Account of legal case on enhancement of land purchase price by farmers	13.70
Guarantee given	350.00

For details of our contingent liability and guarantees as at March 31, 2021 as per Ind AS 37, see "*Restated Financial Information – Annexure XXXIX: Notes to Restated Ind AS Consolidated Summary Statements - Commitments & Contingencies*" on page 312.

Summary of related party transactions

A summary of the related party transactions entered into by our Company in the last three Fiscals, as per Ind AS 24 - Related Party Disclosures read with the SEBI ICDR Regulations is set forth in the table below:

(₹ *in million*)

Particulars	Key Management Personnel and their relatives			Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners			Enterprises over which Directors and their relatives have significant influence		
	March 31, 2021	March 31, 2020 (Proforma)	March 31, 2019 (Proforma)	March 31, 2021	March 31, 2020 (Proforma)	March 31, 2019 (Proforma)	March 31, 2021	March 31, 2020 (Proforma)	March 31, 2019 (Proforma)
Transactions during the year:									
Transactions during the year:									
Sale of goods									
CMR-Chiho Industries India Private Limited	-	-	-	3.47	-	-	-	-	-
Nikkei MC Aluminium Company Limited	-	-	-	114.22	-	-	-	-	-
Sale of property, plant and equipment									
CMR-Chiho Industries India Private Limited	-	-	-	0.06	-	-	-	-	-
Sale of store items									
CMR-Chiho Industries India Private Limited	-	-	-	0.46	-	-	-	-	-
Purchase of raw materials and traded goods									
Toyota Tsusho India Private Limited	-	-	-	1,583.37	-	-	-	-	-
CMR-Chiho Industries India Private Limited	-	-	-	76.67	-	-	-	-	-
CMR-Chiho Recycling Technology Private Limited	-	-	-	3.79	-	-	-	-	-
Purchase of property, plant and equipment									
CMR-Chiho Recycling Technology Private Limited	-	-	-	0.08	-	-	-	-	-
Purchase of store items									
CMR-Chiho Industries India Private Limited	-	-	-	0.08	-	-	-	-	-
Commission paid									
Toyota Tsusho India Private Limited	-	-	-	5.00	-	-	-	-	-
Loan given									
CMR-Chiho Industries India Private Limited	-	-	-	680.39	-	-	-	-	-
Mr. Praveen Kumar Maggu	0.30	-	-	-	-	-	-	-	-
Loan received back									
CMR-Chiho Industries India Private Limited	-	-	-	443.90	-	-	-	-	-
Loan taken									
CMR-Chiho Recycling Technologies Private Limited	-	-	-	83.00	-	-	-	-	-
Kent Industrial Park Private Limited	-	-	-	0.49	-	-	-	-	-
Suvridhi Financial Services Limited	-	-	-	-	-	-	-	0.10	0.10
Loan repaid									
CMR-Chiho	-	-	-	28.36	-	-	-	-	-

(₹ in million)

Particulars	Key Management Personnel and their relatives			Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners			Enterprises over which Directors and their relatives have significant influence		
	March 31, 2021	**March 31, 2020 (Proforma)**	**March 31, 2019 (Proforma)**	**March 31, 2021**	**March 31, 2020 (Proforma)**	**March 31, 2019 (Proforma)**	**March 31, 2021**	**March 31, 2020 (Proforma)**	**March 31, 2019 (Proforma)**
Recycling Technologies Private Limited									
Investment made									
Nikkei-CMR Aluminium India Private Limited	-	-	-	49.50	-	-	-	-	-
Expenses made on behalf of related Party									
Nikkei MC Aluminium Company Limited	-	-	-	0.09	-	-	-	-	-
Nikkei-CMR Aluminium India Private Limited	-	-	-	1.02	-	-	-	-	-
CMR Tech Solutions Private Limited	-	-	-	-	-	-	0.00	-	-
CMR-Chiho Recycling Technologies Private Limited	-	-	-	0.23	-	-	-	-	-
Sanjivani Non Ferrous Trading Private Limited	-	-	-	-	-	-	-	0.02	0.01
Interest Paid									
CMR-Chiho Recycling Technologies Private Limited	-	-	-	3.06	-	-	-	-	-
CMR Tech Solutions Private Limited	-	-	-	-	-	-	0.18	-	-
Kent Industrial Park Private Limited	-	-	-	0.03	-	-	-	0.12	-
Suvridhi Financial Services Limited	-	-	-	-	-	-	-	0.01	0.01
Remuneration Paid*									
Mr. Deepak Kumar Garg	4.84	-	-	-	-	-	-	-	-
Mr. Virender Kumar Shimar	2.08	-	-	-	-	-	-	-	-
Mr. Praveen Kumar Maggu	1.38	-	-	-	-	-	-	-	-
Interest Received									
CMR-Chiho Industries India Private Limited	-	-	-	19.26	-	-	-	-	-
Investment made in Equity portion of Corporate Guarantee									
CMR Chiho Industries India Private Limited	-	-	-	3.90	-	-	-	-	-
Guarantee Given									
CMR Chiho Industries India Private Limited	-	-	-	350.00	-	-	-	-	-
Manpower Services Received									
CMR-Chiho Industries India Private Limited	-	-	-	10.82	-	-	-	-	-
IT Services Received									
CMR-Chiho Industries India Private Limited	-	-	-	8.32	-	-	-	-	-

** Paid by transferor companies pursuant to Scheme of Arrangement.*

The following are the details of the transactions eliminated in the last three Fiscals:

(₹ in million)

Particulars	Key Management Personnel and their relatives			Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners			Enterprises over which Directors and their relatives have significant influence		
	March 31, 2021	March 31, 2020 (Proforma)	March 31, 2019 (Proforma)	March 31, 2021	March 31, 2020 (Proforma)	March 31, 2019 (Proforma)	March 31, 2021	March 31, 2020 (Proforma)	March 31, 2019 (Proforma)
Transactions during the year:									
Sale of goods									
CMR Nikkei India Private Limited #	-	-	-	3,980.49	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	1,953.86	-	-	-	-	-
Sale of property, plant and equipment									
CMR Nikkei India Private Limited #	-	-	-	0.04	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	0.51	-	-	-	-	-
Sale of store items									
CMR Nikkei India Private Limited #	-	-	-	0.46	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	0.24	-	-	-	-	-
Purchase of raw materials and traded goods									
CMR Nikkei India Private Limited #	-	-	-	1,601.09	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	219.77	-	-	-	-	-
Purchase of property, plant and equipment									
CMR Nikkei India Private Limited #	-	-	-	7.54	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	1.00	-	-	-	-	-
Purchase of store items									
CMR Nikkei India Private Limited #	-	-	-	4.09	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	0.11	-	-	-	-	-
Rent received									
CMR Nikkei India Private Limited #	-	-	-	3.83	-	-	-	-	-
CMR-Kataria Recycling Private Limited #	-	-	-	0.01	-	-	-	-	-
Loan given									
CMR-Kataria Recycling Private Limited #	-	-	-	0.51	-	-	-	-	-
CMR Aluminium Private Limited #	-	-	-	155.32	-	-	-	-	-
Loan received back									
CMR Aluminium Private Limited #	-	-	-	1.34	-	-	-	-	-
Investment made									

(₹ in million)

Particulars	Key Management Personnel and their relatives			Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners			Enterprises over which Directors and their relatives have significant influence		
	March 31, 2021	**March 31, 2020 (Proforma)**	**March 31, 2019 (Proforma)**	**March 31, 2021**	**March 31, 2020 (Proforma)**	**March 31, 2019 (Proforma)**	**March 31, 2021**	**March 31, 2020 (Proforma)**	**March 31, 2019 (Proforma)**
CMR-Kataria Recycling Private Limited #	-	-	-	0.51	-	-	-	-	-
Expenses made on behalf of related Party									
CMR Nikkei India Private Limited #	-	-	-	2.87	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	3.01	-	-	-	-	-
Interest Received									
CMR Nikkei India Private Limited #	-	-	-	44.80	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	12.10	-	-	-	-	-
CMR- Kataria Recycling Private Limited #	-	-	-	0.02	-	-	-	-	-
CMR Aluminium Private Limited #	-	-	-	4.36	-	-	-	-	-
Guarantee Given									
CMR-Toyotsu Aluminium India Private Limited #	-	-	-	37.00	-	-	-	-	-
CMR Nikkei India Private Limited #	-	-	-	30.00	-	-	-	-	-
Guarantee Taken									
CMR Nikkei India Private Limited #	-	-	-	64.90	-	-	-	-	-
CMR-Toyotsu Aluminium India Private Limited #	-	-	-	199.60	-	-	-	-	-
Procurement Commission Received									
CMR Nikkei India Private Limited #	-	-	-	59.29	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	42.84	-	-	-	-	-
Sales Commission Received									
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	11.18	-	-	-	-	-
Corporate Social Responsibility expenditure									
CMR Welfare Foundation (subsidiary)#	-	-	-	1.00	-	-	-	-	-

 # Eliminated on consolidation and included as per the regulations

For further details, see "*Related Party Transactions*" on page 512.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price

The weighted average price at which the equity shares of our Company were acquired by each of our Promoters and Selling Shareholders, in the one year preceding the date of this Draft Red Herring Prospectus, is set forth below:

S. No.	Name	Number of Equity Shares acquired in the last one year preceding the date of this Draft Red Herring Prospectus	Weighted average price of acquisition per Equity Share (in ₹)*
1.	Gauri Shankar Agarwala	40,842,760	1.24
2.	Mohan Agarwal	55,905,650	0.89
3.	Kalawati Agarwal	39,825,940	1.26
4.	Pratibha Agarwal	43,987,280	0.98
5.	Gauri Shankar Agarwala (HUF)^	6,291,620	0.96
6.	Mohan Agarwal (HUF)^	1,905,540	0.08
7.	Global Scrap Processors Limited	2,96,95,791	9.01

** As certified by Kumar Vijay Gupta & Co., Chartered Accountants, by way of their certificate dated September 25, 2021.*
^ Through its karta.

Average cost of acquisition

The average cost of acquisition of Equity Shares by our Promoters and Selling Shareholders as at the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹) #
1.	Gauri Shankar Agarwala	41,192,760	1.25
2.	Mohan Agarwal	56,265,600	0.90
3.	Kalawati Agarwal	40,138,440	1.27
4.	Pratibha Agarwal	44,349,780	0.99
5.	Gauri Shankar Agarwala (HUF)^	6,466,620	0.99
6.	Mohan Agarwal (HUF)^	1,980,540	0.15
7.	Global Scrap Processors Limited	29,695,791	9.01

 # As certified by Kumar Vijay Gupta & Co., Chartered Accountants, by way of their certificate dated September 25, 2021.
^ Through its karta.

For further details of the average cost of acquisition of our Promoters, see "*Capital Structure – Build-up of our Promoters' shareholding in our Company*" on page 87.

Details of pre-Offer Placement

A Pre-IPO placement may be undertaken by our Company, in consultation with the Book Running Lead Managers, for an amount aggregating up to ₹ 600.00 million prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with the minimum issue size requirements prescribed under regulation 19(2)(b) of the SCRR.

Issue of Equity Shares for consideration other than cash in the last one year

Except for the allotment of equity shares of a face value of ₹ 10 each made by our Company on September 2, 2021, pursuant to the Scheme of Arrangement, as set forth in "*Capital Structure – Notes to the capital structure – Equity Share capital history of our Company*" on page 82, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus, other than by way of bonus issues.

Split or consolidation of Equity Shares in the last one year

Except as disclosed below, our Company has not undertaken any split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus:

Pursuant to resolutions passed by our Board and Shareholders in their meetings held on September 2, 2021 and September 4, 2021 respectively, our Company has sub-divided its authorised share capital, such that each equity share of a face value of ₹ 10 each was sub-divided into five Equity Shares of a face value of ₹ 2 each. Accordingly, 3,726,970 equity shares of face value of ₹ 10 each were split into 18,634,850 Equity Shares of face value of ₹ 2 each. For further details, see "*Capital Structure – Notes to the Capital Structure – Equity Share capital history of our Company*" on page 82.

SECTION III – RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. To obtain a complete understanding, prospective investors should read this section in conjunction with the sections "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 153 and 514, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all risk factors that may arise in connection with to our business or any decisions to purchase own or dispose of Equity Shares. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. Investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. 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 suffer, the price of the Equity Shares could decline, and 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. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Offer.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks 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 elsewhere in this Draft Red Herring Prospectus. See the section "Forward-Looking Statements" beginning on page 17.

*Our Company, GMRPL, SFSL, SNFTPL, RPPL, FMPL, the erstwhile Century Metal Recycling Limited ("**CMR**" and along with GMRPL, SFSL, SNFTPL, RPPL and FMPL, the "**Transferor Companies**") and their respective shareholders filed a scheme of arrangement (the "**Scheme of Arrangement**") under Sections 230-232 before the NCLT, for the amalgamation of the Transferor Companies into our Company. Our Company and the Transferor Companies were part of the 'CMR Group', which was primarily engaged in the business of metal recycling and the manufacture of metal products. Upon the conclusion of the Scheme of Arrangement, the name of our Company was changed from 'Grand Metal Industries Limited' to its current name, 'CMR Green Technologies Limited'. Accordingly, unless otherwise indicated or the context requires otherwise, the information included herein refers to our Company, on a consolidated basis, as it stands upon the conclusion of the Scheme of Arrangement. For details, also see "Capital Structure" and "History and Certain Corporate Matters – Mergers or amalgamation" on pages 82 and 182, respectively.*

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from the Restated Financial Information included in this Draft Red Herring Prospectus. Further, our restated consolidated financial statements as at and for the years ended March 31, 2019 (proforma) and March 31, 2020 (proforma) included in this Draft Red Herring Prospectus, do not take into account the impact of the Scheme of Arrangement and accordingly, such financial statements may not be comparable to the restated consolidated financial statements of the Company as at and for the years ended March 31, 2021 included in this Draft Red Herring Prospectus.

*The industry and market data used in this section, unless otherwise indicated, has been derived from the report "Assessment of secondary aluminium industry in India" dated September 2021 (the "**CRISIL Report**") prepared and released by CRISIL Research and commissioned and paid for by our Company for an agreed fee, exclusively for the purpose of this Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Further, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. 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.

INTERNAL RISK FACTORS

1. ***One of our lenders has claimed that we have committed defaults in the repayment of certain amounts under a facility availed by our Company and has initiated several litigation proceedings, including a corporate insolvency resolution process, against our Company. In the event we are unable to comply with the conditions of our loan facility, or if any adverse findings are made in any proceedings against us or we are declared insolvent, our business, cash flows and financial condition could be affected adversely.***

CMR had availed a supply chain finance facility in respect of funding of invoices raised by our Company ("**Facility**"), from Ugro Capital Limited ("**Ugro**") in terms of a sanction letter dated August 10, 2020 and a master facility agreement dated August 13, 2020, and pursuant to the Scheme of Arrangement, our Company has substituted CMR in relation to the same. In terms of the Facility, CMR was entitled to have its bills for the sale of raw materials to Kiran Udyog Limited discounted by Ugro. In terms of the Facility, the amount paid by Ugro in each tranche was to be repaid within a period of 90 days. Ugro has alleged that CMR (and pursuant to the Scheme of Arrangement, our Company) has been in default of repayment of an amount of ₹ 34.37 million drawn under the Facility with effect from January 29, 2021, as well as interest on the same. Pursuant to the same, Ugro classified our accounts as a non-performing asset from the month of June 2021. It has also alleged that our Company is not in compliance with, and that there has been breach of the terms, conditions and covenants in relation to, the loan documentation. In the event of a continued failure on our part service such indebtedness, the Facility may be terminated, and we and our directors may also be declared as wilful defaulters. Further, several of the other financing arrangements we have entered into contain cross-default provisions. Pursuant to the same, we may be considered as having defaulted on such arrangements, all such loans may be recalled, and we may be required to pay all outstanding amounts under such arrangements, which may have a significant and material adverse effect on our ability to conduct our business, cash flows, financial condition and results of operations. Further, we may be unable to enter into future financing arrangement or terms that are favourable to us or at all.

Further, Ugro has initiated legal proceedings against us and one of our Directors in relation to the amounts highlighted above, and may initiate further proceedings against us. Ugro has initiated arbitration proceedings against our Company and Mohan Agarwal, our Promoter and Chairman and Managing Director, before the Centre for Alternate Dispute Resolution Excellence ("**CADRE**"), seeking an award of a sum of ₹ 35.88 million, as well as interest, amongst others. CADRE has appointed a sole arbitrator to preside over the matter, and CMR has filed a petition before the High Court of Calcutta, seeking that the mandate of such sole arbitrator be terminated. The High Court of Calcutta has, pursuant to an order dated September 21, 2021, set aside such appointment of the sole arbitrator. Following the amalgamation of CMR into our Company, our Company has substituted CMR in the matter. The matter is currently pending. For further details, see "*Outstanding Litigation and Other Material Developments*" at page 556. Further, Ugro has served us with an advance notice for initiation of corporate insolvency resolution proceedings against our Company. There is no assurance that the proceedings shall be decided in favour of our Company. In the event of any adverse outcome, we may be required to pay the disputed amounts along with applicable interest and penalties, which may have an adverse effect on our business, reputation, financial condition and cash flows.

2. ***We depend on a limited number of customers for significant portions of our revenues. The loss of one or more of our significant customers or significant reduction in production and sales of, or demand for our production from our significant customers may adversely affect our business, financial condition, result of operations and cash flows.***

A significant proportion of our revenues have historically been derived from a limited number of customers. Reliance on a limited number of customers for our business may generally involve several risks. These risks may include, but are not limited to, reductions, delays or cancellation of orders from our significant customers, a failure to negotiate favourable terms with our key customers or the loss of these customers, all of which would have a material adverse effect on the business, financial condition, results of operations, cash flows and future prospects of our Company. Further, there is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. In order to retain some of our existing customers, we may also be required to offer terms to such customers which may place restraints on our resources. Additionally, our revenues may be adversely affected if there is an adverse change in any of our customers' supply chain strategies or a reduction in their outsourcing of products we offer, or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers.

During the Fiscal ended March 31, 2021, our Company catered to 60 customers on a standalone basis, and to a total of 116 customers on a consolidated basis, in respect of manufactured sale of aluminium and zinc alloys. The contribution of our sales to our top five customers as a percentage of the revenue from operations (net of goods and services taxes) of our Company on a consolidated basis, during Fiscal 2021, are disclosed hereunder.

S. No.	Customer	% contribution in the revenue from operations (net of goods and services taxes) of our Company on a consolidated basis for Fiscal 2021
1.	Customer 1	11.26%
2.	Customer 2	10.88%
3.	Customer 3	8.74%
4.	Customer 4	6.01%
5.	Customer 5	3.35%

Some of these customers have been associated with us for more than ten years. Maintaining strong relationships with our key customers is, therefore, essential to our business strategy and to the growth of our business.

Some of our customers may place demands on our resources or may require us to undertake additional obligations which have the effect of increasing our operating costs and therefore affect our profitability. Further, a decline in our customers' business performance may lead to a corresponding decrease in demand for our products. Furthermore, the volume of work performed for these customers may vary from period to period and we may not be the exclusive alloy supplier for our customers. In addition, we rely primarily on purchase orders, and do not typically enter into arrangements with firm commitments on pricing. Consequently, the loss of any existing key customer, may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers or secure new customers to offset any loss of revenue from the loss of any of our existing key customers. As a consequence of our reliance on such customers, any adverse change in the financial condition of these customers may also have an adverse effect on our business, financial condition, results of operations, cash flows and future benefits.

3. We do not have firm commitment long-term agreements with our customers. If our customers choose not to source their requirements from us or manufacture such products in-house, our business, cash flows and results of operations may be adversely affected.

We primarily rely on short term purchase orders to govern the volume and other terms of our sales of products, from our customers, and do not typically enter into a firm commitment on pricing. Many of the purchase orders we receive from our customers specify a price per unit and delivery schedule, and the quantities to be delivered are determined closer to the date of delivery. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our revenue and production schedules.

Additionally, certain customers have stringent standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations and specifications could result in the cancellation or non-renewal of contracts or purchase orders. There are also a number of factors other than our performance that could cause the loss of a customer. Customers may demand, among others, price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, cash flows, results of operations and financial condition. Further, most of our manufacturing facilities are strategically located close to some of our customers' facilities, which is essential for us to make deliveries of liquid aluminium alloys and plays a significant role in aiding and nurturing a strong relationship with our customers. However, any of such customers may choose to relocate to a new location for business operations or there may be a disruption in the manufacturing operations of such customers in which case, our business, results of operations, cash flows and financial condition may be adversely affected.

Accordingly, we face the risk that our customers might not place any order or might place orders of lesser than-expected size or may even cancel existing orders or make changes in their policies which may result in reduced quantities being manufactured by us for our customers. Any cancellations, reductions or instructions to delay production (thereby delaying delivery of products manufactured by us) by a significant customer could adversely affect our results of operations by reducing our sales volume, as well as possibly cause delays in our customers paying us for the order placed for purchasing the inventory with us which we would have manufactured for them. We may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. For instance, in facilities that have been specially set up for servicing a single customer or where a significant portion of the revenue is derived from a single customer, lower utilization of these manufacturing facilities could also result in our realizing lower margins as we may not be able to undertake manufacturing in large numbers which is critical to our business. Our manufacturing facility situated at Gurugram ("**Gurugram Unit**") has been set up as a single customer focused facility for Sunbeam Lightweighting Solutions Private Limited even though we do not have any exclusivity arrangement or long term contract with them. The Gurugram Unit contributed 5.16% of our total revenue from operations over Fiscal 2021. Consequently, as there is no commitment on the part of the customer to continue to place new orders with us, our sales from period to period may fluctuate significantly as a result of changes in our customers' preferences.

In addition, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products could reduce our ability to accurately estimate future customer requirements, make it difficult to schedule production and limit our ability to maximize utilization of our manufacturing capacity. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. We often increase staffing, increase capacity and incur other expenses to meet the anticipated demand of our customers, which could cause reductions in our margins if an order gets delayed or cancelled or modified.

4. ***We heavily depend on our customers in the automotive sector and are significantly dependent on the performance of the automotive sector in India and overseas. A loss of, or a significant decrease in business from these customers or a change in the preference of alloys used in the automotive industry or any adverse changes in the conditions affecting this sector can adversely impact our business, results of operations, cash flows and financial condition.***

Our business is heavily dependent on the tier 1 auto component suppliers ("**Tier 1 companies**") and original equipment manufacturers ("**OEMs**") and their performance in the automotive sector in India and overseas. During Fiscal 2021, our Company supplied 85,979.21 MT liquid aluminium alloys and 56,010.66 MT aluminium alloy ingots, respectively, to Tier 1 companies and OEMs. The revenue generated from sales of our products to OEMs and Tier 1 companies in the automotive industry, as a percentage of our total revenue from operations on a consolidated basis, during Fiscal 2021 was 65.66%. As a result of our dependence on these customers, any loss of business from, or any significant reduction in the volume of business with, any of these customers, if not replaced, could materially and adversely affect our business, cash flows, financial condition and results of operations.

The automotive industry tends to be affected directly by trends in the general economy. We believe that the automotive industry is sensitive to general economic conditions and factors such as consumer demand, consumer confidence, inflation, employment and disposable income levels, interest rate levels, demographic trends, technological changes, increasing environmental, health and safety regulations, government policies, political instability and fuel prices which may negatively affect the demand for our products. Even before the economic slowdown and disruptions in view of the COVID-19 pandemic, there was a reduction in automobile sales in India. We believe that this reduction was on account of the slow-down in the overall economy, higher insurance costs and the scheduled adoption of Bharat Stage VI emission standards. There is no assurance that even after the impact of COVID-19 subsides, automobile sales shall recover. In particular, any technology driven disruption may change the way the automotive industry operates and could adversely affect certain of our existing customers if they are unable to anticipate and act upon these changes. Further, the current on-going global shortage of semi-conductor chips may also have an impact on our operations, including but not limited to a decrease in the quantity of our sales.

Further, our operations are cyclical because our sales are directly dependent on the level of automotive production and affected by inventory levels of automotive manufacturers, which has been characterized historically by significant periodic fluctuations in overall demand for vehicles to which we supply products, resulting in corresponding fluctuations in demand for our products. The length and timing of any cycle in the vehicle industry cannot be predicted with certainty. We cannot predict when manufacturers will decide to either build or reduce inventory levels or whether new inventory levels will approximate historical inventory levels. Production and sales of the vehicles for which we supply products are affected by, among other things, a variety of other factors that are beyond our control.

Any significant reduction in vehicle sales and production by our customers could have a significant negative effect on the demand for our products. In the event of a decrease in demand for two-wheelers or passenger vehicles in India or overseas, or any developments that make the sale of components in the two-wheeler or passenger vehicle market in India and overseas less economically beneficial, we may experience adverse impact on our business, cash flows, results of operations and financial condition. In addition, the automotive industry come to use products other than the recycled aluminium alloys that we manufacture. Further, a significant portion of our sales used in the manufacture of parts for internal combustion engines in cars, may or may not be used in electric vehicles. This could have a significant impact on our sales. These and other factors may negatively contribute to changes in the prices of and demand for our products in India and may adversely affect our business, cash flows, results of operations and financial condition.

5. ***Volatility in the supply and pricing of our raw materials may have an adverse effect on our business, cash flows, financial condition and results of operations. Our raw material suppliers could fail to meet their obligations, which may have a material adverse effect on our business, cash flows, results of operations and financial condition.***

The principal raw materials used in our manufacturing process include aluminium based scrap such as zorba, zurik, taint tabor, tense, troma, turning and tally, as well as stainless steel-based metal scraps, among others. Our cost of raw materials consumed, including purchase of traded goods and changes in inventories of finished and traded goods for Fiscal 2021 was ₹ 22,963.91 million, which represented 78.83% of our revenue from operations. The amount spent for the procurement of raw materials towards our top five suppliers, as a percentage of our total purchases (on an unconsolidated basis), was 14.63% (towards Supplier 1), 6.42% (towards Supplier 2), 4.53% (towards Supplier 3), 4.09%% (towards Supplier 4) and 3.90% (towards Supplier 5), in Fiscal 2021. Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials at acceptable prices.

We do not have long term agreements with any of our raw material suppliers and we acquire such raw materials pursuant to our purchase orders from suppliers across the world. Raw material supply and pricing can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, tariff disputes, transportation and labour costs, labour unrest, natural disasters, competition, import duties, the outbreak of infectious diseases such as COVID-19, tariffs and currency exchange rates and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Further, discontinuation of such supply or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and therefore affect our business and results of operations. There can be no assurance that demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules for our key products and to deliver such products to our customers in a timely manner, which would adversely affect our sales, margins and customer relations. Additionally, our inability to predict market conditions may result in us placing supply orders for inadequate quantities of such raw materials. Therefore, we cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them and on commercially acceptable terms.

Further, as we import most of our raw materials, we carry out payment in foreign currencies. This exposes us to currency fluctuation risk. The prices of raw materials used by us are volatile and are subject to various factors including fluctuation in commodity prices, global economic conditions and market speculation, among other factors. Given the nature of the international scrap industry, our purchase contracts are made on spot prices. This exposes us to a significant risk of price and currency fluctuations. Since we have long lead times in our supply chain due to high imports, the scrap markets and forex rate may fluctuate in the intervening time and we may not be able to adjust prices of our finished products against what we would have paid for our raw materials. We may not be able to effectively hedge ourselves from the fluctuations in scrap prices and foreign exchange rate and this may have an adverse impact on our profitability. While we have a monthly pricing policy which permits us to pass on fluctuations in rates to our customers, there is no assurance that we shall continue to be able to do so successfully or at all. For details in relation to our currency exchange rates with respect to United States Dollars, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Exchange Rates*" on page 16.

Further, any change in the supplying pattern of our raw materials can adversely affect our business and profits. Any delay in the supply or delivery of raw materials to us by our suppliers in other countries may in turn delay our process of manufacture and delivery of products to our customers and this may have an adverse effect on our business, cash flows and results of operations. Further, any adverse change in policies by other countries, in terms of tariff and non-tariff barriers or in their environmental laws and regulations, from which our suppliers export raw materials, may negatively impact our profitability.

As a consequence of the widespread nature of the COVID-19 pandemic, global production and supply chain systems have been impacted severely. Several prominent economies across the world, including countries from which we derive a majority of our raw materials, have enforced total lockdowns from time to time, which has disrupted transportation links and distribution mechanisms across the world. Due to the resultant shortage of supply and the non-availability of empty containers for transport, our cost of raw materials has increased significantly, and we have suffered delays in procuring raw materials. Our cost of raw materials consumed, as a percentage of our total expenditure was 87.09% in Fiscal 2021. Our supply of raw materials continues to be inconsistent, and there can be no assurance that we will procure the quantities and quality of raw materials commensurate with our requirements in the future.

We use third parties for the supply of our raw materials. Transportation strikes have in the past and could in the future have an adverse effect on our supplies from particular facilities on a timely and cost-efficient basis. An increase in freight costs or the unavailability of adequate transportation for our raw materials to us may have an adverse effect on our business, cash flows and results of operations.

6. ***Our manufacturing process is dependent on a technology driven production system. Any inability to successfully develop or procure specialized technology will adversely affect our business, financial condition, result of operations and cash flows.***

We believe that aluminium alloys are critical to the automotive industry and the automotive component industry, and that the automobile industry is a design and technology driven industry, which requires us to continuously invest in developing technologies and undertaking research and development activities.

In certain cases, we depend on our joint venture partners for procuring competitive technologies, and continue, from time to time, to actively engage with potential joint venture partners for this purpose, which may or may not materialise. For instance, we were one of the initial suppliers of liquid aluminium over the road to our customers, pursuant to the know-how gained from our joint venture partners, Toyota Tsusho and Nikkei. If we are unable to successfully manage our relationships with our joint venture partners, our growth and profitability may suffer. Further, dependence on third-party partners could lead to an increase in our expenditure, for which there may not be any assured returns.

Additionally, changes in industry requirements or in competitive technologies may render certain of our products obsolete or less attractive and require us to procure or develop modernized technology for which we may need to, in future, execute strategic arrangements with patent holders of patented technology or other partners. Additionally, such modern equipment may also be expensive, and our Company may be restricted in its ability to purchase such modernized technology.

We cannot assure you that we will be able to secure the necessary technological knowledge, which will allow us to develop products and to expand our product portfolio in a suitable manner. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business, financial condition, results of operations and cash flows may be adversely affected.

7. ***Our inability to accurately forecast demand for our products, and accordingly manage our inventory or plan capacity increases, may have an adverse effect on our business, cash flows, financial condition and results of operations.***

Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, cash flows, financial condition and results of operations. We do not have firm commitment long-term supply agreements with our customers and instead rely on short term purchase orders to govern the volume and other terms of the sales of products. Accordingly, we plan our production volumes based on our forecast of the demand for our products. We typically plan capacity increases of our manufacturing facilities on the basis of anticipated demand and past experience, which we gauge on the basis of our estimated demand for our products. Any error in forecasting could result in surplus stock which would have an adverse effect on our profitability.

As is typical in the metal recycling industry, we maintain a high level of inventory of raw materials, work in progress and finished goods. In order to pursue our expansion strategy, we have increased production levels and our inventory of raw materials and finished goods. As of Fiscal 2021, our inventory of raw materials and finished goods amounted to ₹ 4,150.12 million. Our high level of inventory increases the risk of loss and storage costs to us as well as increasing the need for working capital to operate our business. Further, as our customers are not obliged to purchase our products or provide us with a binding long-term commitment, there can be no assurance that customer demand will match our production levels.

On the other hand, in the event that the demand we have forecasted is lower than the actual demand of our products, and we are unable to ramp up production to match such demand, we may be unable to supply the requisite quantity of products to our customers in a timely manner. Any increase in our turn-around time could affect our production schedules and disrupt our supply, which could have an adverse effect on our business, cash flows, financial condition and results of operations.

8. We rely on third-party transportation providers for procurement of raw materials and for supply of our products and failure by any of our transportation providers could result in loss in sales.

We depend on road transportation to deliver our finished products to our customers. Apart from using our own vehicles for transportation, we also use commercial vehicles and third-party transportation providers for procuring our raw materials as well as for distributing our products to our customers. This makes us dependent on various intermediaries such as domestic logistics companies and container freight station operators. Even though some of our manufacturing facilities are closer to our customers' premises, we cannot guarantee that there will not be any delay in transportation and delivery of our products to our customers. Weather-related problems, strikes, operating restrictions or lock-downs consequent to the outbreak of infectious diseases, such as the COVID-19 pandemic, or other events could impair our ability to procure raw materials from our suppliers or the ability of our suppliers to deliver raw materials to us which may in turn delay the process of manufacturing and supplying our products to our customers, leading to cancellation or non-renewal of purchase orders, and this could adversely affect the performance of our business, results of operations and cash flows.

Additionally, if we lose one or more of our third-party transportation providers, we may not be able to obtain terms as favourable as those we receive from the third-party transportation providers that we currently use, which in turn would increase our costs and thereby adversely affect our operating results. Further, our third-party transportation providers do not carry any insurance coverage and therefore, any losses that may arise during the transportation process will have to be claimed under the Company's insurance policy. There can be no assurance that we will receive compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and cash flows.

9. Our continued operations are critical to our business and any disruption to power or fuel sources or any shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations, financial condition and cash flows.

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents, the breakout of infectious diseases such as COVID-19, and the need to comply with the directives of relevant government authorities. Our customers rely significantly on the timely delivery of our products, especially liquid aluminium, and our ability to provide an uninterrupted and timely supply of our products is critical to our business. In addition, certain of our customers can impose significant penalties on us for any delayed delivery of products or a defect in the products delivered. Accordingly, our business and financial results may be adversely affected by any such disruption of our operations.

We also require substantial electricity for our manufacturing facilities, most of which is sourced from state electricity boards. If supply is not available for any reason, we will need to rely on alternative sources, which may not be able to consistently meet our requirements. The cost of electricity purchased from alternative sources could be significantly higher, thereby adversely affecting our cost of production and profitability. The cost of supplies may otherwise increase in the future. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress.

Additionally, we require substantial fuel for our manufacturing facilities, and energy costs represent a significant portion of the production costs for our operations. For Fiscal 2021, our power and fuel costs was ₹ 831.61 million, constituting 2.84% of our total income. Any change is government policies regarding the usage of fuel for running furnaces could also have an adverse impact on our business. For instance, pursuant to a notification dated March 6, 2017 issued by the Environmental Pollution (Prevention and Control) Authority (the "**EPCA**") which came into effect from November 1, 2017, to ban the usage of furnace oil, we were forced to pursue other alternatives such as bio diesel, gas and low sulphur high stock fuel, which are comparatively expensive.

In addition, we source most of our water requirements from state utilities, but there is no assurance that we will be able to obtain a sufficient supply of water from sources in these areas, some of which are prone to drought. Therefore, we are subject to price risk and if supply or access is not available for any reason, our production may be disrupted and profitability could be adversely affected. If energy or water costs were to rise, or if electricity or water supplies or supply arrangements were disrupted, our profitability could decline. Moreover, a sustained disruption to our business could also result in a loss of customers or imposition of penalties by our customers for failure to adhere to timelines. Any or all of these occurrences could result in the temporary or long-term closure of our manufacturing facilities, severely disrupt our business operations and materially adversely affect our business, cash flows, results of operations, financial condition and prospects.

10. The COVID-19 pandemic and resulting deterioration of general economic conditions has impacted our business and results of operations in the past and the extent to which it may impact our future business and results of operations will depend on future developments, which are difficult to predict.

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the novel coronavirus disease ("**COVID-19**") outbreak a pandemic on March 11, 2020. The rapid and diffused spread of COVID-19 and global health concerns relating to this pandemic have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that in turn has had, and could continue to have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity and growth. On March 14, 2020, India declared COVID-19 as a 'notified disaster' and imposed a nationwide lockdown announced on March 24, 2020 which was subsequently relaxed for movement of goods and people and cautious re-opening of businesses and offices. However, several local and state governments placed lockdowns and other restrictions in view of subsequent eruptions of COVID-19.

Our operations, revenues and consequently profits during the year ended March 31, 2021, were impacted due to COVID-19 pandemic. Our revenue from operations and profit for the year for Fiscal 2021 was ₹ 29,131.90 million and ₹ 407.29 million, respectively. The COVID-19 pandemic resulted in some disruptions in the supply of raw materials from our domestic and international suppliers during the months of March, April and May 2020. We also experienced some disruptions in maintaining manpower availability, and supply chain and inventory management, as well as delays in orders. Further, we faced fluctuations in the demand for our products, in view of uncertainties caused by lockdowns and other restrictions imposed by state, local and central governments. Our Statutory Auditors have also included an emphasis of matter in the auditors' reports on our audited consolidated financial statements for the Fiscal ended March 31, 2021. For details, see "*Risk Factor - Our Statutory Auditor has included an emphasis of matter in its audit report on consolidated financial statements as at and for the year ended March 31, 2021 and in their report on CMR Consolidated Audited Financial Statements as at and for the year ended March 31, 2020. Further, our Statutory Auditors have included certain observations in their reporting under Companies (Auditors Report) Order, 2016 ("CARO") on our audited standalone financial statements for Fiscal 2021.*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations – Qualifications and Emphasis of Matter*" on pages 53 and 550, respectively.

Thereafter, the second wave of COVID-19 pandemic hit India. Currently, the state Governments have implemented regional lockdowns based on situation in individual states/regions. Our facilities, however, are currently operating subject to certain social distancing and additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization. We have made detailed assessment of our liquidity position and the recoverability of carrying value of our assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, we expect to recover the carrying amount of these assets. The impact of the pandemic in the subsequent period is highly dependent on the situations as they evolve and hence may be different from that estimated. While the Government of India in coordination with the state governments have started the bulk immunization process or vaccination drive since January 16, 2021, the scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain. There is also no assurance that the vaccines that are developed will be fully effective and/ or may not have side effects.

We continue to closely monitor the impact that COVID-19 may have on our business and results of operations. The COVID-19 pandemic and related volatility in financial markets and deterioration of national and global economic conditions could affect our business and operations in a variety of ways. For instance, on account of operating restrictions/lockdown consequent to the outbreak of the COVID-19 pandemic, we may experience operational disruptions as a result of the following:

- a temporary shutdown of our manufacturing facilities due to government restrictions or illness in connection with COVID-19
- a decrease in demand for our products as a result of COVID-19 on account of government restrictions imposed and additionally on account of cost control measures implemented by our customers
- supply chain disruptions for us and our customers
- a significant percentage of our workforce being unable to work, including because of travel or government restrictions in connection with COVID-19, including stay at home orders
- delays in orders or delivery of orders
- our strategic projects getting postponed or our planned deliveries being delayed; and
- inability to collect full or partial payments from some customers due to deterioration in customer liquidity.

Even if a virus or other disease does not spread significantly and the measures are not implemented, the perceived risk of infection or significant health risk may adversely affect our business. Manufacturing facilities may be perceived as unsafe during such public health threats. If any of our workforce or our manufacturing facilities and warehouses are identified as a possible source of spreading COVID-19, or if there is a public perception that such risk exists, our facilities may have to be shut down and our business operations may be adversely affected. Any negative impact on consumers' willingness or ability to purchase automobiles or automobile components, consumers' willingness or ability to make purchase orders, could adversely affect our business, financial condition, cash flows and results of operations.

The extent to which the COVID-19 impacts our business and results will depend on future developments, which are highly uncertain and cannot be predicted, such as new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. In addition, we cannot predict the impact that the COVID-19 pandemic will have on our customers, suppliers and other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us. As a result of these uncertainties, the impact may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. Further, to the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this section.

11. We are subject to strict quality requirements and are consequently required to incur significant expenses to maintain our product quality. Any failure to comply with such quality standards may lead to cancellation of existing and future orders which may adversely affect our reputation, financial conditions, cash flows and results of operations.

We currently specialize in the manufacture and supply of aluminium alloy ingots and liquid aluminium alloys, as well as the manufacture and supply of stainless steel, amongst others, based on technical specifications provided by our customers. Given the nature of our products and the sector in which we operate, our customers have high and exacting standards for product quality as well as delivery schedules. Adherence to quality standards is a critical factor in our manufacturing process as any defects in the products manufactured by our Company or failure to comply with the technical specifications of our customers regarding the chemical composition of the alloy may lead to cancellation of the orders placed by our customers. Further, any failure to make timely deliveries of products in the desired quantity as per our customers' requirements could also result in the cancellation of orders placed by our customers and may adversely affect our reputation and goodwill. Further, due to the significant dependence of our customers' production lines on the continuity of our supplies, any failure by us to maintain supplies may have significant consequences, including the imposition of penalties under our contractual arrangements and disruptions or cessation of relationships with our customer, among others.

Additionally, prior to placing the orders, there is a detailed review process that is undertaken by certain customers. This may involve inspection of the manufacturing facilities, review of the manufacturing processes, review of the raw materials, review of our financial capabilities, technical review of the designs and specification of the proposed product, review of our logistical capabilities across geographies, review of the target price by the purchase team of the customer and multiple inspection and review of prototypes of the product. The finished product delivered by us is further subject to laboratory validation by certain customers. This is an extensive and stringent process undertaken by our customers. We are therefore subject to a stringent quality control mechanism at each stage of the manufacturing process and are required to maintain the quality and precision level for each product. As a result, we are required to incur expenses to maintain our quality assurance systems such as periodic checking by the operators to ensure there is no defect from the previous stage operator, forming a separate team of engineers responsible for quality and assurance, both, in the manufacturing facilities and machineries, and in the manufacturing processes. We will continue to spend a portion of our future revenues to manage our product quality and to maintain our quality control a failure of which may negatively impact our profitability.

12. There is outstanding litigation against our Company, our Subsidiaries, our Directors and our Promoters which if determined adversely, could affect our business, cash flows and results of operations.

As on the date of this Draft Red Herring Prospectus, we are involved in certain civil, tax, regulatory and criminal proceedings which are pending at different levels of adjudication before various courts, tribunals, forums and appellate authorities. We cannot assure you that these legal proceedings will be decided in our favour. Decisions in proceedings adverse to our interests may have a significant adverse effect on our business, management, financial condition, results of operations and cash flows. In relation to tax proceedings, in the event of any adverse outcome, we may be required to pay the disputed amounts along with applicable interest and penalty and may also incur additional tax incidence going forward.

A summary of pending material civil, tax, regulatory and criminal proceedings involving our Company, Promoter, Directors and Subsidiaries, as identified by our Company pursuant to the materiality policy adopted by our Board is provided below:

Nature of cases	**Number of cases**	**Total amount involved (to the extent quantifiable) (₹ in million)**
Litigation involving our Company		
Proceedings against our Company		
Material civil	1	35.88
Criminal	2	*Not quantifiable*
Tax	33	458.77
Action by statutory or regulatory authorities	1	152.02
Proceedings by our Company		
Material civil	*Nil*	*Nil*
Criminal	7	*Not quantifiable*
Litigation involving our Subsidiaries		
Proceedings against our Subsidiaries		
Material civil	*Nil*	*Nil*
Criminal	1	*Not quantifiable*
Tax	6	48.34
Action by statutory or regulatory authorities	1	10.62
Proceedings by our Subsidiaries		
Material civil	*Nil*	*Nil*
Criminal	1	*Not quantifiable*
Litigation involving our Promoters		
Proceedings against our Promoters		
Material civil	1	35.88
Criminal	3	*Not quantifiable*
Tax	*Nil*	*Nil*
Action by statutory or regulatory authorities	1	152.02
Disciplinary action in the last five Fiscals	*Nil*	*Nil*
Proceedings by our Promoters		
Material civil	*Nil*	*Nil*
Criminal	*Nil*	*Nil*
Litigation involving our Directors		
Proceedings against our Directors		
Material civil	1	35.88
Criminal	3	*Not quantifiable*
Tax	*Nil*	Nil
Action by statutory or regulatory authorities	1	152.02
Proceedings by our Directors		
Material civil	*Nil*	*Nil*
Criminal	*Nil*	*Nil*

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. We cannot assure you that in matters where orders have been passed in our favour, there will be no appeal from the other parties involved or whether we can ascertain the liabilities involved in such matters at this stage unless we are impleaded in such proceedings. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current or long term liabilities or reduce our cash and bank balance. For further details, see section "*Outstanding Litigation and Other Material Developments*" on page 556.

13. ***Pricing pressure from customers may adversely affect our gross margin, profitability and ability to increase our prices, which in turn may materially adversely affect our business, cash flows, results of operations and financial condition.***

Pricing pressure from Tier 1 companies and OEMs is characteristic of the industry in which we operate. As Tier 1 companies and OEMs are increasingly affected by innovation and cost-cutting pressures from competitors, they seek price reductions from their suppliers. Virtually all automakers pursue aggressive but systematic price reduction initiatives and objectives each year with their suppliers, and such actions are expected to continue in the future. Competition is especially likely to increase in the automotive sector in view of the continuing globalization and consolidation in the automotive industry, as each market participant intensifies its efforts to retain its position in established markets while also developing a presence in emerging markets. Vehicle manufacturers at times expect lower prices from suppliers for their products, as well as a consistently high product quality. Our gross margins for Fiscal 2021 was 21.17%. Gross margin has been calculated as revenue from operations less sum of cost of raw materials consumed, purchase of traded goods and changes in inventories of finished and traded goods. Pursuing cost-cutting measures while maintaining rigorous quality standards may lead to an erosion of our margins, which may have a material adverse effect on our business, cash flows, results of operations and financial condition.

In addition, estimating amounts of such price reductions is subject to risk and uncertainties, as any price reduction is the result of negotiations and other factors. Our customers also negotiate for larger discounts in price as the volume of their orders increase. Accordingly, suppliers must be able to reduce their operating costs in order to maintain profitability. Such price reductions may affect our sales and profit margins. There can be no assurance that we will be able to avoid future customer price reductions or offset the impact of any such price reductions through continued technology improvements, improved operational efficiencies, cost-effective sourcing alternatives, new manufacturing processes, cost reductions or other productivity initiatives. If we are unable to offset customer price reductions in the future, our business, cash flows, results of operations and financial condition may be materially adversely affected.

14. ***The geographical concentration of our manufacturing facilities may restrict our operations and adversely affect our business, cash flows, results of operations and financial conditions.***

We presently operate through our 12 manufacturing facilities which are present in some of the key auto clusters in north, south and west India. Four of our facilities are situated at Tatarpur, Gurugram, Manesar and Bawal, in the state of Haryana while our other manufacturing facilities in north India are situated at Bhiwadi and Haridwar, in the states of Rajasthan and Uttarakhand, respectively. The revenue derived from our facilities located in north India, south India and west India, comprises 65-70%, 15-20% and 10-15%, respectively, of our revenue from recycling of aluminium for Fiscal 2021, per CRISIL Report. Additionally, we have two manufacturing facilities in Chennai, in southern India, and one facility each situated at Halol and Vanod in Gujarat, which lies in the western part of our country. Given the fact that a significant number of customers are located in the key auto clusters in northern, western and southern India, we are required to set up our manufacturing facilities in proximity to them. Due to the geographic concentration of our manufacturing operations, our operations are susceptible to local and regional factors, such as accidents, system failures, economic and weather conditions, natural disasters, and demographic and population changes, the outbreak of infectious diseases such as COVID-19 and other unforeseen events and circumstances. Such disruptions could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials and/or otherwise adversely affect our business, cash flows, financial condition and results of operations.

Further, our manufacturing facilities situated at Gurugram and Bhiwadi Unit are primarily dedicated to a single customer. While there are no firm commitments to any particular customer, on account of such proximity, these facilities may not have the flexibility to supply our products to other customers and accordingly, may be completely dependent on one particular customer. Further, disruptions, damage or destruction of those facilities may severely affect our ability to meet our customers' demand and the loss of any one of our key customers or a significant reduction in demand from such customers could have an adverse effect on our business, cash flows, results of operations and financial condition.

15. ***We may incur substantial relocation costs on account of our business or customers' requirement to locate our manufacturing facilities to be in proximity to our customers' facilities or if expansion plans are restricted by availability of land or other location issues.***

Our facilities are located in proximity to our customers in order to minimize both our customers' and our own costs as well as enabling us to maintain regular supplies. For instance, our manufacturing facilities at Bhiwadi and Gurugram are situated on the premises of one of our customers on land leased by them to us for supplying liquid aluminium. Our manufacturing facilities in Haridwar, Manesar, Bawal, Vallam, Halol and Vanod are situated either next to our customers' facilities or in proximity to them. If any of our customers were to relocate or if their facilities which are close to our facilities, are closed due to any reasons, it would impact our ability to remain competitive. For instance, while we may be chosen as a key supplier for products by a customer, in the event our customer relocates their manufacturing facility to another state, our ability to supply products to them would be adversely affected and we may not be able to supply our products to them in a timely manner, or at all. Additionally, our competitors could build a facility that is closer to our customers' facilities which may provide them with a geographic advantage. Any of these events might require us to move closer to our customers, build new facilities or shift production between our current facilities to meet our customers' needs, resulting in additional cost and expense and having a materially adverse effect on our business, financial operations and cash flows.

16. ***We have undertaken and may continue to undertake joint ventures in the future, which may be difficult to integrate and manage. Further, our joint venture partners may not perform their obligations satisfactorily and their interests may differ from ours, which could have a material adverse effect on our business, cash flows and results of operations.***

We believe that our efforts at diversifying into new products and into new domestic or international markets can be facilitated by entering into joint venture agreements or strategic alliances with partners whose operations, resources, capabilities and strategies are complementary to our Company. Our joint venture partners either support our expansion in various geographical areas or typically possess significant technology which are licensed to us. For instance, we have entered into two joint venture agreements to establish CMRN, our Subsidiary in which our Company holds 74% stake, to set up a manufacturing facility in Vanod, Gujarat and Bawal, Haryana; and CMRT, our Subsidiary in which our Company holds 70% stake, to set up manufacturing facilities in Tamil Nadu pursuant to which, we have gained access to improved know-how and technology for successfully supplying liquid metal over the road to our customers. Accounting for these two entities have been done as Subsidiaries in the Restated Financial Information in accordance with Ind AS 110. Additionally, we have entered into another joint venture agreement with a Hong Kong-based metal recycling entity, pursuant to which, we have set up a joint venture entity, CMRC, which engages in the business of collection, segregation, processing, composting, recycling, treatment, and disposal of metal waste. We have also entered into a joint venture agreement with Kent Industrial Park Private Limited ("**Kent**") pursuant to which we have set up a facility in Ahmedabad, Gujarat for recycling of ELVs, and a joint venture agreement with Nikkei, a Japanese entity engaged in the manufacture of wheels and an Indian entity engaged in the manufacture of aluminium alloy wheels to set up a manufacturing facility for the recycling of aluminium chips for one of our customers. For details, see "*History and Certain Corporate Matters*" on page 181. There can be no assurance that the integration of such joint ventures, whether already existing, or which we may enter in the future, will be successful or that the expected strategic benefits of any such action will be realised. Additionally, there can be no assurance that we will be able to consummate our joint ventures in the future, on terms acceptable to us, or at all. Further there is no assurance that our products manufactured through joint ventures and alliances will generate the expected levels of interest amongst our customers or that our new ventures will generate return on investment at expected levels or at all.

In order to achieve global growth and recognition, we will have to maintain our joint ventures and take initiatives to enter into similar arrangements. Our reliance on joint venture partners may increase in sectors where we have limited experience. However, there can be no assurance that we will be able to identify suitable joint venture partners on commercially reasonable terms or be able to raise sufficient funds to finance such strategies for growth. There is also a risk of disagreement or deadlock with our joint venture partners, in which circumstances decisions may be delayed, or which could also result in termination of the joint venture. While our relationships with our joint venture partners have been good so far, we may face unforeseen difficulties as a result of any disagreements with them in the future on various matters including the conduct of business, control and operations specifically in cases where joint ventures are located in a different jurisdiction. We cannot assure you that we will be able to resolve such disputes in a manner that will be in our best interests. If we are unable to successfully manage relationships with our joint venture partners, our growth and profitability may suffer. Any of these factors could adversely affect our business, financial condition, results of operations, cash flows and business prospects.

17. Our operations involve melting of aluminium scrap in the furnaces as well as transportation of high temperature liquid metal to our customers. These activities can be extremely dangerous and any accident, including any spill-over of high temperature liquid metal could cause serious injury to people or property and in certain circumstances, even death, during transit and this may adversely affect our production schedules, costs, sales and ability to meet customer demand.

Our operations require individuals to work under potentially dangerous circumstances, with flammable materials as a significant portion of our business involves melting of aluminium in the hot refining section, in addition to also requiring transportation of high temperature liquid metal over the road to our customers. High temperature liquid metal is extremely inflammable and any accident while handling such liquid metal may seriously hurt or even kill employees or other persons, and cause damage to our properties and the properties of others. Despite compliance with requisite safety requirements and standards, our operations are subject to significant hazards, including:

- explosions
- fires
- mechanical failures and other operational problems
- inclement weather and natural disasters
- discharges or releases of hazardous substances, chemicals or gases; and
- other environmental risks.

Although we employ safety procedures during the melting of aluminium in the furnaces and during transportation of liquid metal and maintain what we believe to be adequate insurance, there is a risk that any hazard including an accident during transit may result in personal injury to our employees or other persons, destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of civil or criminal liabilities. Further, our operations include usage of radiators which may be susceptible to explosions in the event any radiator with water trapped inside is charged into the furnace. The loss or shutting down of our facilities could disrupt our business operations and adversely affect our results of operations, cash flows, financial condition and reputation. We could also face claims and litigation in India, filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our facilities, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation could be significant. These claims and lawsuits, individually or in the aggregate, may be resolved against us inflicting negative publicity and consequently, our business, cash flows, results of operations and financial condition could be adversely affected.

In particular, if operations at our manufacturing facilities were to be disrupted as a result of any significant workplace accident, fire, explosion or other connected reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, reputation, financial condition, results of operations, cash flows and prospects.

18. We are unable to trace some of our historical corporate records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in future in relation to the missing corporate records which may impact our cash flows, financial condition and reputation.

We have been unable to trace certain secretarial records, including the form filings made by the Company. Accordingly, we had commissioned a physical and electronic search of the RoC records through an independent company secretary firm, Deepak Goel & Associates, to retrieve missing documents and provide us with a list of secondary documents relied upon for issuances of Equity Shares undertaken by the Company and transfers between shareholders of our Company, and the independent company secretary firm has issued a report dated September 25, 2021 in this regard. For instance, we have been unable to trace copies of the following corporate records of our Company:

(i) Transfer deed in relation to transfer dated July 30, 2007, of 20,000 Equity Shares from Jaiparash Trading Private Limited to our Promoter Gauri Shankar Agarwala;
(ii) Transfer deed in relation to transfer dated July 30, 2007, of 30,000 Equity Shares from Parasabha Construction Private Limited to our Promoter and Chairman and Managing Director Mohan Agarwal;
(iii) Transfer deed in relation to transfer dated July 30, 2007, of 25,000 Equity Shares from Airmardan Trading Private Limited to our Promoter Kalawati Agarwal;
(iv) Transfer deed in relation to transfer dated July 30, 2007, of 12,500 Equity Shares from N. K Metal to our Promoter Kalawati Agarwal; and
(v) Transfer deed in relation to transfer dated July 30, 2007, of 12,500 Equity Shares from N. K. Metal to our Promoter Pratibha Agarwal

We cannot assure you that such records will be available in the future or that we had filed these forms in a timely manner, without irregularities, or at all.

In addition, we have been unable to locate share transfer forms, depository instruction slips or gift deeds for various transfers involving our Promoters. For further details of these transfers, see "*Capital Structure - Build-up of the Promoters' shareholding in our Company*" on page 87. Despite reaching out to the Promoters involved in these transfers regarding any documentation which may be available with them for the aforesaid secretarial and other corporate documents and records, we have not been able to trace the aforementioned documents. Accordingly, we have relied on the report dated September 25, 2021 issued by the independent company secretary firm, Deepak Goel & Associates.

While no legal proceedings or regulatory action has been initiated against our Company in relation to untraceable secretarial and other corporate records and documents as of the date of this Draft Red Herring Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future. We cannot assure you that such untraceable secretarial and other corporate records and documents will be available with us in future.

19. We face competition in the recycled metals industry. Failure to compete effectively may have an adverse impact on our business, financial condition, results of operations and cash flows.

We believe that we operate in a highly competitive industry. Our customers evaluate their suppliers based on, among other things, manufacturing capabilities, speed, quality, engineering services, flexibility, and costs. Some of our competitors may have certain advantages, including greater financial resources, better engineering, manufacturing or financial capabilities, more advanced technology or research and development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends. In order for us to maintain or increase our market share, we must depend on effective marketing initiatives and our ability to anticipate and respond to various competitive factors affecting the industry, including our ability to improve our manufacturing process and techniques, introduce new products, respond to pricing strategies of our competitors, and adapt to changes in technology and changes in customer preferences. We cannot assure prospective investors that we will be able to compete effectively against our current or emerging competitors with respect to each of these key competitive factors.

While we believe that we have a diversified supplier base, some of our Company's competitors may have better access to raw material suppliers compared to us which may enable them to obtain metal scrap at favorable rates. Furthermore, competitors may gain control over or influence our suppliers or customers by shareholdings in such companies, which could adversely affect our supplier relationships. Therefore, we are exposed to risks of our competitors having better resources than us, and we may not be able to compete effectively with our competitors, which may have an adverse impact on our business, results of operations, financial condition and cash flows.

Our Company's customers may also opt to transact with our competitors instead of our Company if we fail to develop and provide the technology and skills required by its customers at a rate comparable to its competitors. Even though our Company may have the requisite technology and skills, there can be no assurance that we will be able to competitively develop the higher value add solutions necessary to retain business or attract new customers in the future. There can also be no assurance that we will be able to retain a compelling advantage over our competitors which could adversely affect our business, results of operations, financial conditions and cash flows.

As per the CRISIL Report, the metal recycling industry is highly fragmented and unorganised, with most companies being run as family enterprises / proprietorships having regional presence. This leads to high degree of competitiveness which results in low bargaining power of a majority of recyclers. Accordingly, our competitors may pursue an aggressive pricing policy and offer conditions to customers that are more favourable than those that we offer.

Further, with an increase in focus on the manufacture of recycled products, we may also face competition from new entrants as well as the current manufacturers of primary metals. Since we operate in an industry with low capital intensity, there is a greater underlying threat of new entrants into the market. Such new entrants may capture our market share, which may have an adverse impact on our business, financial conditions and cash flows.

Moreover, increased consolidation among our competitors, or between our competitors and any of our customers, could allow competitors to further benefit from economies of scale, offer more comprehensive product portfolios and increase the size of their serviceable markets. This could require us to accept considerable reductions in our profit margins and the loss of market share due to price pressure.

20. Our failure to identify and understand evolving industry trends and preferences and to develop new products to meet our customers' demands may materially adversely affect our business.

Changes in the preferences of our customers, regulatory or industry trends or requirements, or in competitive technologies may render certain of our products or business strategies obsolete or less attractive. To compete effectively in the automotive components industry, we must be able to develop, upgrade and manufacture new products to meet our customers' demand in a timely manner. In order to do so, we need to identify and understand the key market trends and address our customers' evolving needs proactively and on a timely basis. As a result, we may incur, and have in the past incurred, capital expenditures for development of products to meet the demands of our customers. We cannot assure you, however, that we will be able to install and commission the equipment needed to manufacture products for our customers on time. In particular, in the event the trend in the automotive industry shifts from usage of aluminium castings to other material, especially in electric vehicles, our customers may lose interest in us. Our failure to successfully and timely develop and manufacture new products in order to cater to the requirements of our customers and industry trends could have a material adverse effect on our business, financial condition, cash flows, results of operations and future prospects.

Further, our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products on a timely basis is a significant factor in our ability to remain competitive. However, there can be no assurance 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 product portfolio in this manner and ensure that we remain competitive. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business, cash flows and results of operations may be adversely affected. Our inability to adopt new technologies may result in a loss of our business, which may have a material adverse impact on our business, financial condition, results of operations and cash flows.

21. Our indebtedness and the conditions and restrictions imposed on us by our financing agreements could adversely affect our ability to conduct our business.

As on March 31, 2021 we had total outstanding non-current borrowings including current maturities of long term borrowings and current borrowings of ₹ 4,811.78 million, on a consolidated basis. 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, acquisitions and other general corporate requirements
- our ability to obtain additional financing in the future at reasonable terms may be restricted
- 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 our movable assets and by certain immovable 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:

(a) effectuating any change in our capital structure, where the shareholding of the Promoters in our Company is diluted
(b) formulation of any scheme of amalgamation, reconstruction, merger or demerger or agree/authorise to settle any litigation/arbitration having a material adverse effect
(c) entering any borrowing arrangement with any other bank or financial institution or give guarantee on behalf of any other company which increases our borrowing above limits stipulated by our lenders
(d) any change in the practice of our Company regarding the remuneration of directors
(e) change the general nature of our business or undertake any expansion or invest in any other entity; and
(f) any transfer of a controlling interest in our Company, drastic changes in our management set-up (including our Key Managerial Personnel), or resignation of Promoter-Directors from our board.

For further details of the restrictive covenants under financing documents of our Company, see "*Financial Indebtedness*" on page 554. Failure to meet these conditions or obtain these consents could have 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, cash flows and results of operations.

22. Conflicts of interest may arise out of common business objects shared by our Company and some of our Group Companies. Additionally, our Promoters may have in the past been associated with other companies which may have similar names and may be in the same line of business as that of our Company.

Certain of our Group Companies, namely CMR Chiho Industries India Private Limited, Nikkei CMR Aluminium India Private Limited, Nikkei MC Aluminium Company Limited, Toyota Tsusho Corporation, Kent Industrial Park Private Limited, Toyota Tsusho India Private Limited and CMR-Chiho Recycling Technologies Private Limited may potentially compete with our Company. Further, the interests of our Promoters may conflict with the interests of our other Shareholders. Our Promoters may, for business considerations or otherwise, cause our Company to take actions, or refrain from taking actions, in order to benefit themselves instead of our Company's interests or the interests of our other Shareholders, which may be harmful to our Company's interests or the interests of our other Shareholders, and which may impact our business, cash flows, financial condition and results of operations.

We will endeavour to take adequate steps to address any conflict of interest by adopting the necessary procedures and practices as permitted by applicable law, to address any conflict which may arise in the future. We have adopted a policy titled 'Related Party Transaction Policy' to address situations of conflict involving Directors and Promoters, especially in respect of related party transactions and those giving rise to conflict of interest. In accordance with the Related Party Transaction Policy, decisions to enter into transactions in which there are conflicts of interest with Directors or Promoters will require unanimous approval of the Directors. However, there can be no assurance that our Promoters or our Group Companies or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such conflicts could have a material adverse effect on our reputation, business, cash flows, results of operations and financial condition.

23. We own a large range of equipment and have a large number of contract labour, resulting in increased costs to our Company. In the event we are not able to generate adequate cash flows, it may have a material adverse impact on our cash flows and operations.

We operate in a labour-intensive industry and accordingly, are required to employ considerable labour, including contractual labour. This results in a significant employee as well as contractual labour costs for our Company. As on July 31, 2021, we have 615 permanent employees and 4,215 contractual workmen, on a consolidated basis. Our dependence on such contract labour may result in significant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to skilled and unskilled workmen at reasonable rates.

Additionally, we own a large range of sophisticated and modern equipment, resulting in increased fixed costs to our Company. Our range of equipment includes regenerative burner, baghouse, pump furnace and de-coater, rotary sieve, heavy media separation system, induction based sorting system, colour sorting system, eddy current separator, gravimetric separation, shredder, specially designed ladles and auto chargers, as well as specially designed trucks. We have neither historically used nor currently use second-hand equipment to undertake our business. Accordingly, the cost of maintaining and keeping such capital equipment in proper working condition constitutes a significant portion of our operating expenses. We will not be able to quantify or segregate the actual expense incurred towards the maintenance of capital equipment from the accounting records. The expense incurred on the maintenance of our capital equipment include those towards the payment of salary and wages of permanent and contract labour, employed full-time and engaged in the maintenance activities of such equipment. Further, there are also other consumables issued in stores that are captured under various expense heads such as consumption of stores and spares, repairs and maintenance of plant and equipment and power and fuel, among others, in our financial statements, for maintenance of such capital equipment. Apart from this, our Company also has inventory of various maintenance equipment and spares that have not yet been used but have consumed cash outflows. In the event we are unable to generate or maintain adequate revenues or recover payments from our customers in a timely manner, or at all, it could have a material adverse effect on our financial condition and operations.

24. Setting up of new manufacturing facilities will require substantial capital outlay before we realize any benefits or returns on investments.

We set up a facility at Balasar, Gujarat in Fiscal 2020 through which, we undertake the business of dismantling of electric motors, primarily catering to local recycling industry and metal traders. Further, our Company is setting up a facility in the district of Kheda, in Gujarat pursuant to our joint venture agreement dated July 16, 2020 with Kent which is intended to undertake dismantling, shredding and sorting of parts of ELVs.

Setting up new manufacturing facilities requires substantial time and capital investment and such investment may further be subject to factors including shortages of, or increased market prices for, raw materials, equipment, skilled personnel and labour, adverse weather conditions, natural disasters, labour disputes with contractors, accidents, changes in government priorities and policies, changes in market conditions, delays in obtaining the requisite licenses, permits and approvals from the relevant authorities and other unforeseeable problems and circumstances. We may not be able to pass on any higher development costs to our customers since we do not have any firm, long term commitment with them. Additionally, we may incur substantial investment in installing the necessary equipment and technologies to carry out our operations. For details, see "*Our Business – Our Equipment*" on page 169. Furthermore, the success of any new manufacturing facility set up by us will be dependent on the future demand for our products. Further, financial resources available to us may be inadequate to the extent and the amount and timing of future financial requirements may differ substantially from our current projections.

Our expansion plans and business growth could also strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to attract, expand, train, motivate, retain and manage our workforce. We cannot assure you that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Any of these factors may cause us to delay, modify or forego some or all aspects of our expansion plans.

Our return on our investment depends upon, among other things, successful implementation of our strategy, competition, demand of our products, government policies, interest rates and general economic conditions. If our return on investment does not meet our or market expectations, this could materially and adversely affect our business, cash flows, results of operations and financial condition.

25. Delay in schedule of our expansion into new territories may subject our Company to risks related to time and cost overrun which may have a material adverse effect on our business, cash flows, results of operations and financial condition.

Our Company may face risks relating to the commissioning of any new manufacturing facilities in newer territories or failure to expand our manufacturing capacity to meet future demand for our products on account of reasons including but not limited to changes in the general economic and financial conditions in India. We may also encounter various setbacks such as adverse weather conditions, delay in receiving required government approvals, construction defects and delivery failures by suppliers, unexpected delays in obtaining permits and authorizations, or legal actions brought by third parties. Further, as and when we commission our planned manufacturing facilities, our raw material requirements and costs as well as our staffing requirements and employee expenses may increase and we may face other challenges in extending our financial and other controls to our new manufacturing facilities as well as in realigning our management and other resources and managing our consequent growth.

26. We are subject to stringent labour laws or other industry standards and any strike, labour unrest, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition, results of operations and cash flows. We also appoint contract labour for carrying out certain operations and we may be held responsible for paying the wages of such workers if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our cash flows, results of operations and financial condition.

Our manufacturing activities are labour intensive, require our management to undertake significant labour interface, and expose us to the risk of industrial action. As on July 31, 2021, we have 615 permanent employees and 4,215 contractual workmen, on a consolidated basis. We are also subject to a number of stringent labour laws that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. If labour laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, financial condition, results of operations and cash flows.

There can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force such as strikes, labour unrests, work stoppages or increased wage demands, which may adversely affect our business. For instance, in the past, we have faced disruptions as a result of stoppage of work which resulted in loss of production as some of the workers at our Chennai Unit went on strike in January 2017 alleging that CMRT had failed to recognise their trade union and accordingly, had violated the provisions of the Industrial Disputes Act, 1947.

In order to retain flexibility and control costs, we also enter into contracts with independent contractors who, in turn, engage on-site contract labour to perform certain operations, including ancillary operations. Although we generally do not engage such labour directly, it is possible under Indian law that we may be held responsible for wage payments to the labour engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments will adversely affect us, our business, financial condition, results of operations and cash flows. Furthermore, under the Contract Labour (Regulation and Abolition) Act, 1970, we may be required to absorb a portion of such contract labour as permanent employees. Any order from a regulatory body or court requiring us to absorb such contract labour may have an adverse effect on our business, financial condition, results of operations and cash flows.

27. We are subject to various law and regulations, including environmental and health and safety laws and regulations, which may subject us to increased compliance costs, which may in turn result in an adverse effect on our financial condition.

Our operations are subject to various national, 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, environmental pollutants or hazardous materials resulting from our manufacturing processes. For instance, we require certain material approvals including approvals under the Water (Prevention and Control of Pollution) Act, 1974, as amended, the Air (Prevention and Control of Pollution) Act, 1981, as amended and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended in order to establish and operate our manufacturing facilities in India, and registrations with the relevant tax, labour and municipal authorities in India. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. 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 approvals for which applications are pending before relevant authorities, see "*Government and Other Approvals*" on page 564.

It is possible that the environmental laws that our Company is governed by will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects. While as of the date of this Draft Red Herring Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. Such legal proceedings could divert management time and attention, and consume financial resources in defense or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings.

For details of our material permits and approvals, see "*Government and Other Approvals*" on page 564.

28. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

Presently, we primarily manufacture and supply aluminium alloy ingots and liquid aluminium alloys, stainless steel scrap, and other scrap metal to our customers. However, we may diversify and expand our business operations to other products, or to segments other than manufacturers of personal vehicles or two-wheelers and Tier 1 companies. Venturing into a new product line or segments may require methods of operations and marketing and financial strategies different from those currently employed in our Company. Therefore, we cannot assure you that we will be able to successfully develop our new product lines or expand into new business segments. Further, we will be subject to the risks generally associated with new product introductions and applications, including unproven know-how, unreliable technology, inexperienced staff, and delays in development of the requisite technology. In the absence of sufficient customers for our products or in the segments to which we are looking to diversify, there can be no assurance that we will be successful in selling the products manufactured and at the locations of our manufacturing facilities. This may result in lower capacity utilization and adversely affect our business, financial condition and result of operations. As a result, we may not be able to achieve projected or satisfactory levels of sales, profits and/or return on investment on our new products or from segments to which we diversify since there is no assurance that we will receive orders from customers as they may not be willing to shift their sourcing from existing manufacturers to us. Further, we cannot assure you that the transition of our manufacturing facilities and resources to fulfil production under new product programs, or to meet specifications of customers in new segments, will not impact production rates or other operational efficiency measures at our facilities.

We further cannot assure you that we will succeed in effectively implementing new technology in manufacturing new products, or to meet the specifications of customers in new segments, or that we will recover our investments. Any failure in the development or implementation of our operations is likely to adversely affect our business, results of operations and cash flows.

29. If we are unable to sustain or manage our growth, our business, cash flows, results of operations and financial condition may be materially adversely affected.

We have experienced growth in the past three years, despite stagnancy in the automotive industry. For Fiscal 2021, we had a total revenue from operations, net of goods and services taxes on sale of goods, of ₹ 29,131.90 million. We did not have any revenue in Fiscal 2019. Further, our financial statements as at and for the Fiscal ended March 31, 2021, have also taken into consideration the Scheme of Arrangement. We have expanded our operations from the first manufacturing facility in Tatarpur, Haryana in 2006, which was owned by CMR at the time, which entity has subsequently amalgamated into our Company pursuant to the Scheme of Arrangement, to twelve manufacturing facilities, including manufacturing facilities established in partnership with Nikkei, Kent, Toyota Tsusho, a Hong Kong-based metal recycling entity, a Japanese entity engaged in the manufacture of wheels and an Indian entity engaged in the manufacture of aluminium alloy wheels, as on date. We have recently expanded our recycling business to include the cold refining of zurik, recycling of electric motors where we undertake dis-assembling and sorting of mixed metal scrap, and recycling of ELVs, where we undertake dismantling, shredding and sorting of ELV parts.

We may not be able to sustain our rates of growth, due to a variety of reasons including a decline in the demand for recycled metals and alloys, increased price competition, non-availability of raw materials, lack of management availability or a general slowdown in the economy. A failure to sustain our growth may have an adverse effect on our business, cash flows, results of operations and financial condition.

We are embarking on a growth strategy which involves deepening, diversifying and expanding our customer base by expanding our focus on supply of liquid and scrap metal, focusing on geographic expansion and on operational efficiencies to improve returns. Such a growth strategy will place significant demands on our management as well as our financial, accounting and operating systems and require us to continuously evolve and improve our operational, financial and internal controls across our organization. In particular, continued expansion increases the challenges involved in:

- making accurate assessments of the resources we will require
- preserving a uniform culture, values and work environment across our projects
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems
- acquiring new customers and increasing or maintaining contribution from existing customer
- recruiting, training and retaining sufficient skilled management, technical and marketing personnel
- maintaining high levels of customer satisfaction; and
- adhering to expected performance and quality standards.

If we are unable to increase our production capacity, we may not be able to successfully execute our growth strategy.

Further, as we scale-up and diversify our products, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. We cannot assure you that our future performance or growth strategy will be in line with our past performance or growth strategy. Our failure to manage our growth effectively may have an adverse effect on our business, cash flows, results of operations and financial condition.

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

Our ability to meet future business challenges depends on our ability to attract, recruit and retain talented and skilled personnel. We are highly dependent on our Promoters, our Directors, senior management and other key personnel, including skilled project management personnel. Our management and technical personnel are supported by other skilled workers who benefit from regular in-house training initiatives and they are also supported by external consultants with significant industry experience who are not permanent employees of our Company. The loss of any of our Promoters, our Directors, senior management, external consultants or other key management personnel, or an inability to manage the attrition levels in different employee categories may materially and adversely impact our business, growth prospects, results of operations and cash flows. For details of changes to our Directors and Key Managerial Personnel in the last three years, see "*Our Management*" at page 196.

We face competition to recruit and retain skilled and professionally qualified staff. Due to the limited availability skilled personnel, competition for senior management and skilled engineers in our industry is intense. We may experience difficulties in attracting, recruiting and retaining an appropriate number of managers and engineers for our business needs. The risk could be heightened to the extent we invest in business of geographical regions in which we have limited experience. We may also need to increase our pay structures to attract and retain such personnel. Our future performance will depend upon the continued services of these persons.

31. ***We may be subject to counter party credit risk from our operating activities and our financing activities.***

We are subject to the risk that our counterparties may not meet their obligations under various financial instruments. Our credit risk exposure relates to our financing activities, including deposits with banks and financial institutions, as well as to operating activities, primarily from trade receivables. We typically have credit terms of up to 90 days with our customers, and we cannot guarantee that our customers will not default on their payments, which might adversely affect our profits margins and cash flows. As of March 31, 2021, our trade receivables were ₹ 5,311.36 million. Accordingly, in the event that our counterparties do not meet their financial obligations, we may face financial loss and this may thereby adversely affect our business, results of operations and cash flows. Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers, and as a result could cause customers/ distributors to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements.

32. Increases in interest rates may materially impact our cash flows and results of operations.

All of our secured debt carries interest at floating interest rates or at rates that are subject to adjustments at specified intervals. We are exposed to interest rate risk in respect of contracts for which we have not entered into any swap or interest rate hedging transactions, although we may decide to engage in such transactions in the future. We may further be unable to pass any increase in interest expense to our existing customers. Any such increase in interest expense may have a material adverse effect on our business, financial condition, results of operations and cash flows. Furthermore, if we decide to enter into agreements to hedge our interest rate risk, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us fully against our interest rate risk.

33. Customer consolidation and takeovers could adversely impact our financial position, results of operations and cash flows.

Customers in our markets, including the customers in the automotive sector, may consolidate and grow in a manner that could affect their relationship with us. For instance, if one of our customers is acquired by any other company, its management may get reshuffled which may affect our relationship with such customer, and we may not be able to retain any favourable terms that we agreed to in the past and may even lose that acquired customer's business. Additionally, if our customers become larger and more concentrated, they could exert pressure in pricing and payment terms on all suppliers, including us. Accordingly, our ability to maintain or raise prices in the future may be limited, including during periods of increase in the price of raw materials and other costs. If we are forced to reduce prices or maintain prices during periods of increased costs, or if we lose customers because of their acquisition, pricing or other methods of competition, our financial position, results of operations and cash flows may be adversely affected.

34. We have working capital requirements and may require additional financing to meet those requirements, which could have an adverse effect on our business, cash flows, results of operations and financial condition.

Our Company requires working capital to finance the purchase of materials and for the manufacture and other related work before payment is received from customers. The actual amount and timing of our future working capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological changes and additional market developments and new opportunities in the metal recycling industry. Our sources of additional financing, required to meet our working capital requirements and capital expenditure plans, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition, cash flows and results of operations.

35. Failure or disruption of our IT and/or ERP systems may adversely affect our business, financial condition, cash flows, results of operations and prospects.

We have implemented various information technology ("**IT**") solutions and/or enterprise resource planning ("**ERP**") solutions to cover key areas of our operations, procurement, dispatch, accounting and other business functions. These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. Disruption or failure of our IT systems could have a material adverse effect on our operations. A large-scale IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our IT systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT and/or ERP systems may lead to inefficiency or disruption of IT system thereby adversely affecting our ability to operate efficiently.

Any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyze work in progress and sales, process financial information, meet business objectives based on IT initiatives such as product life cycle management, manage our creditors, debtors, manage payables and inventory or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, cash flows, results of operations and prospects.

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

Our Company has covered itself and its Subsidiaries against certain risks. Our key insurance policies consist of of marine sales turnover insurance policy, marine cargo insurance policy, fire-material damage insurance policy, fire-stock insurance policy, group personal accident insurance policy, employees compensation insurance policy, money insurance policy, contractors plant and machinery insurance policy, machinery breakdown insurance policy, burglary and housebreaking insurance policy, electronic equipment insurance policy, portable electronic equipment insurance policy, infidelity/dishonesty of employees insurance policy, commercial general liability insurance policy, management liability insurance policy and vehicle insurance policies, among others.

Our insurance coverage for various risks for March 31, 2021, was ₹ 5,988.62 million. Our insurance cover as a percentage of the net block of property, plant and equipment other than land and inclusive of capital work in progress and intangible assets, excluding goodwill and right of use assets, of our Company was 202.04%, as of March 31, 2021.

While we believe that the insurance coverage that we maintain is in accordance with industry custom, there can be no assurance that any claim under the insurance policies maintained by us will be honoured 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.

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

Like many of our competitors, we possess extensive technical knowledge about our products. Such technical knowledge has been built up through our own experiences and through our agreements to avail technical know-how, which grant us access to new technologies. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent registration. 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 wilfully, at various stages of the production 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 non-disclosure agreements in respect of certain key employees, we cannot guarantee that we will be able to successfully enforce such agreements. We also enter into non-disclosure agreements with a number of our customers and suppliers but we cannot assure you that such agreements will be successful in protecting our technical knowledge. The potential damage from such disclosure is increased as our products are not patented, and thus we may have no recourse against copies of our products that enter the market subsequent to such leakages. 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 metal recycling sector could be harmed. If a competitor is able to reproduce or otherwise capitalise 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, cash flows, results of operations, financial condition and future prospects.

38. The land and premises for our Registered and Corporate Office and certain of our manufacturing facilities are taken on lease by us including from our Promoters. If we or our business partners are unable to renew existing leases or relocate operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition, result of operations and cash flows. Further, any failure or delay in the acquisition of land or an inability to acquire land at acceptable costs or on commercially reasonable terms may adversely affect our business, cash flows, results of operations and financial condition.

Some of the premises on which we operate are not currently owned by us. Our Registered and Corporate Office is on premises that have been leased by us from third parties. In addition, other than our manufacturing facilities situated at Tatarpur and Bawal, in Haryana and at Halol and Vanod, in Gujarat, all of our operating manufacturing facilities are situated on premises that have been leased by us. For further details, see *"Our Business – Property"* on page 174. Upon expiration of the relevant agreement for such premises, we will be required to negotiate the terms and conditions on which the lease agreement may be renewed. We cannot assure you that we will be able to renew these agreements on commercially reasonable terms in a timely manner, or at all.

Further, some of our lease deeds for our properties may not be registered and some of our lease deeds may not be adequately stamped and consequently, may not be accepted as evidence in a court of law and we may be required to pay penalties for inadequate stamp duty. Additionally, some of the title deeds of immovable properties transferred under the Scheme of Arrangement by the Transferor companies are in the process of being transferred in the name of our Company. In the event that these existing leases are terminated, or they are not renewed on commercially acceptable terms or at all, or if we fail to successfully transfer the title deeds of the abovementioned immovable properties, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, cash flows, financial condition and results of operations may be adversely affected.

Further, we may require additional amount of land for the purposes of operating our manufacturing facilities and future expansion plans. However, we cannot assure you that we will be able to identify or acquire adequate land either on a freehold or leasehold basis, or that land acquisitions will be completed in a timely manner, at acceptable costs and/or on commercially reasonable terms, without opposition, or at all. The cost of acquiring land on a freehold or leasehold basis for our manufacturing facilities may be higher than we estimated and is subject to a number of factors, including the type of land being acquired, market prices, the level of economic development in the area where the land is located and government regulations pertaining to the price of land, among others. In addition, we may face significant opposition to the construction of our manufacturing facilities from local communities, tribes, non-government organizations and other parties. Such opposition or circumstances may be beyond our control. If we are unable to acquire the required amount of land for our manufacturing facilities, the viability and efficiency of such projects may be affected. In addition, any inability to complete the acquisition of the necessary land in a timely manner may cause construction delays. The occurrence of any such event could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

39. Our management will have broad discretion in how we apply the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the Objects of the Offer will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.

We intend to use the Net Proceeds for the purposes described under "*Objects of the Offer*" on page 93. The Objects of the Offer include the repayment / prepayment in full or in part, of borrowings availed by our Company amounting to approximately ₹ 2,250.00 million and general corporate purposes. Our funding requirements and the deployment of the Net Proceeds are based on management estimates and have not been appraised. In response to the dynamic nature of our business, our management will have broad discretion to revise our business plans, estimates and budgets from time to time. Consequently, our funding requirements and deployment of funds may change, which may result in rescheduling of the proposed utilization of the Net Proceeds and increasing or decreasing expenditure for a particular activity, subject to compliance with applicable law and the investment policies approved by our management. Furthermore, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution to be passed by the shareholders of our Company and the promoter or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects in accordance with the Articles of Association of our Company and as may otherwise be prescribed by SEBI.

In the case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by means available to us, including internal accruals and additional equity and/or debt arrangements. If actual utilization towards the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities, and general corporate purposes. If estimated utilization of the Net Proceeds is not completely met in a fiscal year, it shall be carried forward.

Further, our management will have significant flexibility in temporarily investing the Net Proceeds and there can be no assurance that we will earn significant interest income on, or that we will not suffer unanticipated diminution in the value of, such temporary investments.

40. Product returns and costs incurred because of customer rejections could harm our business, cash flows, results of operations and financial condition.

In the event that we and our suppliers are not able to meet the strict quality standards imposed by our customers or any regulator, which are applicable to us in our manufacturing processes, it could have an adverse effect on our business, cash flows, financial condition, and results of operations. If any of the products sold by us fail to comply with applicable quality standards, it may result in customer dissatisfaction, which may have an adverse effect on our business, reputation, sales, results of operations and customer relationships. From time to time, due to human or operational error, orders may not meet the specifications required by those customers and may therefore be rejected by customers. Any ongoing issues with products not meeting required specifications could reduce our revenue and negatively impact our reputation and financial performance.

There have been certain instances of rejections of our products at our various manufacturing facilities in the past. There can be several reasons for rejection, such as low/high temperature of liquid metal, non-compliance with alloy composition, ingot surface being improper, extra slag etc. Further, on certain occasions, the materials supplied by us have been rejected due to power cuts and breakdowns at our customers' facilities. However, there have been no instances wherein our Company had to incur substantial expenditure to replace defective products, provide refunds or resolve disputes with its customers through litigation, arbitration or other means.

While we undertake sample-based testing of our products, the possibility of future product failures could cause our Company to incur substantial expense to replace defective products, provide refunds or resolve disputes with our customers through litigation, arbitration or other means. There can be no assurance that we will be able to recover any losses incurred as a result of the defects in the products sold by us. This may result in monetary losses and have a material adverse effect on our business, cash flows, financial condition and results of operations.

41. 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. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. 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.

42. Restrictions on import of raw materials and an increase in shipment cost may adversely impact our business, cash flows and results of operations.

In Fiscal 2021, we imported raw materials amounting to ₹ 19,279.28 million, which accounted for 79.29% of our total purchases. Any restrictions, either from the Central or state governments of India, or from countries which we import from, on such imports may adversely affect our business, prospects, cash flows, financial condition and results of operations. There can be no assurance that such restrictions/ regulations would not be made more stringent which would consequently restrict our ability to import raw materials from other jurisdictions. Further, there can be no assurance that, under these circumstances, we will be successful in identifying alternate suppliers for raw materials or we will be able to source the raw materials at favourable terms in a timely manner. Any restriction on import of raw materials could have an adverse effect on our ability to deliver products to our customers, business and results of operations. Further, a significant portion of our expenses arise from freight carriage and transport and freight and forwarding expense and import freight charges. Any increase in import tariff will increase expenses which in turn may impact our business, cash flows and results of operations.

43. ***Our Statutory Auditor has included an emphasis of matter in its audit report on consolidated financial statements as at and for the year ended March 31, 2021 and in their report on CMR Consolidated Audited Financial Statements as at and for the year ended March 31, 2020. Further, our Statutory Auditors have included certain observations in their reporting under Companies (Auditors Report) Order, 2016 ("CARO") on our audited standalone financial statements for Fiscal 2021.***

Our Statutory Auditors have included an emphasis of matter in their audit report on consolidated financial statements of our Company as at and for the year ended March 31, 2021 and in their report on CMR Consolidated Audited Financial Statements as at and for the year ended March 31, 2020. Further, our Statutory Auditors have included certain observations in their reporting under Companies (Auditors Report) Order, 2016 ("**CARO**") on our audited standalone financial statements for Fiscal 2021.

For further information, see "*Management's Discussion and Analysis of Financial Position and Results of Operations – Qualifications and Emphasis of Matter*" on page 550.

There can be no assurance that any similar remarks or emphasis of matter or observations will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our financial condition may be adversely affected.

44. ***Certain of our Directors, Promoters and members of our Promoter Group have interests in our Company other than reimbursement of expenses incurred and normal remuneration or benefits.***

Certain of our Promoters and Directors may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Promoters, Directors and members of the Promoter Group may be deemed to be interested to the extent of Equity Shares held by them, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. Additionally, we have in the course of our business entered into, and will continue to enter into, transactions with related parties. For instance, certain of the key related party transactions entered into by us include properties taken on lease from our Promoters, Mohan Agarwal, Kalawati Agarwal and Pratibha Agarwal including for use as residence by our Executive Directors. The aggregate value of rent paid in this regard, to our Promoters, as on March 31, 2021 was ₹ 28.50 million.

While, in our view, all such transactions that we have entered into are legitimate business transactions conducted on an arms' length basis, we cannot assure you that we could not have achieved more favourable terms had such arrangements not been entered into with related parties or that we will be able to maintain existing terms, in cases where the terms are more favourable than if the transaction had been conducted on an arms' length basis. We have also adopted a policy titled 'Related Party Transaction Policy' to address situations of conflict involving Directors and Promoters, especially in respect of related party transactions and those giving rise to conflict of interest. However, there can be no assurance that such transactions in the future, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, prospects, result of operations, financial condition and cash flows, including because of potential conflicts of interest or otherwise. For more information on our related party transactions, see "*Related Party Transactions*" on page 512.

45. ***Our Promoter and Promoter Group will continue to retain majority shareholding in us after the Offer, which will allow them to exercise significant influence over us.***

After the completion of the Offer, our Promoter and Promoter Group will hold approximately [●]% of our outstanding Equity Shares. Accordingly, our Promoter and Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders' approval, including the composition of our Board of Directors, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoter and Promoter Group. Further, the Takeover Regulations may limit the ability of a third party to acquire control. The interests of our Promoter, as our Company's controlling shareholder, could conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoter will act to resolve any conflicts of interest in our Company's or your favour.

46. A portion of the Net Proceeds may be utilized for repayment or pre-payment of a loan availed by our Company from Axis Bank Limited, which is an affiliate of Axis Capital Limited, one of the BRLMs.

We propose to repay or pre-pay a loan availed by our Company from Axis Bank Limited from the Net Proceeds. Axis Bank Limited is an affiliate of Axis Capital Securities Limited, one of our Book Running Lead Managers and is not an associate of our Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. The loan sanctioned to our Company by Axis Bank Limited was done as part of their lending activities in the ordinary course of business and we do not believe that there is any conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations. The Board of Directors of our Company has chosen the loans and facilities to be repaid/prepaid based on commercial considerations. For details see "*Objects of the Offer*" on page 93. However, there can be no assurance that the repayment / prepayment of such loans from the Net Proceeds to an affiliate of one of the Book Running Lead Managers will not be perceived as a current or potential conflict of interest.

47. 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 others, 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, cash flows, results of operations and financial condition.

48. We have entered into certain credit facilities that are repayable on demand. Any unexpected demand for repayment of such facilities by the lenders may adversely affect our business, financial condition, cash flows and result of operations.

As of March 31, 2021, our non-current borrowings including current maturities of long term borrowings, and current borrowings amounted to ₹ 855.13 million and ₹ 3,956.65 million, respectively. Some of our current borrowings are repayable on demand. Any failure to service such indebtedness, comply with a requirement to obtain lender consent or otherwise perform such obligations under such financing agreements (including unsecured borrowings) may lead to a such borrowing being repayable on demand or termination of one or more of our credit facilities or default or penalties and acceleration of amounts due under such credit facilities, which may adversely affect our business, cash flows, financial condition, results of operations and prospects.

49. This Draft Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL Research.

This Draft Red Herring Prospectus includes information that is derived from an industry report dated September 2021 titled "*Assessment of secondary aluminium industry in India*" ("**CRISIL Report**"), prepared by CRISIL Research, a research house, pursuant to an engagement with the Company. We commissioned this report for the purpose of confirming our understanding of the metal recycling industry in India. CRISIL Research 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 CRISIL Research's assumptions are correct or will not change and, accordingly, our position in the market may differ, favourably or unfavourably, from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company. CRISIL Research has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the CRISIL Report. Prospective Investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

50. We have entered into a number of related party transactions and may continue to enter into such transactions under Ind AS 24, in the future, and there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

We have, in the past, entered into related party transactions with various parties including such as purchase of raw materials and traded goods, sales of goods and loans given and received back for Fiscal 2021, in the ordinary course of our business. For further details, see "*Related Party Transactions*" beginning on page 512.

While we believe that our past related party transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Furthermore, it is likely that we will continue to enter into related party transactions in the future. There can be no assurance to you that such transactions in the future or any other future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, cash flows, financial condition and results of operations. Further, the such transactions in the future or any future transactions with our related parties, either individually or in the aggregate, may potentially involve conflicts of interest. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour.

51. We have experienced negative cash flows from operating and investing activities in previous Fiscals and cannot assure you that we will not experience negative cash flows in future periods. Negative cash flows may adversely affect our financial condition, results of operations and prospects.

The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated.

(*₹ in million*)

Particulars	Fiscal 2019 (Proforma)	Fiscal 2020 (Proforma)	Fiscal 2021
Net cash (used in) operating activities	(0.12)	(0.11)	(851.46)
Net cash (used in) investing activities	-	-	(869.11)
Net cash flow from financing activities	0.10	0.10	1,583.55
Net change in cash and cash equivalents	**(0.02)**	**(0.01)**	**(137.02)**
Cash and cash equivalents at the beginning of the year	**0.08**	**0.06**	**0.05**
Add: Cash and cash equivalent acquired pursuant to the scheme of arrangement	**-**	**-**	**204.87**
Cash and cash equivalents at the end of the year	**0.06**	**0.05**	**67.90**

We may, in the future, experience negative cash flows as well. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. This situation may have an adverse effect on our cash flows, business, future financial performance and results of operations.

For more information, see "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 514.

52. In the event there is a disallowance of certain tax benefits availed by us, we may face increased tax expenses and litigation costs and consequently our business, cash flows and financial condition may be adversely affected.

Prior to the implementation of the Scheme of Arrangement, CMR was primarily engaged in the business of metal recycling and the manufacture of metal products. Pursuant to the Scheme of Arrangement, CMR, along with certain other companies, was amalgamated with our Company and accordingly, ₹ 9,236.63 million was recorded as goodwill on amalgamation. The tax benefits arising from the amalgamation are subject to assessment under applicable income tax laws and we may be subject to further scrutiny from income tax authorities. The Finance

Act, 2021 provides that goodwill of a business or profession will not be considered a depreciable asset and that no depreciation on goodwill should be allowed effective April 1, 2020. In the event there is a disallowance of the amortization of goodwill pursuant to the amalgamation claimed by us in an earlier year, or any other tax benefits arising from the amalgamation, we may face increased tax expenses and litigation costs and consequently our business and financial condition may be adversely affected.

53. Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, net worth, return on net worth, ROCE, total borrowings, total debt to total net worth ratio and interest coverage ratio have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, net worth, return on net worth, ROCE, total borrowings, total debt to total net worth ratio and interest coverage ratio have been included in this Draft Red Herring Prospectus. These are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance are not standardised terms, hence a direct comparison of these non-GAAP measures between companies may not be possible. In addition, we have also, in this Draft Red Herring Prospectus, included certain non-GAAP measures of CMR. These measures may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies and has limited usefulness as a comparative measure.

54. The Company will prepare its first annual set of financial statements in accordance with Ind AS from the accounting year ending March 31, 2022. As a result, our Restated Financial Information included in this Draft Red Herring Prospectus may differ from such financials once prepared.

The Restated Financial Information included in this Draft Red Herring Prospectus, has been derived from our audited consolidated financial statements as at and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Indian GAAP and restated by us including adjustment to make them compliant with recognition and measurement principles under Ind AS, in accordance with the SEBI ICDR Regulations, as amended and SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016, as amended, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI.

We will prepare our first annual Ind AS financial statements as at and for the year ending March 31, 2022 and until then the numbers included in the Restated Financial Statements are preliminary and not full set of financial statements under recognition and measurement principles of Ind AS and may change if: (a) there are any new Ind AS standards issued through March 31, 2022, (b) there are any amendments or modifications made to existing Ind AS standards or interpretations thereof through March 31, 2022 effecting the balances included in the Restated Financial Statements; or (c) if we make any changes in the elections or exemptions selected on adoption of Ind AS at its transition date of April 1, 2020.

55. Our contingent liabilities and guarantees as at March 31, 2021 as per Ind AS 37, as disclosed in our Restated Financial Information could adversely affect our financial condition.

As of March 31, 2021, our contingent liabilities and guarantees identified under the Ind AS 37, on a consolidated basis, were as follows:

Particulars	As of March 31, 2021 (₹ in million)
Demands received Under Customs Act 1962	5.05
Demands received Under Central Excise Act 1944	421.85
Demands received Under Finance Act 1994	0.14
Demands received Under Sales Tax Act/Entry Tax Act under appeal for various years	28.53
Demands received Under Good and Service Tax Act under appeal for various years	1.26
Demands received Under Income tax Act 1961	149.61
Claim related to legal case filed by ex-workers	6.14
Liability on account of legal case on enhancement of land purchase price by farmers	13.70
Guarantee given	350.00

In the event, that any of these contingent liabilities or a material proportion of these contingent liabilities materialize, our future financial condition, result of operations and cash flows may be adversely affected.

For details of our contingent liabilities and guarantees as at March 31, 2021 as per Ind AS 37, see "*Restated Financial Information – Annexure XXXIX: Notes to Restated Ind AS Consolidated Summary Statements - Commitments & Contingencies*" on page 312.

56. 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. 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, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. 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, see "*Dividend Policy*" on page 223.

57. The proceeds from the Offer for Sale will be paid to the Selling Shareholders, including our Promoters.

This Offer is being undertaken as a Fresh Issue of Equity Shares as well as an Offer for Sale of Equity Shares by the Selling Shareholders. The Selling Shareholders shall be entitled to the net proceeds from the Offer for Sale, which comprise the proceeds from the Offer for Sale net of Offer expenses shared by the Selling Shareholders, and our Company will not receive any proceeds from the Offer for Sale. For further details, see "*The Offer*", "*Capital Structure*" and "*Objects of the Offer*" on pages 65, 82 and 93, respectively.

58. We are subject to compliance under various corporate governance requirements.

In terms of Regulation 24(1) of the SEBI Listing Regulations and the SEBI ICDR Regulations, we are required to ensure appointment of an Independent Director on the board of our Material Subsidiary CMRN. While we have initiated discussions in relation to such appointment, we have not been able to conclude on the identification of such Independent Director. We undertake to comply with this requirement prior to the filing of the updated Draft Red Herring Prospectus with the SEBI.

59. Some of our Promoters have limited experience in metal recycling industry.

Some of our Promoters have limited experience in the metal recycling business. The metal recycling industry involves various risks, including regulatory risks and environmental risks. Any failure to manage the ongoing as well as future demand could delay the process of manufacturing and supplying our products which effectively could delay our ability to meet our customers' requirements and consequently, our ability to generate revenue, which could have an adverse impact on our business and revenue.

EXTERNAL RISK FACTORS

60. Political, economic or other factors that are beyond our control may have an adverse effect on our business, cash flows 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 products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), 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, cash flows, 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.

61. 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 neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

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

The regulatory and policy environment in which we operate is evolving and subject to change. The governmental and regulatory bodies in the jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. In particular, the Government may impose quality standards on the metal scrap that we import, or place certain restrictions in this regard, which may have a significant impact on our cost of raw materials and results of operations. Such changes may adversely affect our business, cash flows, 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.

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.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see "*Outstanding Litigation and Other Material Developments*" on page 556. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India's Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

The Finance Act, 2020 ("**Finance Act**"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax ("**DDT**"), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2021 ("**Finance Act**") which has introduced various amendments to taxation laws in India. As such, there is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate.

We 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, cash flows, 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.

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

The Indian economy is influenced by economic and market conditions in other countries, including, but 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, cash flows, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. For instance, global markets have seen considerable disruption and volatility in the wake of the COVID-19 pandemic. In addition, China is one of India's major trading partners and there are rising concerns of a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. Risks resulting from a relapse in the Eurozone crisis or any future debt crisis in Europe or any similar crisis could have a detrimental impact on consumer confidence levels and global economic recovery. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth.

These could include further falls in stock exchange indices and/or 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 particular, there are rising concerns of a possible slowdown in the Chinese economy, and China is one of India's major trading partners. Such factors might also result in a slowdown in India's export growth momentum.

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.

64. If inflation were to rise in India, we might not be able to increase the prices of our services in order to pass costs on to our customers and our profits might decline.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. Increasing inflation in India could cause a rise in the price of transportation, wages, raw materials and other expenses, and we may be unable to reduce our costs or fully pass the increased costs on to our customer by increasing the price that we charge for our products, and our business, prospects, cash flows, financial condition and results of operations may therefore be adversely affected.

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

We are a limited liability public company incorporated under the laws of India. Majority of our directors and key managerial personnel named in this Draft 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. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in a 'reciprocating territory', it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalty. The United Kingdom, Singapore and Hong Kong, among other countries, have been declared by the Government to be a 'reciprocating territory' for the purposes of Section 44A of the Civil Procedure Code.

A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

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. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under the FEMA to repatriate any such amount recovered and any such amount may be subject to income tax in accordance with applicable laws. Any judgment or award in a foreign currency would be converted into Indian Rupees on the date of the judgment or award and not on the date of the payment.

66. 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 BSE and the NSE. 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. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

67. 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 of India 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. 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. 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.

Additionally, in terms of Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade ("**DPIIT**") read with the Consolidated FDI Policy, the foreign direct investment policy has been recently amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. Further, in the event of a transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the GoI. Furthermore, on April 22, 2020, the Ministry of Finance, GoI has also made a similar amendment to the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

68. Significant differences exist between the Indian Accounting Standards ("Ind AS") and other accounting principles, such as IFRS, which may be material to investors' assessments of our financial condition.

The Restated Financial Information comprises our restated consolidated financial information as at and for the financial years ended March 31, 2021, March 31, 2020 (proforma) and March 31, 2019 (proforma), comprising the restated consolidated summary statement of assets and liabilities as at March 31, 2021, March 31, 2020 (proforma) and March 31, 2019 (proforma), the restated consolidated summary statements of profit and loss (including other comprehensive income), the restated consolidated summary statement of change in equity and the restated consolidated summary statement of cash flows for the years ended March 31, 2021, March 31, 2020 (proforma) and March 31, 2019 (proforma), together with the summary statement of significant accounting policies, and other explanatory information thereon derived from audited financial statements as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Indian GAAP and restated by us including adjustment to make them compliant with recognition and measurement principles under Ind AS, in accordance with the SEBI ICDR Regulations, as amended and SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016, as amended, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI.

Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our Restated Financial Information was to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. Prospective investors should review the accounting policies applied in the preparation of our Restated Financial Information and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

69. ***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.

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

Under the SEBI ICDR Regulations, we are required to obtain listing and trading approvals for our Equity Shares Allotted pursuant to this Offer within six Working Days of the Bid/Offer Closing Date, or such other timeline as may be prescribed by SEBI. Consequently, the Equity Shares you purchase in the Offer may not be credited to your book or dematerialized account with the Depository Participants until six Working Days after the Bid/Offer Closing Date or such other timeline as may be prescribed by SEBI. You can start trading in the Equity Shares only after they have been credited to your dematerialized account and listing and trading permissions are received from the Designated Stock Exchange.

71. ***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. A securities transaction tax ("**STT**") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long term capital gains tax in India. Such long term capital gains exceeding ₹ 100,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 10% (plus applicable surcharge and cess). Further, STT will be levied and collected by an Indian stock exchange if the equity shares are sold on a stock exchange. With respect to capital gains arising in an off market sale, long term capital gains are subject to tax at the rate of 10% (plus applicable surcharge and cess) without the exemption of ₹ 100,000. Short-term capital gains, arising from the sale of such equity shares on a stock exchange would be subject to tax at the rate of 15% (plus applicable surcharge and cess), while short term capital gains arising in an off-market sale would be subject to tax at a higher rate of 40% (plus applicable surcharge and cess) in the case of foreign companies and 30% (plus applicable surcharge and cess) in the case of other non-resident taxpayers.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020. It clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our Company's business and operations.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of 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. Additionally, the Finance Act, 2020 does not require dividend distribution tax to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. 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.

72. Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business and the trading price of the Equity Shares.

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or financial policy or a decrease in India's foreign exchange reserves. According to the RBI, India's total foreign exchange reserves were over U.S. $ 641,113 million as on September 10, 2021.India's foreign exchange reserves have grown consistently in the past. (*Source: Reserve Bank of India*) However, any decline in foreign exchange reserves could adversely affect the valuation of the Indian Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial performance and the market price of the Equity Shares and could result in a downgrade of India's debt ratings.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020; and from BBB "stable" to BBB "negative" by DBRS in May 2020. India's sovereign ratings from S&P is BBB- with a "stable" outlook in September 2020. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could adversely affect our business and future financial performance and our ability to obtain financing to fund our growth, as well as the trading price of the Equity Shares.

73. 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.

74. 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 82, we cannot assure you that our Promoter will not dispose of, pledge or encumber their Equity Shares in the future.

75. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, cash flows, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

76. 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 Investor Selling Shareholder in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for the Offer Price*" on page 100 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 resell their Equity Shares at or above the Offer Price.

77. Future sales of Equity Shares by our Promoters and significant shareholders may adversely affect the market price of the Equity Shares.

After the completion of the Offer, our Promoters and significant shareholders will own, directly and indirectly, majority of our outstanding Equity Shares. Sales of a large number of the Equity Shares by our Promoters and/or significant shareholders could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur could adversely affect the market price of the Equity Shares. Except as disclosed in "*Capital Structure*" on page 82, no assurance may be given that our significant shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

SECTION IV – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares(1)	Up to [●] Equity Shares, aggregating up to ₹ [●] million
of which:	
(i) Fresh Issue(1)(2)	Up to [●] Equity Shares, aggregating up to ₹ 3,000 million
(ii) Offer for Sale (3)	Up to 33,414,138 Equity Shares, aggregating up to ₹ [●] million
The Offer comprises:	
A) QIB Portion (4)(5)	Not less than [●] Equity Shares
of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Not less than [●] Equity Shares
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion (6)	Not more than [●] Equity Shares
C) Retail Portion (6)	Not more than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	221,268,171 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 93 for information on the use of proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

Notes:

(1) The Offer has been authorized by a resolution of our Board dated September 9, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated September 20, 2021. The Offer shall be made in accordance with Rule 19(2)(b) of the SCRR.

(2) A Pre-IPO placement may be undertaken by our Company, in consultation with the Book Running Lead Managers, for an amount aggregating up to ₹ 600.00 million prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with the minimum issue size requirements prescribed under regulation 19(2)(b) of the SCRR.

(3) The Equity Shares being offered by the Selling Shareholders are eligible for being offered for sale in terms of the SEBI ICDR Regulations. Each of the Selling Shareholders has authorized the sale of its respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 566.

(4) Our Company and the Investor Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, 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 (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 588.

(5) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company and the Investor Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange. In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made, first, towards Equity Shares offered by the Investor Selling Shareholder, subsequently, pro rata towards Equity Shares offered by the Selling Shareholders, and thereafter, towards the balance Fresh Issue.

(6) Allocation to all categories, except Anchor Investors, if any and Retail Individual Bidders, shall be made on a proportionate basis, subject to valid Bids 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 available Equity Shares, if any, shall

be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see "Offer Procedure" on page 588.

For details, including in relation to grounds for rejection of Bids, refer to "*Offer Structure*" and "*Offer Procedure*" on pages 585 and 588, respectively. For details of the terms of the Offer, see "*Terms of the Offer*" on page 578.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Financial Information. The summary financial information presented below may differ in certain significant respects from generally accepted accounting principles in other countries, including IFRS. The summary financial information presented below should be read in conjunction with our Restated Financial Information, the notes and annexures thereto and the section "Management's Discussion and Analysis of Financial Position and Results of Operations" on page 514.

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Restated Consolidated Summary Balance Sheet

(in ₹ million except per share data and unless otherwise specified)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Assets			
Non-current assets			
Property, plant and equipment	2,956.85	-	-
Capital work in progress	428.53	-	-
Investment property	2.92	-	-
Goodwill	12,396.27	-	-
Other intangible assets	10.24	-	-
Intangible assets under development	0.50	-	-
Right-of-use assets	436.08	-	-
Investments in Joint ventures & Associates	140.24	905.47	335.08
Financial assets			
i. Investments	15.59	310.39	59.41
ii. Loans	35.23	-	-
iii. Other financial assets	20.28	-	-
Non-current tax assets (net)	171.15	0.32	0.32
Other non-current assets	352.40	-	-
	16,966.28	**1,216.18**	**394.81**
Current assets			
Inventories	4,237.10	-	-
Financial assets			
i. Trade receivables	5,311.36	-	-
ii. Cash and cash equivalent	67.90	0.05	0.06
iii. Bank balances other than (iii) above	208.80	-	-
iv. Loans	245.96	-	0.01
v. Other financial assets	57.51	-	-
Other current assets	2,151.28	0.42	0.42
	12,279.91	**0.47**	**0.49**
Total assets	**29,246.19**	**1,216.65**	**395.30**
Equity and liabilities			
Equity			
Equity Share capital	3.27	3.93	3.93
Equity share capital suspense account	8,702.91	-	-
Other equity	8,046.70	1,140.90	376.79
Equity attributable to equity holders of parent	**16,752.88**	**1,144.83**	**380.72**
Non - Controlling Interest	994.79	-	-
Total Equity	**17,747.67**	**1,144.83**	**380.72**
Liabilities			
Non-current liabilities			
Financial liabilities			
i Borrowings	505.18	-	-
ii. Lease liabilities	250.75	-	-
iii. Other financial liabilities	2.82	-	-
Deferred tax liabilities (net)	3,276.33	70.72	13.55
Provisions	47.77	-	-
	4,082.85	**70.72**	**13.55**
Current liabilities			
Financial liabilities			
i. Borrowings	3,956.65	0.22	0.11
ii. Lease liabilities	53.14	-	-
iii. Trade payables			
- Total outstanding due of micro and small enterprises	-	-	-
-Total outstanding dues other than micro and small enterprises	2,168.05	0.03	0.08
iv. Other financial liabilities	559.22	0.01	0.01
Current tax liabilities (net)	83.59	-	-

(in ₹ million except per share data and unless otherwise specified)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Provisions	56.46	-	-
Other current liabilities	538.56	0.84	0.83
	7,415.67	**1.10**	**1.03**
Total liabilities	**11,498.52**	**71.82**	**14.58**
Total Equity and liabilities	**29,246.19**	**1,216.65**	**395.30**

Restated Consolidated Summary Statement of Profit and Loss

(in ₹ million except per share data and unless otherwise specified)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Revenue from operations	29,131.90	-	-
Other income	141.06	-	0.07
Total income (I)	**29,272.96**	**-**	**0.07**
Expenses			
Cost of raw materials consumed	23,054.97	-	-
Purchase of traded goods	146.69	-	-
Changes in inventories of finished and traded goods	(237.75)	-	-
Employee benefits expenses	1,045.21	-	-
Finance Cost	365.64	0.01	0.01
Depreciation and amortization expense	338.94	-	-
Other expenses	1,757.44	0.09	0.14
Total expenses (II)	**26,471.14**	**0.10**	**0.15**
Profit before tax and share in profit of Associates and Joint ventures	**2,801.82**	**(0.10)**	**(0.08)**
Share in profit of Associates and Joint Ventures (net of tax)	1.99	1.33	0.57
Profit before tax	**2,803.81**	**1.23**	**0.49**
Tax expense:			
- Current tax	214.22	-	-
- Income Tax for earlier years (net)	(4.87)	-	-
- Deferred tax charge	442.44	-	-
- Deferred tax adjustment for earlier years (net)	1.22	-	-
Total tax expenses	**653.01**	**-**	**-**
Profit before exceptional deferred tax charge on goodwill	**2,150.80**	**1.23**	**0.49**
- Exceptional deferred tax charge on goodwill	1,743.51	-	-
Profit for the year	**407.29**	**1.23**	**0.49**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Changes in fair value of investments which are classified at fair value through OCI	-	250.98	22.84
Share of associates	-	569.07	147.68
Re-measurement Gain/ (loss) on defined benefit plan	1.15	-	-
Income tax (loss)/credit relating to items that will not be reclassified to profit or loss	(0.29)	(57.17)	(5.31)
Share of Joint Venture (net of tax)	0.03	-	-
Other comprehensive Gain/(loss)	**0.89**	**762.88**	**165.21**
Total comprehensive income for the year	**408.18**	**764.11**	**165.70**
Profit before exceptional deferred tax charge for the year attributable to:			
Equity holders of the parent	1,959.68	1.23	0.49
Non - controlling interest	191.12	-	-

(in ₹ million except per share data and unless otherwise specified)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Profit for the year attributable to:			
Equity holders of the parent	216.17	1.23	0.49
Non - controlling interest	191.12	-	-
Other Comprehensive Income for the year attributable to:			
Equity holders of the parent	0.78	762.88	165.21
Non - controlling interest	0.11	-	-
Total Comprehensive Income for the year attributable to:			
Equity holders of the parent	216.96	764.11	165.70
Non - controlling interest	191.22	-	-
Earnings per equity share (Basic and Diluted): (nominal value per share of Rs 10 each)	58.00	3.13	1.24

Restated Consolidated Summary Statement of Cash Flows

(in ₹ million except per share data and unless otherwise specified)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Cash Flow from Operating Activities			
Profit before tax	2,803.81	1.23	0.49
Adjustments for:			
Share in Profit of Associates	-	(1.33)	(0.57)
Depreciation and amortization expense	338.94	-	-
Loss on disposal of Property, plant and equipment (net)	40.18	-	-
Interest income	(54.71)	-	-
Interest expense	345.84	0.01	0.01
Amortisation of deferred government grant	(39.23)	-	-
Rent Concessions	(10.33)	-	-
Dividend (income)	(0.75)	-	-
Provision for doubtful security deposits written back	(1.74)	-	-
Profit of joint ventures	(1.99)	-	-
Sundry Balances written off (net)	37.31	-	-
Dilution in share of Joint venture	(0.53)	-	-
	652.99	**(1.32)**	**(0.56)**
Operating Profit before adjustments	**3,456.80**	**(0.09)**	**(0.07)**
Adjustments:			
(Increase) in trade receivables	(1,554.12)	-	-
(Increase) in inventories	(1,360.43)	-	-
(Increase) in Loans	(6.84)	-	-
(Increase)/decrease in financial and other assets	(1,531.02)	0.01	(0.08)
Increase/(Decrease) in trade payables	164.36	(0.03)	0.02
Increase in financial and other liabilities	152.23	-	0.01
Increase in provisions	9.57	-	-
Change in the adjustments	**(4,126.25)**	**(0.02)**	**(0.05)**
Direct taxes paid (net of refunds)	(182.01)	-	-
Net cash (used in) operating activities (A)	**(851.46)**	**(0.11)**	**(0.12)**
Cash Flow from Investing Activities			
Purchase of property, plant and equipment, intangible assets including capital work in progress	(629.07)	-	-
Proceeds from disposal of property, plant and equipment, intangible assets and capital work in progress	10.99	-	-
Investments made	(49.50)	-	-
Investments in fixed deposits	(314.42)	-	-
Maturity of fixed deposits	314.66	-	-
Dividend received	0.75	-	-
Loan given to Joint venture	(680.39)	-	-
Loan repaid by Joint venture	443.54	-	-
Interest received	34.33	-	-
Net Cash (Used in) Investing Activities (B)	**(869.11)**	**-**	**-**
Net Cash Flow From Financing Activities:			
Proceeds from short term borrowings (net)	1,409.25	0.10	0.10
Proceeds from long term borrowings	713.76	-	-
Repayment of long term borrowings	(180.06)	-	-
Lease payments made	(38.99)	-	-
Interest on lease payment	(29.28)	-	-
Interest paid	(291.13)	-	-

(in ₹ million except per share data and unless otherwise specified)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Net Cash Flow from Financing Activities (C)	**1,583.55**	**0.10**	**0.10**
Net Change in Cash & cash equivalents	**(137.02)**	**(0.01)**	**(0.02)**
(A+B+C)			
Cash and cash equivalents at the beginning of the year	0.05	0.06	0.08
Add: Cash and cash equivalents acquired pursuant to Scheme of Arrangement	204.87	-	-
Cash and cash equivalents at the end of the year	**67.90**	**0.05**	**0.06**
Cash and cash equivalents comprise of the following			
Cash on hand	1.23	0.03	0.03
On current accounts	64.70	0.02	0.03
Cash credit	1.97	-	-
Balance as per statement of cash flows	**67.90**	**0.05**	**0.06**

GENERAL INFORMATION

Our Company was incorporated as 'Grand Metal Industries Private Limited' pursuant to a certificate of incorporation dated August 23, 2005 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, pursuant to the conversion of our Company to a public limited company, the name of our Company was changed to 'Grand Metal Industries Limited', and a fresh certificate of incorporation dated May 28, 2020 was issued to our Company by the RoC. Subsequently, our name was changed to 'CMR Green Technologies Limited', and a fresh certificate of incorporation dated August 11, 2021 was issued to our Company by the RoC. For further details on the changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 181.

For details of our business, see "*Our Business*" on page 153.

Registered and Corporate Office of our Company

The address and certain other details of our Registered and Corporate Office is as follows:

Unit Nos. 802-803
8th Floor, SSR Corporate Park
Sector 27 B, Faridabad 121 003
Haryana, India
Telephone: +91 129 422 3050
Website: www.cmr.co.in

Registration Number and Corporate Identity Number of our Company

The registration number and corporate identity number of our Company are set forth below:

Particulars	Number
Registration Number	085675
Corporate Identity Number	U00337HR2005PLC085675

The Registrar of Companies

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

Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi
4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019
India

Board of Directors

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

Name and Designation	DIN	Address
Mohan Agarwal *Chairman and Managing Director*	00595232	W-5/16, Western Avenue, Sainik Farm, New Delhi 110 062, India
Akshay Agarwal *Executive Director*	07175149	W-5/16, Western Avenue, Sainik Farm, New Delhi 110 062, India
Raghav Agarwal *Executive Director*	08450843	F-170B, Western Avenue, Sainik Farm, New Delhi 110 062, India
Peter Francis Amour *Non-Executive Nominee Director**	00071314	Apt 0783, Tower 15, Hong Kong Parkview, 88 Tai Tam Reservoir Road, Hong Kong, China
Balvinder Kumar *Independent Director*	01647940	6C, HUDCO Place, New Delhi 110 049, India
Gyan Mohan *Independent Director*	07816704	323 A, Patliputra Colony, Patna 800 013, Bihar, India
Rashmi Verma *Independent Director*	09268810	B-108, Niti Bagh, New Delhi 110 049, India

Name and Designation	DIN	Address
Satpal Kumar Arora *Independent Director*	00061420	C-1/401, Ram Prastha Colony, Chander Nagar, Ghaziabad 201 011, Uttar Pradesh, India

** Nominee of Global Scrap Processors Limited, pursuant to the Investment Agreement. For more information, see the section "History and Certain Corporate Matters" on page 181.*

For further details of our Board of Directors, see "*Our Management – Board of Directors*" on page 196.

Company Secretary and Compliance Officer

Lohit Chhabra is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Lohit Chhabra
Unit no 802-803, 8th Floor,
SSR Corporate Park, Sector 27B,
Faridabad 121 003
Haryana, India
Tel: +91 422 3050
E-mail: complianceofficer@cmr.co.in

Registrar to the Offer

Kfin Technologies Private Limited
(*Formerly known as 'Karvy Fintech Private Limited'*)
Selenium Tower-B, Plot No. 31 & 32
Financial District, Nanakramguda
Serilingampally, Hyderabad, Rangareddi 500 032
Telangana, India
Tel: + 91 40 6716 2222
Email: cmr.ipo@kfintech.com
Investor grievance e-mail: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M. Murali Krishna
SEBI Registration No: INR000000221

Book Running Lead Managers

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India
Telephone: +91 22 2288 2460
Email: cmr.ipo@icicisecurities.com
Investor grievance email:
customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Rupesh Khant / Kristina Dias
SEBI Registration No.: INM000011179

Axis Capital Limited
Axis House, Level 1
C-2, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India
Tel: + 91 22 4325 2183
Email: cmrl.ipo@axiscap.in
Investor grievance e-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Akash Aggarwal
SEBI Registration No: INM000012029

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai – 400 025
Maharashtra, India
Tel: + 91 22 6630 3030
Email: cmr.ipo@jmfl.com
Investor grievance e-mail: grievance.ibd@jmfl.com
Website: www.jmfl.com

Contact Person: Prachee Dhuri
SEBI Registration No: INM000010361

Syndicate Members

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Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The responsibilities and coordination by the BRLMs for various activities in the Offer are as follows:

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing	BRLMs	I-Sec
2.	Drafting and approval of all statutory advertisement	BRLMs	I-Sec
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	BRLMs	Axis
4.	Appointment of intermediaries – Registrar to the Offer, advertising agency, Banker(s) to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	BRLMs	I-Sec
5.	Preparation of road show presentation	BRLMs	JM
6.	Preparation of frequently asked questions	BRLMs	JM
7.	International institutional marketing of the Offer, which will cover, inter alia: • marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	BRLMs	JM
8.	Domestic institutional marketing of the Offer, which will cover, inter alia: • marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	BRLMs	I-Sec
9.	Retail and Non-Institutional marketing of the Offer, which will cover, inter alia, • Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • Finalising centres for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres	BRLMs	Axis
10.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading and payment of 1% security deposit	BRLMs	JM
11.	Anchor coordination, anchor CAN and intimation of anchor allocation to Stock Exchanges	BRLMs	Axis
12.	Managing the book and finalization of pricing in consultation with the Company	BRLMs	I-Sec
13.	Post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with	BRLMs	Axis

S. No.	Activity	Responsibility	Coordinator
	the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the initial and final post-Offer report to SEBI, release of 1% security deposit post closure of the Offer		

Legal Counsel to our Company

Khaitan & Co
Max Towers
7th & 8th Floors
Sector 16B Noida
Gautam Budh Nagar 201 301
Uttar Pradesh, India
Tel: +91 120 479 1000

Legal Counsel to the Book Running Lead Managers

J. Sagar Associates
Vakils House
18 Sprott Road
Ballard Estate
Mumbai 400 001
Maharashtra, India
Tel: +91 22 4341 8600

Legal Counsel to the Investor Selling Shareholder

Quillon Partners
902, Tower B
Peninsula Business Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6111 1900

Statutory Auditors to our Company

S. R. Batliboi & Co. LLP, Chartered Accountants
4th Floor, Office 405
World Mark 2, Asset No. 8
IGI Hospitality District, Aerocity
New Delhi – 110 037, India
E-mail: srbc@srb.in
Telephone: +91 11 4681 9500
Firm registration number: 301003E/E300005
Peer review number: 013326

Except as mentioned below, there has been no change in our statutory auditors in the three years preceding the date of this Draft Red Herring Prospectus:

Name of statutory auditor	Date of change	Reason
M/s K. N. Gutgutia & Co. Chartered Accountants 11K, Gopala Tower, 25, Rajendra Place Delhi – 110 008, India **E-mail:** brg1971@cakmg.com **Firm registration number:** 304153E **Peer review number:** 011288	August 10, 2021	Resignation as our statutory auditor

Name of statutory auditor	Date of change	Reason
S. R. Batliboi & Co. LLP, Chartered Accountants 4th Floor, Office 405 World Mark 2, Asset No. 8 IGI Hospitality District, Aerocity New Delhi – 110 037, India **E-mail:** srbc@srb.in **Firm registration number:** 301003E/E300005 **Peer review number:** 013326	August 13, 2021	Appointment as our Statutory Auditor

Bankers to our Company

ICICI Bank Limited
Booth No. 104-105
District Centre, Sector 16
Faridabad 121 007
Haryana, India
Tel: +91 73029 10393
Email: jyoti.s@icicibank.com
Website: www.icicibank.com
Contact Person: Jyoti Sharma

State Bank of India
Commercial branch, Nehru Place
New Delhi 110 048
India
Tel: +91 75062 49993
Email: rm3.cbnp@sbi.co.in
Website: bank.sbi
Contact Person: Ravi Mohan

CTBC Bank Co., Ltd
GR Floor and 2nd Floor, Aria Tower
JW Marriott Hotel, Delhi Aerocity
Asset Area-4, New Delhi 110 037
India
Tel: +91 11 4368 8825
Email: Mritunjay@ctbc.com
Website: www.ctbcbank.com/content/dam/cbminisite/IN/index.html
Contact Person: Mritunjay Narayan Jha

Shinhan Bank, New Delhi Branch
D-5, 2nd and 3rd Floor
South Extension Part II
New Delhi 110 049
India
Tel: +91 11 4500 4800
Email: credit.del@shinhan.com
Website: in.shinhanglobal.com
Contact Person: Bapi Bej

The Hongkong and Shanghai Banking Corporation, India
Institutional Plot No. 68
Sector 44, Gurugram 122 002
Haryana, India
Tel: +91 95600 02788
Email: reenas@hsbc.co.in
Website: www.hsbc.co.in
Contact Person: Reena Singh

HDFC Bank Limited
HDFC Bank Limited, FIG – OPS Department
Lodha - I, Think Techno Campus, O3 Level
Next to Kanjurmarg Railway Station
Kanjurmarg (East), Mumbai 400 042
Maharashtra, India
Tel: +91 022 3075 2914 / 28 / 29
Email: Siddharth.jadav@hdfcbank.com, Neerav.desai@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Siddharth Jadav, Neerav Desai

Banker(s) to the Offer

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Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than an RIB using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks eligible as Issuer Banks for UPI

RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, which may be updated from time to time.

Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process 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 the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, which may be updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA Forms from Bidders (other than RIBs), including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? and https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms from Bidders (other than RIBs) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and 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 from Bidders (other than RIBs) at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Credit Rating

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

Debenture Trustee

As this is an Offer comprising only Equity Shares, the appointment of a debenture trustee is not required.

Appraising Entity

No appraising entity has been appointed in relation to the Offer.

Monitoring Agency

Our Company shall, in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a monitoring agency for monitoring the utilization of the Net Proceeds from the Fresh Issue. For details in relation to the proposed utilisation of the Net Proceeds from the Fresh Issue, please see "*Objects of the Offer*" on page 93.

Grading of the Offer

No credit agency registered with SEBI has been appointed for obtaining grading for the Offer.

Green shoe option

No green shoe option is contemplated under the Offer.

Underwriting Agreement

After the determination of the Offer Price but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

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

Name, address, telephone and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative and will be finalized after determination of the Offer Price and Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board, 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. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

Filing

A copy of this Draft Red Herring Prospectus has been filed through the SEBI Intermediary Portal at https://siportal.sebi.gov.in, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "*Easing of Operational Procedure – Division of Issues and Listing – CFD*".

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office, and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band. The Price Band will be decided by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, and if not disclosed in the Red Herring Prospectus, will be advertised in [●] editions of [●], an English national daily newspaper, and [●] editions of [●], a Hindi national daily newspaper (Hindi also being the regional language of Haryana, where our Registered and Corporate Office is located), each with wide circulation, at least two Working Days prior to the Bid / Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company and the Investor Selling Shareholder, in consultation with the BRLMs after the Bid / Offer Closing Date. For details, see "*Offer Procedure*" on page 588.

All investors, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. Retail Individual Bidders shall participate through the ASBA process, either by (i) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (ii) using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any state. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until the Bid / Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Buyers will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. For an illustration of the Book Building Process and further details, see "*Terms of the Offer*" and "*Offer Procedure*" beginning on pages 578 and 588, respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

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

For further details on the method and procedure for Bidding, see "*Offer Procedure*" beginning on page 588.

CAPITAL STRUCTURE

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

(In ₹ except share data)

		Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**		
	266,713,390 Equity Shares of face value of ₹ 2 each	533,426,780	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	221,268,171 Equity Shares of face value ₹ 2 each	442,536,342	-
C	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares (1)(2)	[●]	[●]
	which includes:		
	Fresh Issue of up to [●] Equity Shares (1)(3)	[●]	[●]
	Offer for Sale of up to 33,414,138 Equity Shares (2)	66,828,276	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares of face value of ₹ 2 each*	[●]	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer (*in ₹ million*)		8,784.62
	After the Offer		[●]

* *To be updated upon finalization of the Offer Price.*

(1) *The Offer has been authorized by a resolution of our Board dated September 9, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated September 20, 2021.*

(2) *Each of the Selling Shareholders, severally and not jointly, has confirmed that the Offered Shares held by such Selling Shareholder are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. Each of the Selling Shareholders has authorized the sale of their respective portion of the Offered Shares in the Offer for Sale. For details on the authorizations of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 566.*

(3) *A Pre-IPO placement may be undertaken by our Company, in consultation with the Book Running Lead Managers, for an amount aggregating up to ₹ 600.00 million prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with the minimum issue size requirements prescribed under regulation 19(2)(b) of the SCRR.*

For details of authorizations received for the Offer for Sale, see "*Other Regulatory and Statutory Disclosures*" beginning on page 566.

Notes to the Capital Structure

1. **Equity Share Capital History of our Company**

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

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Form of consideration	Cumulative no. of equity shares
August 23, 2005	Initial subscription to the Memorandum of Association (1)	20,000	10	10	Cash	20,000
March 24, 2006	Preferential allotment (2)	211,000	10	10	Cash	231,000
March 5, 2007	Preferential allotment (3)	161,990	10	100	Cash	392,990
September 2, 2021	Allotment pursuant to the Scheme of Arrangement(4)	3,333,980	10	Not applicable	Other than cash	3,726,970
September 4, 2021	*Our Company sub-divided each equity share of a face value of ₹ 10 each to five Equity Shares of a face value of ₹ 2 each*					18,634,850
September 21, 2021	Bonus issue(5)	202,633,321	2	Not applicable	-	221,268,171

(1) *Allotment of 10,000 equity shares each to Gauri Shankar Agarwala and Mohan Agarwal pursuant to their subscription to the Memorandum of Association.*

(2) Preferential allotment of 40,000 equity shares to Gauri Shankar Agarwala, 25,000 equity shares to Mohan Agarwal, 35,000 equity shares to Gauri Shankar Agarwala (HUF) (through its karta), 15,000 equity shares to Mohan Agarwal (HUF) (through its karta), 25,000 equity shares to Kalawati Agarwal, 60,000 equity shares to Pratibha Agarwal, and 11,000 equity shares to Mayank Pareek.

(3) Preferential allotment of 25,000 equity shares to Arimardan Trading Private Limited, 20,000 equity shares to Jaiparash Trading Private Limited, 30,000 equity shares to Parasabha Construction Private Limited, 55,000 equity shares to B.R. Industries Limited, 25,000 equity shares to N. K. Metals, 3,495 equity shares to Lila Agarwal and 3,495 equity shares to Nawal Kishore Agarwal.

(4) Allotment of 616,546 equity shares to Gauri Shankar Agarwala, 865,770 equity shares to Mohan Agarwal, 72,777 equity shares to Gauri Shankar Agarwala (HUF) (through its karta), 18,009 equity shares to Mohan Agarwal (HUF) (through its karta), 606,474 equity shares to Kalawati Agarwal, 666,663 equity shares to Pratibha Agarwal, 16,509 equity shares to Akshay Agarwal, 3,083 equity shares to Raghav Agarwal, 534,097 equity shares to Global Scrap Processors Limited, 13 equity shares to Akshay Agarwal Family Private Trust (through its settlor), 13 equity shares to GS Agarwala Family Private Trust (through its settlor), 13 equity shares to K Agarwal Family Private Trust (through its settlor) and 13 equity shares to Raghav Agarwal Family Private Trust (through its settlor) pursuant to the Scheme of Arrangement.

Please note that pursuant to the Scheme of Arrangement, 3,399,980 Equity Shares were originally issued by our Company. Prior to the Scheme of Arrangement, Forever Multimedia Private Limited, Ramayana Polymers Private Limited and Sanjivani Non Ferrous Trading Private Limited held 30,000 equity shares, 25,000 equity shares and 11,000 equity shares, respectively, in our Company, aggregating to 66,000 equity shares. Given that these companies got amalgamated into our Company pursuant to the Scheme of Arrangement, these 66,000 equity shares were extinguished and 3,333,980 equity shares were ultimately allotted to the remaining shareholders of our Company. For further details, see "History and Certain Corporate Matters – Mergers and amalgamation" on page 182.

(5) Allotment of 37,760,030 Equity Shares to Gauri Shankar Agarwala, 51,576,800 Equity Shares to Mohan Agarwal, 5,927,735 Equity Shares to Gauri Shankar Agarwala (HUF) (through its karta), 1,815,495 Equity Shares to Mohan Agarwal (HUF) (through its karta), 36,793,570 Equity Shares to Kalawati Agarwal, 40,653,965 Equity Shares to Pratibha Agarwal, 907,995 Equity Shares to Akshay Agarwal, 169,565 Equity Shares to Raghav Agarwal, 27,025,306 Equity Shares to Global Scrap Processors Limited, 715 Equity Shares to Akshay Agarwal Family Private Trust (through its settlor), 715 Equity Shares to GS Agarwala Family Private Trust (through its settlor), 715 Equity Shares to K Agarwal Family Private Trust (through its settlor) and 715 Equity Shares to Raghav Agarwal Family Private Trust (through its settlor), by way of a bonus issue of 11 Equity Shares for every Equity Share held by the existing Shareholders of the Company.

Please note that Global Scrap Processors Limited, by way of its letter to the Board dated September 17, 2021, had waived off its entitlement in respect of 2,350,029 Equity Shares that was proposed to be issued under this bonus issuance. Accordingly, these 2,350,029 Equity Shares did not form part of the Bonus issue and allotment set out above.

(b) ***Equity Shares issued for consideration other than cash or out of revaluation reserves***

Our Company has not issued any Equity Shares out of its revaluation reserves. Except as set forth below, our Company has not issued any equity shares for consideration other than cash, other than by way of bonus issues:

Date of allotment	Reason/Nature of allotment	Issue price per equity share (₹)	No. of equity shares allotted	Face value (₹)	Benefits accrued to our Company
September 2, 2021	Allotment pursuant to the Scheme of Arrangement(1)	Not applicable	3,333,980	10	The assets, properties and liabilities of the erstwhile Grand Metal Recycling Private Limited, Suvridhi Financial Services Limited, Sanjivani Non Ferrous Trading Private Limited, Forever Multimedia Private Limited, Ramayana Polymers Private Limited and Century Metal Recycling Limited were transferred to and vested in our Company

(1) Allotment of 616,546 Equity Shares to Gauri Shankar Agarwala, 865,770 Equity Shares to Mohan Agarwal, 72,777 Equity Shares to Gauri Shankar Agarwala (HUF) (through its karta), 18,009 Equity Shares to Mohan Agarwal (HUF) (through its karta), 606,474 Equity Shares to Kalawati Agarwal, 666,663 Equity Shares to Pratibha Agarwal, 16,509 Equity Shares to Akshay Agarwal, 3,083 Equity Shares to Raghav Agarwal, 534,097 Equity Shares to Global Scrap Processors Limited, 13 Equity Shares to Akshay Agarwal Family Private Trust (through its settlor), 13 Equity Shares to GS Agarwala Family Private Trust (through its settlor), 13 Equity Shares to K Agarwal Family Private Trust (through its settlor) and 13 Equity Shares to Raghav Agarwal Family Private Trust (through its settlor) pursuant to the Scheme of Arrangement.

Please note that pursuant to the Scheme of Arrangement, 3,399,980 Equity Shares were originally issued by our Company. Prior to the Scheme of Arrangement, Forever Multimedia Private Limited, Ramayana Polymers Private Limited and Sanjivani Non Ferrous Trading Private Limited held 30,000 equity shares, 25,000 equity shares and 11,000 equity shares, respectively, in our

Company, aggregating to 66,000 equity shares. Given that these companies got amalgamated into our Company pursuant to the Scheme of Arrangement, these 66,000 equity shares were extinguished and 3,333,980 Equity Shares were ultimately allotted to the remaining shareholders of our Company. For further details, see "History and Certain Corporate Matters – Mergers and amalgamation" on page 182.

(c) ***Equity Shares allotted in terms of any schemes of arrangement***

Except 3,333,980 equity shares issued pursuant to the Scheme of Arrangement, our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-232 of the Companies Act, 2013.

For further details of the Scheme of Arrangement, see "*– History of the Share Capital of our Company – Equity Shares allotted for consideration other than cash or out of revaluation reserves*" and "*History and Other corporate matters – Mergers or amalgamation*" on page 83 and page 182, respectively.

(d) ***Equity Shares allotted at a price lower than the Offer Price in the last year***

The Offer Price shall be determined by our Company and the Investor Selling Shareholder, in consultation with the BRLMs after the Bid / Offer Closing Date. Except for the allotment of an aggregate of 3,333,980 equity shares of face value of ₹ 10 each pursuant to the Scheme of Arrangement and the allotment of an aggregate of 202,633,321 Equity Shares through a bonus issue, details of which are specified in "*– History of the Share Capital of our Company – Equity Shares allotted for consideration other than cash or out of revaluation reserves*" on page 83, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

2. As on the date of the Draft Red Herring Prospectus, our Company does not have outstanding preference shares.

3. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying depository receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number 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)				Number of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	12	19,15,72,380	-	-	19,15,72,380	86.58	19,15,72,380	-	19,15,72,380	86.58	-	86.58	-	-	-	-	19,15,72,380
(B)	Public	1	29,695,791	-	-	29,695,791	13.42	29,695,791	-	29,695,791	13.42	-	13.42	-	-	-	-	29,695,791
(C)	Non Promoter-non public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**13**	**221,268,171**	**-**	**-**	**221,268,171**	**100.00**	**221,268,171**	**-**	**221,268,171**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**221,268,171**

4. **Major shareholders**

The list of our major Shareholders and the number of equity shares held by them is provided below:

a) The details of our Shareholders holding 1% or more of the paid-up equity share capital of our Company as on the date of filing this Draft Red Herring Prospectus is set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares held	% of the share capital
1.	Mohan Agarwal	56,265,600	25.43
2.	Pratibha Agarwal	44,349,780	20.04
3.	Gauri Shankar Agarwala	41,192,760	18.62
4.	Kalawati Agarwal	40,138,440	18.14
5.	Global Scrap Processors Limited	29,695,791	13.42
6.	Gauri Shankar Agarwala (HUF)*	6,466,620	2.92
	Total	**218,108,991**	**98.57**

** Through its karta.*
***Note:** Details as on the date of filing of this Draft Red Herring Prospectus.*

b) The details of our Shareholders who held 1% or more of the paid-up equity share capital of our Company ten days prior to the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares held	% of the share capital
1.	Mohan Agarwal	4,688,800	25.16
2.	Pratibha Agarwal	3,695,815	19.83
3.	Gauri Shankar Agarwala	3,432,730	18.42
4.	Kalawati Agarwal	3,344,870	17.95
5.	Global Scrap Processors Limited	2,670,485	14.33
6.	Gauri Shankar Agarwala (HUF)*	538,885	2.89
	Total	**18,371,585**	**98.58**

** Through its karta.*
***Note:** Details as on September 16, 2021, being the date ten days prior to the date of this Draft Red Herring Prospectus.*

c) The details of our Shareholders who held 1% or more of the paid-up equity share capital of our Company at the last Working Day one year prior to the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name of the Shareholder	Number of equity shares held	% of the share capital
1.	Pratibha Agarwal	72,500	18.45
2.	Mohan Agarwal	71,990	18.32
3.	Gauri Shankar Agarwala	70,000	17.81
4.	Kalawati Agarwal	62,500	15.90
5.	Gauri Shankar Agarwala (HUF)*	35,000	8.91
6.	Forever Multimedia Private Limited	30,000	7.63
7.	Ramayana Polymers Private Limited	25,000	6.36
8.	Mohan Agarwal (HUF)*	15,000	3.82
9.	Sanjivani Non Ferrous Trading Private Limited	11,000	2.80
	Total	**392,990**	**100.00**

** Through its karta.*
***Note:** Details as on September 26, 2020, being the date one year prior to the date of this Draft Red Herring Prospectus.*

d) The details of our Shareholders who held 1% or more of the paid-up equity share capital of our Company two years prior to the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name of the Shareholder	Number of equity shares held	% of the share capital
1.	Pratibha Agarwal	72,500	18.45
2.	Mohan Agarwal	71,990	18.32
3.	Gauri Shankar Agarwala	70,000	17.81
4.	Kalawati Agarwal	62,500	15.90

S. No.	Name of the Shareholder	Number of equity shares held	% of the share capital
5.	Gauri Shankar Agarwala (HUF)*	35,000	8.91
6.	Forever Multimedia Private Limited	30,000	7.63
7.	Ramayana Polymers Private Limited	25,000	6.36
8.	Mohan Agarwal (HUF)*	15,000	3.82
9.	Sanjivani Non Ferrous Trading Private Limited	11,000	2.80
	Total	**392,990**	**100.00**

** Through its karta.*
***Note:** Details as on September 26, 2019, being the date two years prior to the date of this Draft Red Herring Prospectus.*

5. Except for the allotment of Equity Shares pursuant to the Fresh Issue and the Pre-IPO Placement, if any, there will be no further issue of Equity Shares whether by way of a split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be. Further, our Company presently does not intend or propose to alter its capital structure in such manner until a period of six months from the Bid/Offer Opening Date.

6. As on the date of this Draft Red Herring Prospectus, our Company had a total of 13 Shareholders.

7. **Details of Shareholding of our Promoters and members of the Promoter Group in the Company**

(i) ***Equity Shareholding of the Promoters***

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 181,946,580 Equity Shares, equivalent to 82.23% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

S. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital*	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
1.	Gauri Shankar Agarwala	41,192,760	18.62	[●]	[●]
2.	Mohan Agarwal	56,265,600	25.43	[●]	[●]
3.	Kalawati Agarwal	40,138,440	18.14	[●]	[●]
4.	Pratibha Agarwal	44,349,780	20.04	[●]	[●]
	Total	**181,946,580**	**82.23**	[●]	[●]

** Subject to finalisation of Basis of Allotment*

(ii) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

(iii) ***Build-up of the Promoters' shareholding in our Company***

The build-up of the Equity Shareholding of our Promoters since the incorporation of our Company is set forth in the table below:

Date of allotment/ transfer / transmission	Nature of transaction^	No. of equity shares	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of pre-Offer Equity Share capital	Percentage of post-Offer Equity Share capital*
(A) Gauri Shankar Agarwala						
August 23, 2005	Initial subscription to the Memorandum of Association	10,000	10	10.00	0.02	[●]
March 24, 2006	Preferential allotment	40,000	10	10.00	0.09	[●]

Date of allotment/ transfer / transmission	Nature of transaction^	No. of equity shares	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of pre-Offer Equity Share capital	Percentage of post-Offer Equity Share capital*
July 30, 2007	Transfer from Jaiparash Trading Private Limited^	20,000	10	10.00	0.05	[●]
September 2, 2021	Allotment pursuant to the Scheme of Arrangement	616,546	10	-	1.39	[●]
September 4, 2021	*Our Company sub-divided each equity share of a face value of ₹ 10 each to 5 Equity Shares of a face value of ₹ 2 each, and accordingly, the 686,546 equity shares of a face value of ₹ 10 each held by Gauri Shankar Agarwala as on such date were sub-divided into 3,432,730 Equity Shares of a face value of ₹ 2 each*					[●]
September 21, 2021	Bonus issue	37,760,030	2	-	17.07	[●]
Sub-total (A)		**41,192,760**			**18.62**	**[●]**
(B) Mohan Agarwal						
August 23, 2005	Initial subscription to the Memorandum of Association	10,000	10	10.00	0.02	[●]
March 24, 2006	Preferential allotment	25,000	10	10.00	0.06	[●]
July 30, 2007	Transfer from Parasabha Construction Private Limited^	30,000	10	10.00	0.07	[●]
November 12, 2014	Transfer from Lila Agarwal	3,495	10	59.00	0.01	[●]
November 12, 2014	Transfer from Nawal Kishore Agarwal	3,495	10	59.00	0.01	[●]
September 2, 2021	Allotment pursuant to the Scheme of Arrangement	865,770	10	-	1.96	[●]
September 4, 2021	*Our Company sub-divided each equity share of a face value of ₹ 10 each to 5 Equity Shares of a face value of ₹ 2 each, and accordingly, the 937,760 equity shares of a face value of ₹ 10 each held by Mohan Agarwal as on such date were sub-divided into 4,688,800 Equity Shares of a face value of ₹ 2 each.*					[●]
September 21, 2021	Bonus issue	51,576,800	2	-	23.31	[●]
Sub-total (B)		**56,265,600**			**25.43**	**[●]**
(C) Kalawati Agarwal						
March 24, 2006	Preferential allotment	25,000	10	10.00	0.06	[●]
July 30, 2007	Transfer from Airmardan Trading Private Limited^	25,000	10	10.00	0.06	[●]
July 30, 2007	Transfer from N.K. Metal^	12,500	10	10.00	0.03	[●]
September 2, 2021	Allotment pursuant to the Scheme of Arrangement	606,474	10	-	1.37	[●]
September 4, 2021	*Our Company sub-divided each equity share of a face value of ₹ 10 each to 5 Equity Shares of a face value of ₹ 2 each, and accordingly, the 668,974 equity shares of a face value of ₹ 10 each held by Kalawati Agarwal as on such date were sub-divided into 3,344,870 Equity Shares of a face value of ₹ 2 each.*					[●]
September 21, 2021	Bonus issue	36,793,570	2	-	16.62	[●]
Sub-total (C)		**40,138,440**			**18.14**	**[●]**
(D) Pratibha Agarwal						
March 24, 2006	Preferential allotment	60,000	10	10.00	0.14	[●]
July 30, 2007	Transfer from N.K. Metal^	12,500	10	10.00	0.03	[●]
September 2, 2021	Allotment pursuant to the Scheme of Arrangement	666,663	10	-	1.51	[●]
September 4, 2021	*Our Company sub-divided each equity share of a face value of ₹ 10 each to 5 Equity Shares of a face value of ₹ 2 each, and accordingly, the 739,163 equity shares of a face value of ₹ 10 each held by Pratibha Agarwal as on such date were sub-divided into 3,695,815 Equity Shares of a face value of ₹ 2 each.*					[●]
September 21, 2021	Bonus issue	40,653,965	2	-	18.37	[●]
Sub-total (D)		**44,349,780**			**20.04**	**[●]**
Grand Total (A)+(B)+(C)+(D)		**181,946,580**			**82.23**	**[●]**

^ *For several of the transfers specified above, we do not possess share transfer forms indicating the date of transfer and the consideration involved. Accordingly, we have relied on a certificate dated September 25, 2021, provided by Deepak Goel & Associates, company secretary in practice, in order to trace such transfers. Please also see "Risk Factors – We are unable to trace some of our historical corporate records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in future in relation to the missing corporate records which may impact our financial condition and reputation." on page 41.*

(iv) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.

(v) As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

(vi) ***Equity Shareholding of the Promoter Group***

As on the date of this Draft Red Herring Prospectus, the members of our Promoter Group (other than our Promoters) collectively hold 9,625,880 Equity Shares, equivalent to 4.35% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

S. No.	**Name of the Shareholder**	**Pre-Offer Equity Share Capital**		**Post-Offer Equity Share Capital***	
		No. of Equity Shares	**% of total Share-holding**	**No. of Equity Shares**	**% of total Share-holding**
1.	Gauri Shankar Agarwala (HUF)*	6,466,620	2.92	[●]	[●]
2.	Mohan Agarwal (HUF)*	1,980,540	0.90	[●]	[●]
3.	Akshay Agarwal	990,540	0.45	[●]	[●]
4.	Raghav Agarwal	184,980	0.08	[●]	[●]
5.	Akshay Agarwal Family Private Trust^	780	*Negligible*	[●]	[●]
6.	GS Agarwala Family Private Trust^	780	*Negligible*	[●]	[●]
7.	K Agarwal Family Private Trust^	780	*Negligible*	[●]	[●]
8.	Raghav Agarwal Family Private Trust^	780	*Negligible*	[●]	[●]
	Total	**9,625,800**	**4.35**	[●]	[●]

* *Through its karta.*
^ *Through its settlor.*

(vii) Except as disclosed in "– *Build-up of the Promoters' shareholding in our Company*" on page 87, and as disclosed below, none of the members of the Promoter Group, the Promoters, or our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

(viii) There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus**.**

8. **Details of lock-in of Equity Shares**

(i) ***Details of Promoter's contribution locked in for 18 months***

Pursuant to Regulations 14 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 the Promoters shall be locked in for a period of 18 months as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.

Details of the Equity Shares to be locked-in for 18 months from the date of Allotment as Promoters' Contribution are set forth in the table below:

Name of the Promoter	**Date of allotment of the Equity Shares***	**Nature of transaction**	**No. of Equity Shares**	**Face Value (₹)**	**Issue/ acquisition price per Equity Share (₹)**	**No. of Equity Shares locked-in**	**Percentage of the post-Offer paid-up capital (%)****	**Date up to which the Equity Shares are subject to lock-in**
[●]	[●]	[●]	[●]	2	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	2	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	2	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	2	[●]	[●]	[●]	[●]
Total						[●]	[●]	[●]

* *All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.*
** *Subject to finalisation of Basis of Allotment.*

Our Promoters have given consent, pursuant to their letters each dated September 26, 2021, to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber, in any manner, the Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

1. The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution

2. The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer

3. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and

4. The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

(ii) ***Details of Equity Shares locked-in for six months***

In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoters and locked in for 18 months as specified above and Equity Shares offered by the Selling Shareholders as part of the Offer for Sale, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, including any unsubscribed portion of the Offer for Sale, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations.

(iii) ***Lock-in of Equity Shares Allotted to Anchor Investors***

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(iv) ***Other requirements in respect of lock-in***

(i) As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(ii) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(a) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) With respect to the Equity Shares locked-in as Minimum Promoter's Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

(iv) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.

9. Our Company, the Selling Shareholders, our Promoters, our Directors and the BRLMs have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

10. All Equity Shares issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

11. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as per definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLMs and their affiliates may engage in the 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 for which they may in the future receive customary compensation.

12. As on the date of this Draft Red Herring Prospectus, our Company does not have any active employee stock option plan.

13. Except as disclosed in "*Our Management – Shareholding of Directors in our Company*" on page 202, none of the Directors or Key Managerial Personnel of our Company hold any Equity Shares in our Company.

14. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Promoters, the members of our Promoter Group or our Directors, 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.

15. Except for the Promoter Selling Shareholders and the Other Selling Shareholders, who are offering Equity Shares in the Offer for Sale, none of our other Promoters or members of our Promoter Group will participate in the Offer.

16. The BRLMs and persons related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs.

17. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

18. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

19. The Promoters and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of their participation as Selling Shareholders in the Offer for Sale.

20. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.

21. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

SECTION V – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

Offer for Sale

The Offer is being undertaken as a Fresh Issue of Equity Shares as well as an Offer for Sale of Equity Shares by the Selling Shareholders. The Selling Shareholders will be entitled to the net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale, net of Offer expenses shared by the Selling Shareholders, and our Company will not receive any proceeds from the Offer for Sale. For further details, see "*The Offer*" on page 65.

Fresh Issue

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Repayment / prepayment, in full or in part, of certain borrowings availed by our Company; and

2. General corporate purposes.

(Collectively, referred to herein as the "**Objects of the Offer**")

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Fresh Issue and for which the loans proposed to be repaid from the Net Proceeds were utilised. In addition, our Company expects to receive the benefits of listing of Equity Shares on the Stock Exchanges including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

Net Proceeds

The details of the proceeds of the Fresh Issue are summarised in the table below:

(₹ in million)

Particulars		Amount*
Gross Proceeds from the Fresh Issue^		up to 3,000.00
Less:	Estimated Offer related expenses in relation to the Fresh Issue	[●]
Net Proceeds		**[●]**

** To be finalised upon determination of the Offer Price and updated in the Prospectus at the time of filing with the RoC.*
^ Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement, we may utilise the proceeds from such Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer.

Utilization of Net Proceeds and Schedule of Implementation and Deployment

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

(₹ in million)

Particulars	Amount which will be financed from Net Proceeds(1)	Estimated Utilization of Net Proceeds	
		Fiscal 2022	Fiscal 2023
Repayment or prepayment, in full or part, of certain borrowings availed by our Company	2,250.00	2,250.00	-
General corporate purposes (1) (2)	[●]	[●]	[●]
Total	[●]	[●]	[●]

(1) To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the RoC.
(2) The amount shall not exceed 25% of the Gross Proceeds

The deployment of funds indicated above is based on management estimates, current circumstances of our business and the prevailing market condition. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment or interest rate fluctuations and other external factors which may not be within the control of our management. See "*Risk Factors – Our management will have broad discretion in how we apply the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the Objects of the Offer will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.*" on page 51.

Further, our Company's funding requirements and deployment schedules for the reduction of outstanding borrowings as stated hereinabove, are subject to revision in the future at the discretion of our management. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Offer. In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws.

Subject to applicable law, if the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations.

Details of the Objects of the Fresh Issue

The details in relation to Objects of the Fresh Issue are set forth herein below.

1. Repayment/ prepayment, in full or in part, of certain borrowings availed by our Company

Our Company has entered into various financing arrangements including borrowings in the form of long-term loans and working capital demand loans, among others. As at March 31, 2021, our total outstanding non-current borrowings including current maturities of long term borrowings and our current borrowings amounted to ₹ 4,811.78 million, on a consolidated basis, and ₹ 3,376.16 million, on a standalone basis. Our Company proposes to utilize an aggregate amount of ₹ 2,250.00 million from the Net Proceeds towards full or partial repayment/ prepayment of certain borrowings availed by our Company.

The selection of borrowings proposed to be prepaid, repaid (earlier or scheduled) out of the borrowings provided below, shall be based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates; (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements; (iii) intimating the lenders prior to undertaking the Issue, wherever necessary; (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. Payment of interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the Net Proceeds. If the Net Proceeds are insufficient for making payments for such pre-payment penalties or premiums, such excessive amount shall be met from our internal accruals.

The repayment/ prepayment, in full or part, of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, we believe that it will reduce our debt-servicing costs and improve our debt-to-equity ratio and enable utilization of internal accruals for further investment in business growth and expansion.

The amounts outstanding against the loans disclosed below may vary from time to time, in accordance with the amounts drawn down, repayment, pre-payment and the prevailing interest rates. Further, we may repay or refinance some loans set out in the table below, prior to Allotment. 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 us, other than those identified in the table below, which may include additional borrowings we may avail after the filing of this Draft Red Herring Prospectus. 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 this Draft

Red Herring Prospectus, 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 our Company in the subsequent fiscal. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional borrowings availed, if any or otherwise), in part or full, would not exceed ₹ 2,250.00 million. The amounts proposed to be prepaid and / or repaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment. For further details, see "*Financial Indebtedness*" on page 554.

The following table provides details of certain borrowings availed by our Company on a standalone basis, as on March 31, 2021, which we propose to prepay or repay, in full or in part, from the Net Proceeds:

Name of the Lender	**Nature of the borrowing**	**Sanctioned amount *(₹ in million)***	**Amount outstanding as at March 31, 2021 *(₹ in million)***	**Rate of interest#***	**Repayment Date / Schedule**	**Purpose for which the loan was sanctioned**
Axis Bank Limited	Bill discounting	400.00	296.64	0.25% above 3 months MCLR per annum	For a period not exceeding 3 months from drawdown date	To make payment to vendors
	Working capital demand loan	300.00	29.45	7.35 -9.00%	Repayment on demand.	To meet our working capital requirements
	Cash Credit		0.77	8.40 -8.85%	Repayment on demand.	To meet our working capital requirements
	Commercial Cards (Unsecured)	50.00	49.90	1.10%	For a period not exceeding 3 months from drawdown date	To make payment to specific vendors against their outstanding amounts
	Buyers Credit Secured	750.00	433.14**	0.39 - 1.95% above LIBOR	For a period not exceeding 150 days from drawdown date.	To make payment to foreign vendors
CTBC Bank Limited	Sales invoice discounting	230.00	204.74	6.90%-8.03%	For a period not exceeding 3 months from drawdown date	To make payment to vendors
HDFC Bank Limited	Working capital demand loan	500.00	352.71	6.00 - 9.25%	Repayment on demand.	To meet our working capital requirements
	Cash Credit		2.52	7.75 - 8.65%	Repayment on demand.	To meet our working capital requirements
	Buyers Credit Secured	400.00	403.20***	1.00 - 1.75% above LIBOR	For a period not exceeding 200 days from drawdown date.	To make payment to foreign vendors
Hong Kong and Shanghai Banking Corporation	Working capital demand loan	500.00	400.00	5.75%	Repayment on demand.	To meet our working capital requirements
	Cash Credit		0.19	7.50%	Repayment on demand.	To meet our working capital requirements
State Bank of India	Working capital demand loan	950.00	200.00	7.45 - 8.65%	Repayment on demand.	To meet our working capital requirements
	Cash Credit		1.51	7.70 - 9.00%	Repayment on demand.	To meet our working capital requirements

	Vendor Financing		399.05	6.90 - 7.95%	For a period not exceeding 3 months from drawdown date	To make payment to Indian vendors

 # MCLR: Marginal cost of funds-based lending rate.
** London inter-bank offered rate.*
*** Principal amount outstanding as on March 31, 2021 was USD 5,892,691.81, which has been converted at a rate of ₹ 73.50 per USD.*
**** Principal amount outstanding as on March 31, 2021 was USD 5,485,306.51, which has been converted at a rate of ₹ 73.50 per USD.*

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 purposed availed, the Company has obtained the requisite certificate.

No penalties are required to be paid in relation to the utilisation of Net proceeds for the repayment / prepayment of any of these borrowings availed by our Company. For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see "*Financial Indebtedness*" on page 554.

We also propose to repay or pre-pay loans and facilities availed by our Company from Axis Bank Limited from the Net Proceeds. While Axis Bank Limited is an affiliate of Axis Capital Limited, one of the BRLMs, it is not an associate of our Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 and such loans and facilities sanctioned to our Company by Axis Bank Limited, have been sanctioned to our Company as part of the normal commercial lending activity by Axis Bank Limited. Accordingly, there is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations. For details, see "*Risk Factors – A portion of the Net Proceeds may be utilized for repayment or pre-payment of a loan availed by our Company from Axis Bank Limited, which is an affiliate of Axis Capital Limited, one of the BRLMs*" on page 54.

2. General corporate purposes

Our Company intends to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in accordance with Regulation 7(2) of the SEBI ICDR Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by the Company, including salaries and wages, rent, administration expenses, insurance related expenses, and the payment of taxes and duties; (iii) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, will have flexibility in utilizing surplus amounts, if any. 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. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. 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.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Means of finance

The fund requirements set out for the aforesaid objects of the Offer are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue, existing working capital funding from the banks and internal accruals as required under the SEBI ICDR Regulations.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Appraising Entity

The objects of the Fresh Issue for which the Net Proceeds will be utilised have not been appraised.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer expenses includes listing fees, fees payable to the BRLMs, underwriting fees, selling commission, legal counsels, advisors to the Offer, Registrar to the Offer, Banker(s) to the Offer including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

The fees and expenses relating to the Offer shall be shared in the proportion between the Company and the Selling Shareholders, in accordance with Applicable Laws. The Selling Shareholders, severally and not jointly, undertake to reimburse the Company for the expenses incurred by the Company on their behalf for the respective proportion of Equity Shares sold by each Selling Shareholders, pursuant to Offer for Sale, upon successful consummation of the Offer, in accordance with the requirement under Section 28(3) of the Companies Act, 2013. The manner of payment of fees and expenses shall be as detailed in the Offer Agreement.

The break-up for the estimated Offer expenses are as follows:

Activity	Estimated expenses (1) (₹ in million)	As a % of total estimated Offer related expenses (1)	As a % of Offer size (1)
Fees payable to the BRLMs and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission payable to SCSBs for Bids directly procured by them and processing fees payable to SCSBs for Bids (other than Bids submitted by RIIs using the UPI Mechanism) procured by the members of the Syndicate, the Registered Brokers, CRTAs or CDPs and submitted to SCSBs for blocking, Bankers to the Offer, fees payable to the Sponsor Bank for Bids made by RIBs (2)(3)	[●]	[●]	[●]
Selling commission and uploading charges payable to members of the Syndicate (including their Sub-Syndicate Members), RTAs, CDPs and Registered Brokers (4)(5)(6)	[●]	[●]	[●]
Processing fees payable to the Sponsor Bank (6)	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others: (i) Listing fees; (ii) SEBI fees, BSE and NSE processing fees; (iii) Book-building software fees (iv) Other regulatory expenses (v) Fees payable to legal counsel; and (vi) Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) *The Offer expenses will be incorporated in the Prospectus on finalization of the Offer Price.*

(2) *Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:*

*Portion for RIBs**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*

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

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.

(3) *No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.*

Processing fees payable to the SCSBs on the portion for Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

*Portion for Non-Institutional Bidders**	*₹ [●] per valid application (plus applicable taxes)*

(4) *Selling commission on the portion for RIBs (using the UPI mechanism), Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

Portion for RIBs	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]% 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.

Uploading Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers, 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.

(5) *Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIBs procured through UPI Mechanism and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:*

*Portion for RIBs**	*₹ [●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ [●] per valid application (plus applicable taxes)*

* *Based on valid applications*

(6) *Uploading charges/ Processing fees for applications made by RIBs using the UPI Mechanism would be as under:*

Payable to members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs	*₹ [●] per valid application (plus applicable taxes)*
Payable to Sponsor Bank	*₹ [●] per valid application (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*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.

The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

Monitoring utilization of funds from the Issue

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with the RoC, we will appoint a monitoring agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency upon receipt before the Audit Committee without any delay.

Pursuant to the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Additionally, the Audit Committee shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilization of the Net Proceeds of the Offer from the objects of the Offer as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English and one in Hindi the vernacular language of the jurisdiction where our Registered and Corporate Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and the SEBI ICDR Regulations.

Other confirmations

There is no proposal whereby any portion of the Net Proceeds will be paid to our Promoters, Promoter Group, Directors and Key Managerial Personnel, except in the ordinary course of business. Further, there are no existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors and/or Key Managerial Personnel.

BASIS FOR THE OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 2 and the 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. The financial information included herein is derived from our Restated Financial Information. Prospective investors should also refer to "*Our Business*", "*Risk Factors*", "*Restated Financial Information*", "*Management's Discussion and Analysis of Financial Position and Results of Operations*" and "*Other Financial Information*" on pages 153, 29, 224, 514 and 509, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- We are a leading recycler in the domestic aluminium recycling industry in India;
- Our long-standing relationships with our customers;
- We are a leading supplier of liquid aluminium;
- Our strategic alliances through joint ventures;
- Our strong and diversified supplier base for sourcing raw materials;
- We operate an environment friendly business that is supported by green technologies and processes;
- Our facilities, technology, quality processes and engineering expertise; and
- We have an experienced and qualified management team with a focus on environmental, social and governance practices.

For further details, see "*Our Business – Our Competitive Strengths*" on page 155.

Quantitative factors

Some of the information presented below relating to our Company is based on the Restated Financial Information. For details, see "*Financial Information*" on page 224.

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

I. Basic and diluted earnings per share (as adjusted for sub-division of shares and bonus issuance) ("EPS")

Fiscal Year ended	Basic and Diluted EPS before exceptional deferred tax charge on goodwill (in ₹)[(1)]	Basic and Diluted EPS (in ₹)[(2)]	Weight
March 31, 2021	8.86	0.98	3
March 31, 2020	0.05	0.05	2
March 31, 2019	0.02	0.02	1
Weighted Average	**4.45**	**0.51**	**-**

(1) *Basic EPS before exceptional deferred tax charge on goodwill (₹) = Profit before exceptional deferred tax charge on goodwill as restated attributable to the equity holders of the parent divided by the weighted average number of equity shares outstanding during the year.*

(2) *Basic EPS (₹) = Profit for the year as restated attributable to the equity holders of the parent divided by the weighted average number of diluted Equity Shares outstanding during the year.*

* *There are no dilutive shares outstanding at the end of the Fiscal year ending March 31, 2019, March 31, 2020 and March 31, 2021.*

Notes:

1. *Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
2. *Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during the period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.*
3. *The above statement is post sub-division and bonus issue undertaken by the Company post adoption of audited consolidated financial statements as at and for the year ended March 31, 2021 and accordingly, not derived from the Restated Financial Information.*

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

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for Fiscal 2021	[●]	[●]
Based on diluted EPS for Fiscal 2021	[●]	[●]

III. Return on Net Worth ("RoNW")

Derived from Restated Financial Information:

Fiscal Year ended	RoNW (%)(1) (before deferred tax charge on goodwill)	RoNW (%)(2)	Weight
March 31, 2021	25.71%	2.84%	3
March 31, 2020	0.57%	0.57%	2
March 31, 2019	0.23%	0.23%	1
Weighted Average	**13.08%**	**1.64%**	-

(1) *Calculated as Profit before exceptional deferred tax charge on goodwill as restated attributable to the equity holders of the parent divided by Net Worth attributable to the equity holder of the parent*

(2) *Calculated as Profit for the year as restated attributable to the equity holders of the parent divided by Net Worth attributable to the equity holder of the parent*

** Net worth is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off but does not include capital reserves, reserves created out of revaluation of assets, foreign currency translation reserve, write-back of depreciation and amalgamation.*

IV. Net Asset Value per Equity Share (face value of ₹ 2 each)

Fiscal Year ended	NAV per Equity Share (₹)(1)
As on March 31, 2021	34.45
After the completion of the Offer:	
(i) At Floor Price	[●]
(ii) At Cap Price	[●]
Offer Price(2)	[●]

(1) *Net Asset Value per Equity Share is calculated by dividing Net Worth (as restated at the end of the year) by number of equity shares outstanding at the end of the year as adjusted for sub-division of shares and bonus issuance.*

(2) *Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*

Note: The above statement is post sub-division and bonus issue undertaken by the Company post adoption of audited consolidated financial statements as at and for the year ended March 31, 2021 and accordingly, not derived from the Restated Financial Information

V. Comparison with listed industry peers

There are no listed entities whose business portfolio is comparable with that of our business and comparable to our scale of operations.

The Offer Price of ₹ [●] has been determined by our Company and the Investor Selling Shareholder in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares, as determined 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 "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Position and Results of Operations*" and "*Restated Financial Information*" on pages 29, 153, 514 and 224, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

[*The remainder of this page has been intentionally left blank*]

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

The Board of Directors
CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited)
Unit No 802-803, 8th Floor
SSR Corporate Park, Sector 27B
Faridabad, Haryana 121003
India

Dear Sirs,

Statement of Special Tax Benefits available to CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited) ("the Company") and its shareholders under the Indian tax laws

1. We hereby confirm that the enclosed Annexures, prepared by CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited) ('the Company') provides the possible special tax benefits available to the Company and its shareholders as stated in Annexure 1 and 2 under the provisions of the Income-tax Act, 1961 ('the Act') as amended by the Finance Act 2021 read with the Income-tax Rules, 1962, i.e. applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 / relevant State Goods and Services Tax Act (SGST) read with rules, circulars, and notifications ("**GST law**"), the Customs Act, 1962, the Customs Tariff Act, 1975 ("**Customs law**") and Foreign Trade Policy 2015-2020 ("**FTP**") as amended by the Finance Act 2021, i.e., applicable for the Financial Year 2021-22, presently in force in India (together referred to as "**the Tax Laws**"). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

2. The benefits discussed in the enclosed Annexures cover only special tax benefits available to the Company and to the shareholders of the Company and do not cover any general tax benefits available to the Company and to the shareholders of the Company.

3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated in the Annexures is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her tax consultant with respect to the specific tax implications arising out of their participation in the rights issue. We are neither suggesting nor advising the investors to invest in the offering relying on this statement.

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

   - the Company or its shareholders will obtain/ continue to obtain these special tax benefits in future; or
   - the conditions prescribed for availing the special tax benefits have been / would be met with; or
   - the revenue authorities/courts will concur with the views expressed herein.

   We assume no obligation to update the Annexures on any events subsequent to this date, which may have a material effect on the discussions herein.

5. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

6. This statement is prepared solely in connection with the offering and is not to be used, referred to or distributed for any other purpose.

For S.R. BATLIBOI & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Anil Gupta
Partner
Membership No.: 87921

UDIN: 21087921AAAADD5002
Place: New Delhi
Date: September 23, 2021

ANNEXURE 1 TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO CMR GREEN TECHNOLOGIES LIMITED (FORMELY KNOWN AS GRAND METAL INDUSTRIES LIMITED) ("THE COMPANY") AND ITS SHAREHOLDERS

I. Under the Income Tax Act, 1961 (herein after referred to as 'the Act'), as amended by the Finance Act, 2021, applicable for the Financial Year ('FY') 2021-22 relevant to Assessment Year ('AY') 2022-23

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

A. Lower corporate tax rate under Section 115BAA of the Act

A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ("**the Amendment Act, 2019**") w.e.f. FY 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ("**MAT**") under Section 1 l5JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section l l5JB itself would not apply where a domestic company exercises option of lower tax rate under Section I l 5BAA, MAT credit would not be available.

The Company has elected to exercise the option of beneficial tax rate under Section 115BAA of the Act from the FY 2019-20. As the Company has opted for the beneficial tax rate introduced by the ordinance, they will not be eligible to avail the exemptions/ incentives as specified under Section 115BAA of the Act. Further, the option once exercised by the Company cannot be subsequently withdrawn for the same or any other FY.

B. Deductions from Gross Total Income

- Section 80 JJAA -Deduction in respect of employment of new employees

  Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.
  The deduction u/s 80JJAA of the Act shall be applicable even if the Company avails the benefits of the special rate u/s 115BAA of the Act

- Section 80M of the Act: Deduction in respect of inter-corporate dividends
  A new Section 80M has been inserted by the Finance Act, 2020 w.e.f. FY 2020-21, providing for deduction from gross total income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return as prescribed under Section 139(1) of the Act.

  Where the Company receives any such dividend during a FY and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said FY, it shall be entitled to the deduction under Section 80M of the Act. The deduction u/s 80M of the Act shall be applicable even if the Company avails the benefits of the special rate u/s 115BAA of the Act

2. Special tax benefits available to the Shareholders

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

NOTES:

1. The above statement of special tax benefits sets out the provisions of Tax Laws in a summary manner only

and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

2. The above statement covers only certain special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company. The above are based on the existing provisions of the tax laws and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retrospective, could have an effect on the validity of the above.

3. The above statement of special tax benefits is as per the current direct tax laws relevant for the assessment year 2022-23. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.

4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.

5. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

ANNEXURE 2 TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO CMR GREEN TECHNOLOGIES LIMITED (FORMELY KNOWN AS GRAND METAL INDUSTRIES LIMITED) ("THE COMPANY") AND ITS SHAREHOLDERS

Under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 / relevant State Goods and Services Tax Act (SGST) read with rules, circulars, and notifications ("GST law"), the Customs Act, 1962 and the Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-20 (FTP) (herein collectively referred as "indirect tax laws")

1. Special indirect tax benefits available to the Company

A. The Company is eligible to avail the benefits of refund under GST law as per any or both of the following scenarios:

   i. Refund of accumulated input tax credit arising on account of exports without payment of tax i.e. under Letter of Undertaking (LUT) –
   ii. Refund of taxes paid on exports –

B. The Company is eligible to avail the license under Export Promotion Capital Goods Scheme ('EPCG') and also eligible to avail the license of Advance Authorization ('AA') under Chapter 4 and 5 of FTP. Under both the scheme, the Company is eligible for availing exemption from basic customs duty, social welfare surcharge and integrated goods and services tax on import of goods/ capital goods respectively meant for export production. Currently, the exemption from Integrated Tax and Compensation Cess has been allowed up till 31st Match 2022.

C. The Company is eligible for benefits available for Tier 2 Status holder under Authorized Economic Operator (AEO) programme of Indian Customs.

AEO is a programme under the aegis of the World Customs Organization (WCO) SAFE Framework of Standards to secure and enhance international supply chain security and facilitate movement of legitimate goods across international borders. The Indian customs AEO programme, vide Circular 33/2016-Customs dated 22.07.2016, is administered by the Central Board of Indirect taxes and Customs ("**CBIC**"). India AEO programme is a voluntary programme that applies to all business entities participating in the global supply chain. AEO seeks to provide tangible benefits in the form of faster Customs clearances and simplified Customs procedures (inter-alia including deferred payment of customs duty) to the Operators who offer a high degree of security guarantees in respect of their role in the supply chain.

Since the Company is engaged in regular import transactions, therefore, the Company has obtained AEO Tier-2 status. The AEO status and benefits are provided subject to prescribed conditions.

D. The Company is eligible to claim the benefits provided under the Free Trade Agreements (FTAs) as entered between India and other countries. In FTAs, two or more countries agree to reduce or eliminate customs tariff and non-tariff barriers on substantial trade between them.

E. The Company is eligible to claim benefits under Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme under Chapter 4 of the Foreign Trade Policy 2015-20. The Scheme allows refund, currently un-refunded:

   a. Duties/ taxes / levies, at the Central, State and local level, borne on the exported product, including prior stage cumulative indirect taxes on goods and services used in the production of the exported product and
   b. Such indirect Duties/ taxes / levies in respect of distribution of exported product

The Scheme is applicable for exports made from 1st January 2021. The rebate would be allowed basis the rates notified under Appendix 4R as a percentage of the FOB value of exports

F. The Company is eligible to avail duty concession/ exemption benefit under Exemption Notifications issued under Customs Act, 1962. The Company is availing benefits under Notification No. 50/2017, dated

30.06.2017 to enjoy concessional/ exempted rate of import duties on import of products such as aluminum scrap, etc. subject to the conditions mentioned therein.

G. The Company is eligible to avail the benefits provided for duty drawback under Section 75 of the Customs Act, 1962. The duty drawback is as a rebate for duty chargeable on any imported materials used in manufacture or processing of goods, manufactured in India, and exported. However, the Company may have apply for brand rate of drawback in case the all industry rate of the Company's export product is not notified

H. Incentives under State Industrial Policies, the Company is eligible to claim incentives (SGST reimbursement), under the Gujarat State Industrial policies, on the capital investments made for its manufacturing facility in the said State. The eligible subsidy amount is disbursed over a period of 10 years in equal annual instalments. The Company has already filed application for availing said incentives for its existing facility in the State of Gujarat.

2. Special indirect tax benefits available to Shareholders

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

Notes:

1. The above statement of special tax benefits is based on the best understanding of Company's business landscape and tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.

2. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, 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.

3. This statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Shares in the country other than India are urged to consult their own professional advisers regarding possible indirect-tax consequences that apply to them.

4. The above statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefit under any other law.

5. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretations, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such change.

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARIES OF THE COMPANY UNDER THE APPLICABLE LAWS IN INDIA

The Board of Directors
CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited)
Unit No 802-803, 8th Floor
SSR Corporate Park, Sector 27B
Faridabad, Haryana 121003
India

Dear Sirs,

Statement of Special Tax Benefits available to CMR Nikkei India Private Limited (CMRN) and CMR Toyotsu Aluminium India Private Limited (CMRT), material subsidiaries of CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited) ("the Company") under the Indian tax laws

1. We hereby confirm that the enclosed Annexures provides the possible special tax benefits available to **CMR Nikkei India Private Limited** and **CMR Toyotsu Aluminium India Private Limited** ("**Material Subsidiaries**"), which are the material subsidiaries of the Company, as stated in Annexure 1 and 2 under the provisions of the Income-tax Act, 1961 ('the Act') as amended by the Finance Act 2021 read with the Income-tax Rules, 1962, i.e. applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 / relevant State Goods and Services Tax Act ("**SGST**") read with rules, circulars, and notifications ("**GST law**"), the Customs Act, 1962, the Customs Tariff Act, 1975 ("**Customs law**") and Foreign Trade Policy 2015-2020 ("**FTP**") as amended by the Finance Act 2021, i.e., applicable for the Financial Year 2021-22, presently in force in India (together referred to as "**the Tax Laws**"). Several of these benefits are dependent on the Material Subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Material Subsidiaries to derive the special tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Material Subsidiaries may or may not choose to fulfil.

2. The benefits discussed in the enclosed Annexures cover only special tax benefits available to the Material Subsidiaries and do not cover any general tax benefits available to the Material Subsidiaries.

3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated in the Annexures is the responsibility of the management of the Material Subsidiaries. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her tax consultant with respect to the specific tax implications arising out of their participation in the rights issue. We are neither suggesting nor advising the investors to invest in the offering relying on this statement.

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

   - the Material Subsidiaries will obtain/ continue to obtain these special tax benefits in future; or
   - the conditions prescribed for availing the special tax benefits have been / would be met with; or
   - the revenue authorities/courts will concur with the views expressed herein.

   We assume no obligation to update the Annexures on any events subsequent to this date, which may have a material effect on the discussions herein.

5. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Material Subsidiaries and on the basis of our understanding of the business activities and operations of the Material Subsidiaries.

6. We consent to use of this statement and being named as an "expert" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013, in relation to this statement in the draft red herring prospectus, red herring prospectus and prospectus, proposed to be filed with the Securities and Exchange Board of India , BSE Limited, the National Stock Exchange of India Limited and

Registrar of Companies, as applicable and any other document in connection with the proposed offering of equity shares of face value of Rs 2 each of the Company.

For Chordiya & Co.
Chartered Accountants
ICAI Firm registration number: 004019N

CA Devesh Sharma
Partner
Membership No.: 517638
UDIN: 21517638AAAADV3456
Place: Faridabad
Date: September 23, 2021

ANNEXURE 1 TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARIES

I. Under the Income Tax Act, 1961 (herein after referred to as 'the Act'), as amended by the Finance Act, 2021, applicable for the Financial Year ('FY') 2021-22 relevant to Assessment Year ('AY') 2022-23

1. **Special tax benefits available to the Material Subsidiaries**

A. Lower corporate tax rate under Section 115BAA of the Act

A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ("**the Amendment Act, 2019**") w.e.f. FY 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ("**MAT**") under Section 1 l5JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section l l5JB itself would not apply where a domestic company exercises option of lower tax rate under Section I l 5BAA, MAT credit would not be available.

In case of CMRN, one of the material subsidiaries has already elected to exercise the option of beneficial tax rate under Section 115BAA of the Act from the FY 2019-20. As CMRN has opted for the beneficial tax rate introduced by the ordinance, they will not be eligible to avail the exemptions/ incentives as specified under Section 115BAA of the Act. Further, the option once exercised by the Company cannot be subsequently withdrawn for the same or any other FY.

In case of CMRT, another material subsidiary has not elected to exercise the option of beneficial tax rate under Section 115BAA of the Act during the FY 2019-20. However, w.e.f. FY 2020-21, management of CMRT has decided to opt for the beneficial tax rate as envisaged as per Section 115BAA of Income Tax Act, 1961 and accordingly, they will not be eligible to avail the exemptions/ incentives as specified under Section 115BAA of the Act. Further, the option once exercised by the Company cannot be subsequently withdrawn for the same or any other FY.

B. Deductions from Gross Total Income

- Section 80 JJAA -Deduction in respect of employment of new employees

  Subject to fulfilment of prescribed conditions, both the material subsidiaries are entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. The deduction u/s 80JJAA of the Act shall be applicable even if the Company avails the benefits of the special rate u/s 115BAA of the Act.

NOTES:

1. The above statement of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

2. The above statement covers only certain special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company. The above are based on the existing provisions of the tax laws and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retrospective, could have an effect on the validity of the above.

3. The above statement of special tax benefits is as per the current direct tax laws relevant for the assessment

year 2022-23. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.

4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.

5. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

ANNEXURE 2 TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO MATERIAL SUBSIDIARIES

Under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 / relevant State Goods and Services Tax Act (SGST) read with rules, circulars, and notifications ("GST law"), the Customs Act, 1962 and the Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-20 (FTP) (herein collectively referred as "indirect tax laws")

1. Special indirect tax benefits available to the Material Subsidiaries

A. Both the material subsidiaries are eligible to avail the benefits of refund under GST law as per any or both of the following scenarios:

   i. Refund of accumulated input tax credit arising on account of exports without payment of tax i.e. under Letter of Undertaking (LUT) –
   ii. Refund of taxes paid on exports –

B. Both the material subsidiaries are eligible to avail the license under Export Promotion Capital Goods Scheme ('EPCG') and also eligible to avail the license of Advance Authorization ('AA') under Chapter 4 and 5 of FTP. Under both the scheme, the companies are eligible for availing exemption from basic customs duty, social welfare surcharge and integrated goods and services tax on import of goods/ capital goods respectively meant for export production. Currently, the exemption from Integrated Tax and Compensation Cess has been allowed up till 31st Match 2022.

C. Both the subsidiaries are eligible for benefits available for Tier 2 Status holder under Authorized Economic Operator (AEO) programme of Indian Customs.

AEO is a programme under the aegis of the World Customs Organization (WCO) SAFE Framework of Standards to secure and enhance international supply chain security and facilitate movement of legitimate goods across international borders. The Indian customs AEO programme, vide Circular 33/2016-Customs dated 22.07.2016, is administered by the Central Board of Indirect taxes and Customs ("**CBIC**"). India AEO programme is a voluntary programme that applies to all business entities participating in the global supply chain. AEO seeks to provide tangible benefits in the form of faster Customs clearances and simplified Customs procedures (inter-alia including deferred payment of customs duty) to the Operators who offer a high degree of security guarantees in respect of their role in the supply chain.

Since the subsidiaries are engaged in regular import transactions, therefore, they have obtained AEO Tier-2 status. The AEO status and benefits are provided subject to prescribed conditions.

D. Both the material subsidiaries are eligible to claim the benefits provided under the Free Trade Agreements (FTAs) as entered between India and other countries. In FTAs, two or more countries agree to reduce or eliminate customs tariff and non-tariff barriers on substantial trade between them.

E. The Company is eligible to claim benefits under Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme under Chapter 4 of the Foreign Trade Policy 2015-20. The Scheme allows refund, currently un-refunded:

   c. Duties/ taxes / levies, at the Central, State and local level, borne on the exported product, including prior stage cumulative indirect taxes on goods and services used in the production of the exported product and
   d. Such indirect Duties/ taxes / levies in respect of distribution of exported product

The Scheme is applicable for exports made from 1st January 2021. The rebate would be allowed basis the rates notified under Appendix 4R as a percentage of the FOB value of exports

F. Both the material subsidiaries are eligible to avail duty concession/ exemption benefit under Exemption Notifications issued under Customs Act, 1962. Both material subsidiaries are availing benefits under Notification No. 50/2017, dated 30.06.2017 to enjoy concessional/ exempted rate of import duties on import of products such as aluminum scrap, etc. subject to the conditions mentioned therein.

G. Both the material subsidiaries are eligible to avail the benefits provided for duty drawback under Section 75 of the Customs Act, 1962. The duty drawback is as a rebate for duty chargeable on any imported materials used in manufacture or processing of goods, manufactured in India, and exported. However, subsidiaries may have applied for brand rate of drawback in case all industry rate of the subsidiaries' export product is not notified.

H. In case of CMRN, Incentives under State Industrial Policies, the subsidiary is eligible to claim incentives (SGST reimbursement), under the Gujarat State Industrial policies, on the capital investments made for its manufacturing facility in the said State. The eligible subsidy amount is disbursed over a period of 10 years in equal annual instalments. The Company has already filed application for availing said incentives for its existing facility in the State of Gujarat.

Notes:

1. The above statement of special tax benefits is based on the best understanding of Company's business landscape and tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.

2. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, 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.

3. This statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Shares in the country other than India are urged to consult their own professional advisers regarding possible indirect-tax consequences that apply to them.

4. The above statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretations, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such change.

SECTION VI - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is obtained or extracted from a report dated September 2021 and titled "Assessment of secondary aluminium industry in India" (the "**CRISIL Report**") that has been prepared by CRISIL, and which has been commissioned and paid for by our Company for an agreed fee, exclusively for the purpose of this Offer. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry 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 must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.*

1. Indian aluminium demand review

1.1 Overall aluminium sector demand review

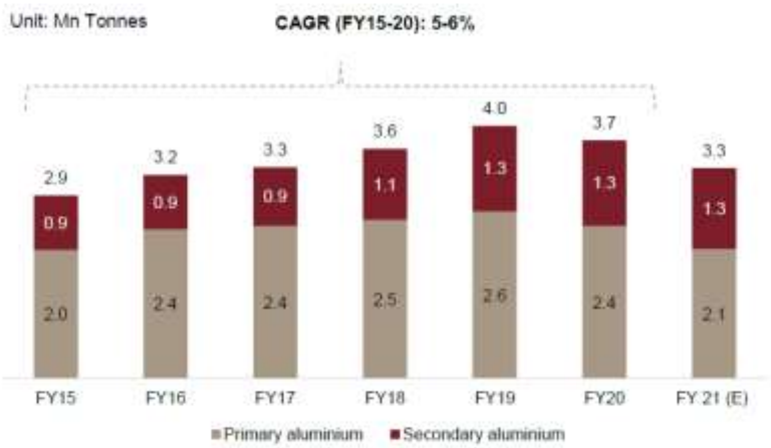
Total demand estimated at 3.7 million tonnes in fiscal 2020

Total aluminium (primary and secondary) demand in India in fiscal 2020 is estimated at 3.7 million tonnes, logging a CAGR of 5-6% over fiscals 2015 to fiscal 2020.

The demand for secondary aluminium in India zoomed at a CAGR of 9-10% from fiscal 2015 and 2020, while primary aluminium demand registered a CAGR of 3-4% only. Demand for primary and secondary aluminium is estimated at 2.4 and 1.3 million tonnes, respectively, in fiscal 2020. The demand for secondary aluminium is primarily led by healthy demand from the auto sector. Rising demand from packaging, consumer durables and construction sectors also led to increased demand. Due to better cost dynamics the share of secondary aluminium in aggregate aluminium market in India rose to 35-36% as of fiscal 2020 from 29-30% in fiscal 2015.

The overall growth in aluminium demand is supported by replacement of other non-ferrous or ferrous metals with aluminium in key end-use industries in the domestic market owing to better technical properties such as an optimum strength to weight ratio, low melting point, corrosion resistance, better electrical and thermal conductivity, better recyclability, etc. amongst others.

Aluminium demand trend in India



Note: Figures above the bars represent total (primary + secondary) aluminium demand for the year
Source: Industry, CRISIL Research

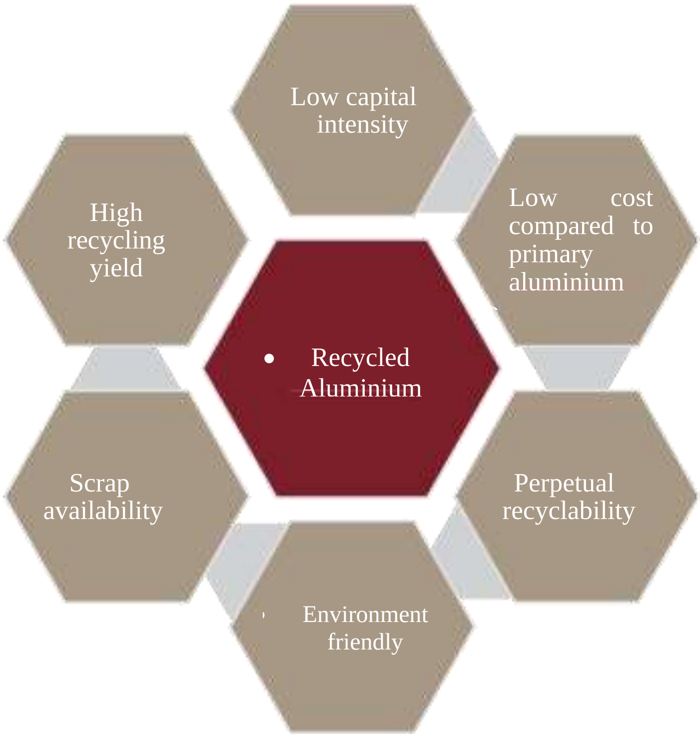
According to a Niti Aayog report, per capita aluminium consumption of aluminium is India is at 2.5 kg which is far the global average of 11 kg. This presents a huge opportunity for Indian aluminium industry to growth across various end-use segments.

1.2 Key advantages offered by recycled (secondary) aluminium

Consumption of secondary aluminium has various economic and environmental advantages.

Sharp growth in usage of secondary aluminium is primarily attributed to its better cost economics compared with primary aluminium, better technical properties compared with other metals, environmental benefits, and low capital intensity.

Key advantages of secondary aluminium



Source: Industry, CRISIL Research

- Less capital intensity: Manufacturing of aluminium through primary route involves bauxite mining, bauxite refining, smelting of alumina, etc. These activities are capital as well as energy intensive. Setting up of a green- field refinery and smelter of a minimum economic size (typically a refinery of 1 million tonne and a smelter of ~0.5 million tonne) with a captive power plant requires an investment of around Rs 220-240 billion. As against this, the recycled route involves sorting and segregating scrap, melting of scrap, re-alloying, and casting into ingots. This process is carried out at a cost considerably lower than that of primary aluminium owing to lower energy requirements. Moreover, setting up of a fully mechanised recycling unit of 1 million tonne capacity would typically involve an investment of Rs 15-20 billion

- Low cost of production compared to primary aluminium: One of the major advantages of recycling is low production costs as against manufacturing through the primary route. This low cost is attributed to significantly lower energy requirements (~90-95% of energy savings in case of secondary aluminium production as per International Aluminium Institute) for recycling than the primary route. Also, pre-existence of required alloyed elements in aluminium scrap further reduces alloying costs.

- Perpetual recyclability: The inherent quality of aluminium is not affected irrespective of the number of times it is recycled. The other key characteristics that drive the demand for secondary aluminium are its perpetual recyclability, with an advantage of pre-existence of desired properties (as it is pre-alloyed specific to end-use requirement when in scrap form).

- Scrap availability: Aluminium scrap is estimated to be available in abundance globally, which further results in increased recycling of aluminium for key end-use products.

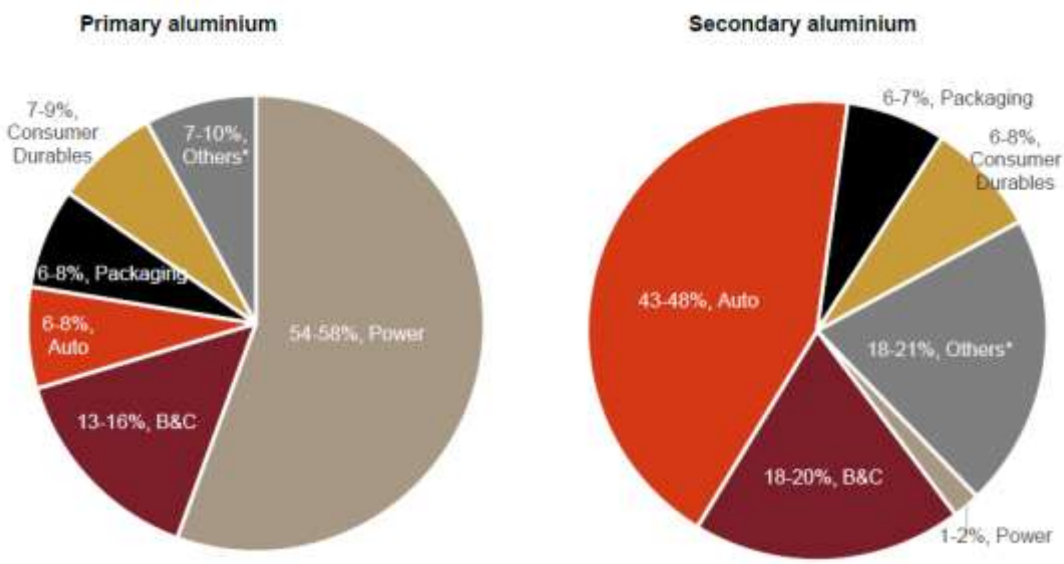
- Environment-friendly option: Manufacturing of primary aluminium consumes significant natural resources. As per industry estimates, every 1 tonne of aluminium manufactured through primary route consumes 4-6 tonnes of bauxite, 1-1.5 tonne of limestone, 20-22 cubic metre of water, and ~14,000 Kwh of power. As against this, manufacturing of 1 tonne aluminium through the recycled route consumes aluminium scrap as a key raw material (saving natural resources) and consumes only 5-7% of the total energy required for primary aluminium, thereby saving natural resources and being energy efficient. Furthermore, as per the Bureau of International Recycling (BIR), each tonne of aluminium ingot manufactured through primary route emits ~3,830 kg of CO2 compared with ~290 kg of CO2 for aluminium manufactured through scrap recycling. The process of primary aluminium production through refineries results in the generation of large quantities of solid waste amounting to ~ 2-2.5 tonnes for 1 tonne aluminium produced hence effecting the environment, unlike secondary aluminium where solid and liquid discharge is close to negligible.

1.3 Demand segregation across primary and secondary aluminium

Light weight, high strength, moderate melting point, ductility, conductivity, resistance to corrosion and the ability to be recycled (without any loss of original properties) ensures that aluminium has multiple applications across industries such as transport (automotive), food preparation, packaging, space, aerospace, architecture, defence and electrical transmission.

While the power sector consumes the largest proportion of primary aluminium in India, better cost economics of secondary aluminium and healthy demand for non-ferrous castings from the automotive sector, the largest consumer of secondary aluminium, are the major demand drivers of secondary aluminium in the country

Key end-use segments and rationale for usage of aluminium (fiscal 2020)



**Others include defence, aerospace, machinery and equipment amongst others; B&C: Building and construction Source: Industry, CRISIL Research*

Key end-use segments and rationale for usage of aluminium

- ***Power**:* Aluminium is primarily used in overhead conductors of transmission lines; transformer coils, bus bars and foil wraps for power cables, etc. This usage is primarily driven by a favourable strength to weight ratio, better conductivity and lower costs compared with copper. Owing to these properties, the power segment was estimated to account for the highest share of aggregate aluminium volumes (both primary and secondary) at about 35-40% in fiscal 2020. The increase in industrial development, rapid urbanisation and infrastructure developments and government initiatives for electrification of villages has resulted in healthy growth in the sector. Going further, the government's initiatives such as the "Make in India" scheme, "Smart Cities" programme, 100% rural electrification are expected to result in growth of aluminium demand. Demand from the power segment accounted for 54-58% of total primary aluminium volumes in fiscal 2020 and a negligible share of secondary aluminium volumes (about 1-2%) on account of conductivity losses.

- ***Solar power:*** The Government's move towards Aatmanirbhar Bharat is expected to aid the sector through increased focus on enhancing the solar power capacity in India through scaling up of domestic solar manufacturing units rather than resorting to imports. The government imposed basic customs duty which is to be effective from April 2022 on both solar modules/panels and solar cells. Hence, with this imposition of duties, if the shift towards local manufacturing increases, it is anticipated to lead to an increase in aluminium demand from solar panels.

- ***Automotive:*** Aluminium is extensively utilised in both passenger and commercial vehicle segments due to its intrinsic characteristics and properties. The strength-to-weight ratio makes aluminium invaluable in the transportation industry. Use of aluminium, instead of steel, enhances performance, safety, fuel efficiency and durability, and also provides many environmental benefits. Aluminium reduces the total weight of vehicles and light-weight vehicles reduce energy consumption and emissions considerably.

  Within the automotive space, aluminium is used in engine components, gearbox, brake casings, radiators, cylinder heads, transmission housing, wheels, window frames and panels, etc. Of the total casting requirement, secondary aluminium occupies a major share on account of better molecular properties owing to pre-existence of desired elements in the scrap. According to primary interactions, aluminium intensity in automobiles manufactured in India is much lower than the global average. Thus, improvement in aluminium demand is expected in the subsequent years, primarily driven by increased intensity of usage within the sector.

  EVs could also prompt a shift in the material composition of vehicles. Light weight requirements to improve the efficiency of EVs would mean a greater proportion of plastics and aluminium in them than petrol and diesel vehicles, resulting in an inevitable increase in aluminium demand in this sector. Demand for secondary aluminium is expected to increase in the automotive sector due to the government's stringent vehicular emission norms manufacturers to reduce the vehicle curb weight. Moreover, electric vehicles have a higher intensity of aluminium than ICE vehicles.

  The government of India issued standards related to average fuel consumption for passenger vehicles (using petrol or diesel or liquefied petroleum gas or compressed natural gas, and comprising not more than nine seats including driver's seat, and of gross vehicle weight not exceeding 3,500 kilograms tested). These standards became effective in fiscal 2018 and the second set of norms is expected to be effective from fiscal 2023. These norms are known as corporate average fuel efficiency (CAFE) which relate the Corporate Average Fuel Consumption (in litres/100 km) to the Corporate Average Curb Weight. With fuel efficiency in question one clear focus of auto OEMs because of these norms if to reduce the weight of the vehicles. The demand from the automobile industry can be met either through recycling of higher quantity imported auto grade scrap or production of primary auto grade alloyed aluminium. A majority of the players in the automotive component space prefer secondary aluminium owing to better cost dynamics and inherent alloy properties, resulting in the segment accounting for a 43-48% share in secondary aluminium volumes, as against a 6-8% share in primary aluminium volumes as on fiscal 2020.

- ***Building and construction (B&C)***: Aluminium is widely used in building and construction because of its intrinsic properties of lightness and corrosion resistance. It is used for making of windows, door frames, roofing, partitions, false ceilings and other building hardware. Extrusion and aluminium flat rolled products (FRPs) are mainly used in the building and construction sector.

  Aluminium's light weight lowers the load on any construction, while the metal's strength lends durability. The weight of aluminium structures is one half to two-thirds the weight of steel structures. By weight, aluminium also is lighter than reinforced concrete structures with the same bearing capacity. Its resistance to corrosion protects structures, especially those being built in regions with extreme weather conditions.

The share of B&C volumes in total primary and secondary aluminium was 13-16% and 18-20%, respectively, in fiscal 2020.

Typically, premium real estate players rely more on primary aluminium for their requirement. The sector witnessed a slowdown for a few months due to unavailability of manpower amid Covid 19. The government's push to build smart cities, coupled with the growing trend of high rises has encouraged a greater concern for environmentally friendly construction where aluminium can fit into potential applications such as fenestration, facades, curtain walling, structural glazings, roofing and cladding

- ***Consumer durables***: Aluminium is used in appliances such as refrigerators, washing machines, air conditioners (ACs), etc. The penetration is high in appliances such as ACs and washing machines. Low weight, thermal efficiency, corrosion resistance, and non-reactivity to chemicals favour the use of aluminium in this segment.

  However, low quality scrap with high lead content and presence of radioactive particles is particularly dangerous in consumer durables, and can cause serious problems in electrical equipment.

  The demand from consumer durables for primary and secondary aluminium volumes is estimated to be 7-9% and 6-8%, respectively, in fiscal 2020.

- ***Packaging****:* The metal is non-toxic, so aluminium foil used to wrap foods does not contaminate them. Aluminium foil offers 100% protection against light, moisture, oxygen and other gases as well as against microorganisms and bacteria. Most common applications within the segment include personal care products, pharmaceuticals, processed foods (soft drink cans), containers and bottle caps. Laminated aluminium pouches (aseptic or retort pouches) are used to pack food products such as biscuits, confectionery, butter, oil, and beverages. Aluminium FRPs have a wide- range of applications in the packaging segment.

  In India, the penetration of aluminium in the packaging segment is lower than global averages owing to high costs. There could be a potential boom in the packaging sector with growing health consciousness given aluminium's hygienic properties and the boom in pharmaceutical industries.

  As of fiscal 2020, the demand from the packaging segment for primary and secondary aluminium volumes is estimated to be 6-8% and 6-7%, respectively.

2. Secondary aluminium demand assessment

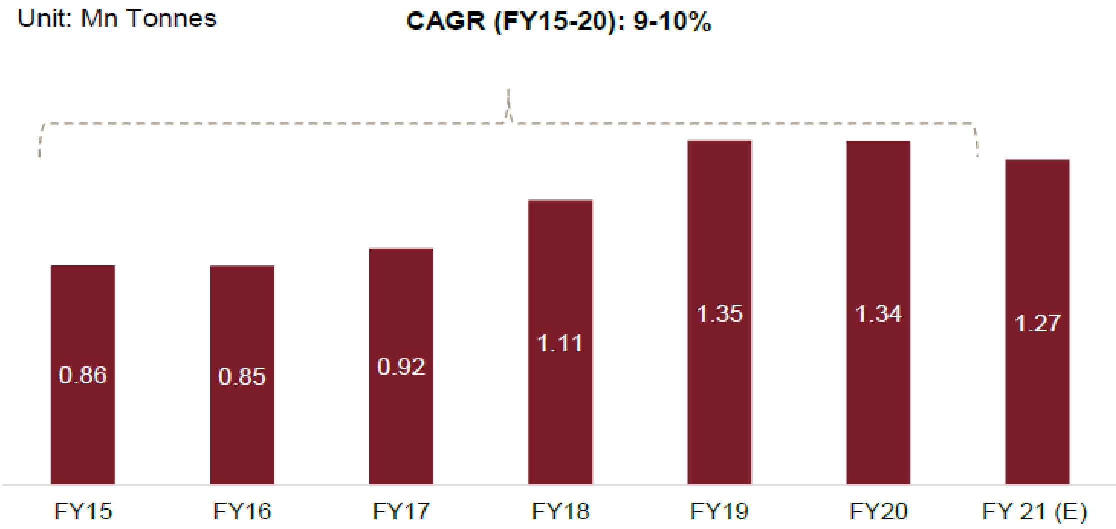
2.1 Secondary aluminium demand review (fiscal 2015-2020)

Robust demand growth over the past five year

Between fiscals 2015 to 2020, the demand for secondary aluminium is estimated to have grown by a 9-10% CAGR to 1.3 million tonnes in fiscal 2020. Better cost economics of secondary aluminium fuelled this growth.

There is a healthy demand for non-ferrous castings from the automotive sector, which consumes 43-48% of secondary aluminium in India. Further, demand from the building & construction sector, which consumes 18-20% of overall secondary aluminium, has also increased with rising penetration of recycled extrusions, especially in window frames. The packaging segment too witnessed faster growth (for secondary) during the year, largely as a result of healthy growth in key underlying industries such as food products, beverages and pharmaceuticals.

Secondary aluminium demand trend in India



Source: Industry, CRISIL Research

The growth rate of secondary aluminium demand has outpaced primary aluminium demand, led by better cost- economics, especially in the price-sensitive automotive castings space. This, in turn, has led to a surge in scrap imports, which soared to 1.34 million tonnes in fiscal 2020 from 0.87 million tonnes in fiscal 2015, due to limited availability of required and optimum quality of scrap in the domestic market.

2.2 Secondary aluminium demand segmentation

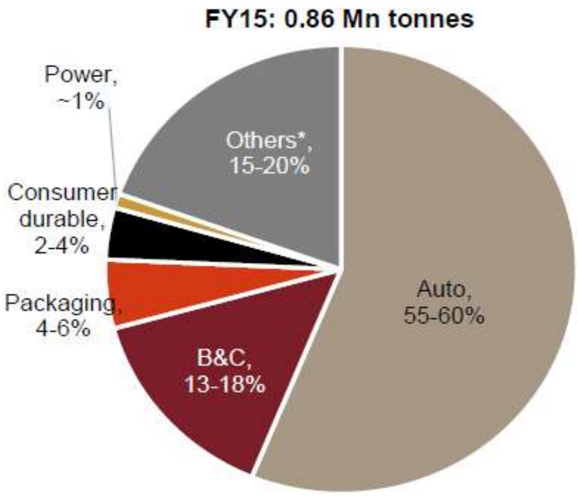
Demand prospects for secondary aluminium closely linked to the auto industry

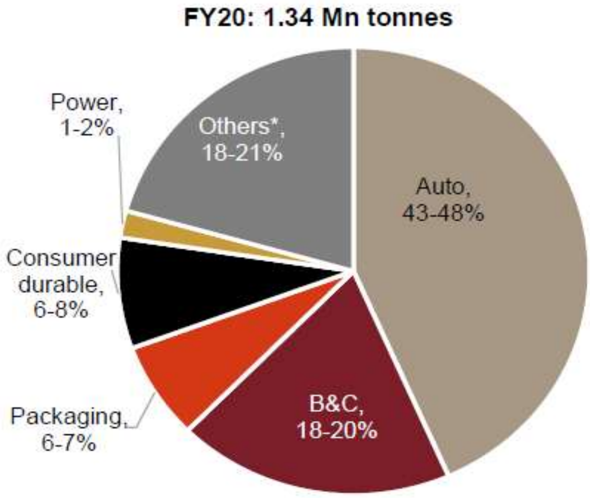
The automotive segment accounted for 43-48% of the total secondary aluminium sector in fiscal 2020. Within the automotive segment, 60-65% of non-ferrous casting was for two wheelers, followed by 30-35% for passenger vehicles and 3-5% for commercial vehicles.

In fiscal 2020, the B&C segment accounted for 18-20% of the overall secondary aluminium sector with demand growth driven by increasing penetration of secondary aluminium owing to cost advantages.

The share of packaging segment improved marginally and reached at ~6-7% of the total demand. The share of consumer durables too witnessed a marginal improvement on the back of modestly rising sales volumes. The power segment's share remained negligible over the years with primary aluminium finding higher application in the segment.

Secondary aluminium end-use demand breakup (fiscal 2015 and 2020)



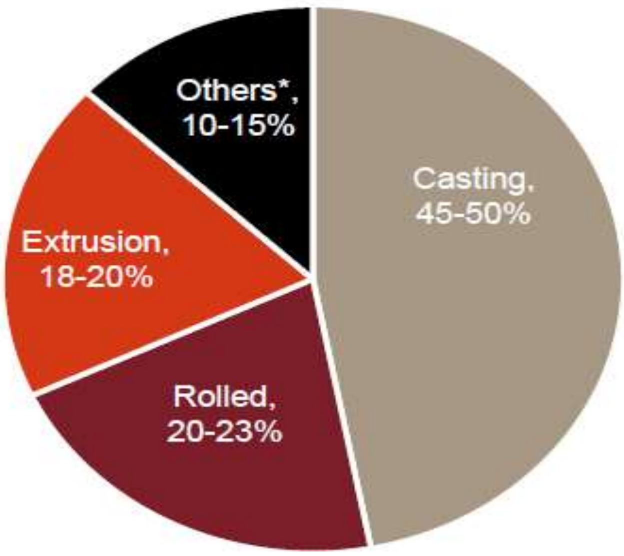


**Others include defence, aerospace, machinery and equipment amongst others; B&C: Building and construction*
Source: Industry, CRISIL Research

Product-mix of secondary aluminium largely dominated by casting

Aluminium is used in the form of semi-fabricated products which are produced from aluminium ingots, slabs and billets by various processes, such as rolling, extruding, drawing, casting and forging.

Secondary aluminium product-wise breakup: Fiscal 2020 (1.34 Mn tonnes)



**Others includes drawing, powders and pastes amongst others*
Source: Industry, CRISIL Research

Of the total ~1.34 million tonnes of secondary aluminium demand in fiscal 2020, 45-50% is estimated to be consumed in the casting form. A majority of casting volumes was consumed in the automotive segment for manufacturing various components such as engine blocks, transmission systems, etc.

With their application in the B&C segment, extrusions are estimated to account for 18-20% of total secondary aluminium volumes. Within the B&C segment, around 90% was estimated to be consumed in the form of extrusions.

Rolled products find maximum application in automotive and packaging segments (to the extent of 85-

90% of total rolling volumes) and some applications in the construction segment. In fiscal 2020, the share of rolled products in overall secondary aluminium demand was 20-23%.

Others forms of aluminium include drawn products such as aluminium wires and tubes. Powder and paste, other forms of aluminium consist of finely ground particles of aluminium. Powder is used in inks and explosives, while the paste is used in paints and for providing a metallic finish to automobiles.

2.3 Regional split of secondary aluminium demand

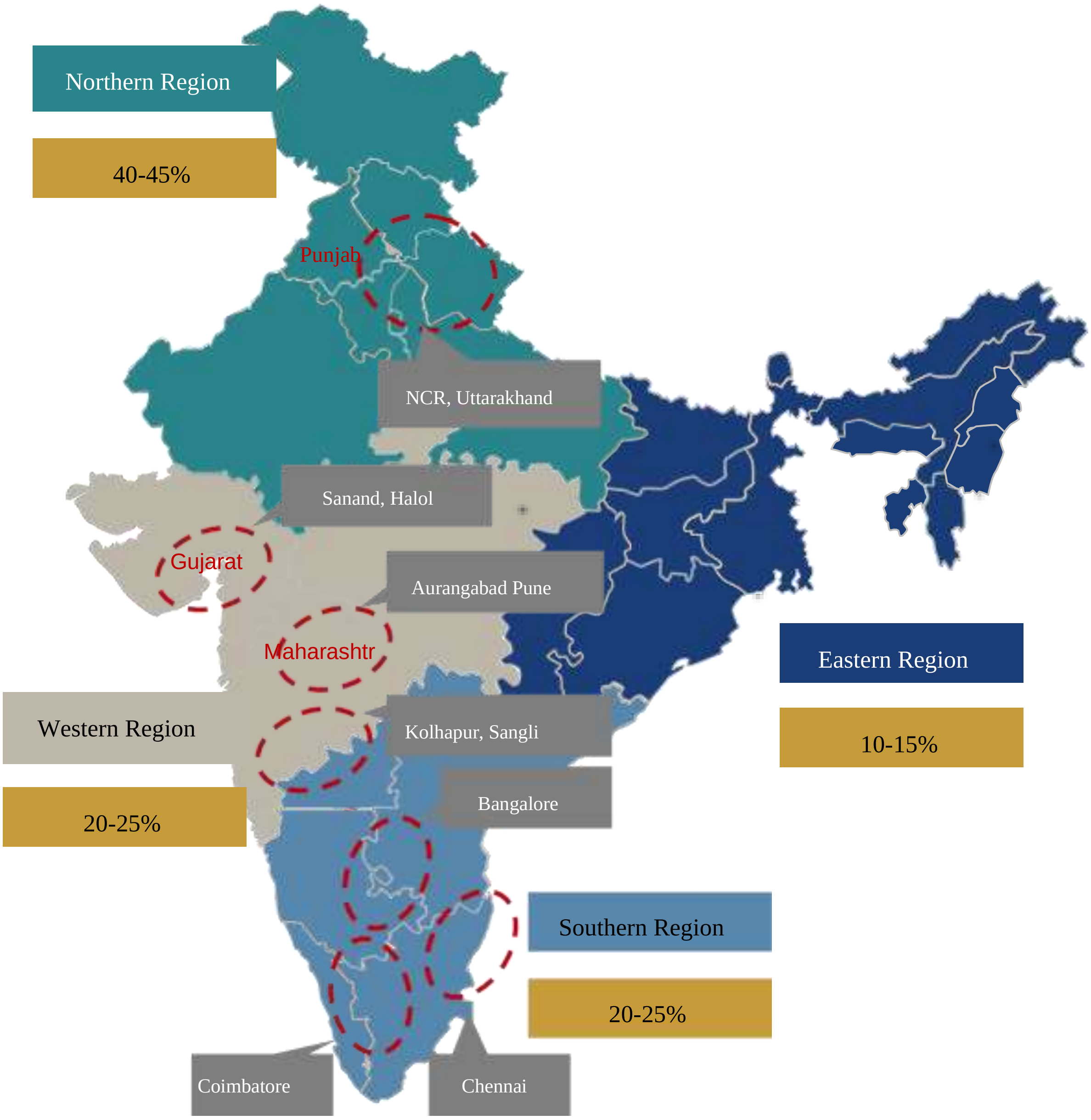
Recycled aluminium demand is largely concentrated in and around key auto clusters

Of the total estimated demand for secondary aluminium of ~1.34 million tonnes in fiscal 2020, a majority (to the tune of ~40-45%) is concentrated in the northern region, followed by southern and western regions. This is primarily on the back of key auto hubs/clusters in the NCR belt with key OEMs such as Maruti Suzuki, Hero Motocorp, Bajaj Auto, Tata Motors, etc. located in the region

Auto clusters in Chennai, Coimbatore, and Pune, coupled with a significant presence of extruders in West and South, aid a significant share of secondary aluminium demand in the regions at 20-25% each.

The eastern region, however, with no major auto component belt has the lowest share of about 10-15% during the year under consideration. De-ox (deoxidiser) and utensils are key end-users in the eastern belt. With newer OEMs being setup in these hubs, growth in each segment is expected to increase, leading to increased demand for secondary aluminium.

Pan-India secondary aluminium demand breakup (fiscal 2020)



Source: Industry, CRISIL Research

Increasing demand of molten metal

Over the past few years, molten form on aluminium has found rising utility amongst key end-use segments (particularly auto). It is estimated that molten metal constitutes ~15-20% of share in overall secondary aluminium demand and has managed to keep its share consistent owing to several advantages it offers.

Key advantages of molten metal:

- **Savings in melt loss (oxidation loss):**

  Manufacturing of secondary aluminium through the molten route is estimated to result in savings of melt-loss to the extent of 2-3% of the cost to manufacturers (casters), as against manufacturing through the solid route. This supports a higher demand for the molten form from manufacturers.

- **Less energy requirement for casters:**

Using aluminium in the molten form saves significant time and energy (estimated to be at approximately 3% of the total metal cost) for recyclers as they skip the re-melting process as in the case of solid ingots. This eventually helps component manufacturers to optimise their operations.

- **Environmental savings:**

  Manufacturing of molten metal further leads to additional savings in the emission of greenhouse gases due to avoidance of the re-melting process, thereby containing the negative environmental impact as against manufacturing through the solid route. As per UNFCCC (United Nations Framework Convention on Climate Change) norms, molten metal qualifies for carbon credits. This acts as an added advantage for a company to grow sustainably.

- **Savings in operational and inventory carrying cost:**

  Component manufacturers can eliminate the need to set up re-melting arrangements, thereby saving significant operational costs (such as interest, depreciation, man-power, electricity, etc.). Further, molten metal is supplied Just-in-time (JIT), thereby saving storage costs due to lower inventories for manufacturers.

- **Quick turnaround time:**

  While the solid aluminium ingot requires some time to settle down and solidify in casters, molten metal doesn't require any settling time and is transported immediately after collecting it from the furnace. This, in turn, results in increased frequency of supply dispatches as against the solid form. As per the industry estimates, the usage of liquid metal results in about Rs.10-12 per Kg savings.

Key challenges of molten metal:

- **Higher compliance requirement for transportation:**

  Transporting metal in the molten form requires recyclers to adhere to compliance guidelines prescribed by various authorities, including getting a special license for vehicles and making necessary arrangements. These arrangements come at relatively higher costs than compliance required for transporting the metal in a solid form.

- **Transportation to be time-bound:**

  Transportation of metal in liquid form typically takes place for destinations up to 20-25 km of radius and travel time not more than 45-60 minutes keeping the time safety margin into consideration. The supply of molten metal is both time critical and important from the perspective of continuous manufacturing line. The deliveries are made multiple times per shift and any delay can lead to loss in production. Traffic congestions or vehicle failure may lead to solidifying of the metal (as it gets solidified below 620-640o Celsius) and can potentially affect the supplies.

  Typically, the average realisation of molten metal tends to be marginally higher than solid ingots, thereby providing some incremental profitability benefit to both - recyclers as well as casters.

3. Secondary aluminium supply landscape

3.1 Industry structure

Analysis of the value chain

Source: Industry, CRISIL Research

- **Scrap collection:**

  Aluminium scrap is often categorised as new and old. New scrap originates during the manufacturing of semi- fabricated and final products (shavings, off-cuts, moulded parts, etc), where the quality and composition are usually known. It is melted without any preliminary treatment. Old scrap refers to products collected after disposal from consumers, i.e. at the end of their life vehicles, such as cables, pots, radiators, etc. This raw material is more contaminated than new scrap and requires preliminary treatment.

  The different amount of available metal and impurity in aluminium scrap depend on the origin of scrap. However, these characteristics can be changed before the melting process by means of specific treatments. The principal preliminary treatments are: comminution, sorting, color sorting, magnetic separation, air separator, density separators and eddy currents. These processes intend to increase bulk density, remove non-aluminium scrap, and reduce impurity.

  Scrap aluminium is processed for return to the market in a series of steps: pre-processing, melting, alloying, refining, and casting. Two general types of scrap are available: furnace-ready scrap and scrap requiring pre- processing. For large-scale shredding facilities, scrap sorting is typically through magnetic and floatation techniques in order to separate non-ferrous scrap from other varieties. Manual sorting also takes place to separate and obtain aluminium scrap from other valuable scrap such as copper, especially in small and mid-sized firms.

  Indian recyclers prefer to set up sourcing from multiple countries in order to enjoy uninterrupted supply, better quality control, and faster processing. Scrap is sorted into various categories as per guidelines laid by the Institute of Scrap Recycling Industries (ISRI).

- **Scrap trading:**

  Categorisation of scrap (defined on the basis of the source industry, components, types of aluminium and its content, etc) determines its price. The domestic scrap trading market is largely fragmented. Well-known players are Mahakaal Metal Brothers, Adhunik Niryat Ispat, and PG International to name a few (import as well as domestic trading).

- **Pre-processing of scrap:**

  The initial process within pre-processing includes segregating of scrap as per various properties or alloy grade, followed by cleaning (open air storage exposes it to dust and other impurities). After this, recyclers typically shred large and bulky pieces of scrap and impurities such as chemicals, oil and paints are removed. Pre-processing includes baling and shearing; and in the more high-tech plants de-coating if lacquered or painted.

- **Melting and re-alloying of scrap:**

  While recyclers are able to remove most of the impurities through cleaning, sorting, and segregation, some impurities such iron or steel remain and are removed separately from the bottom of the furnace during the melting process. Scrap is loaded into the furnace using a charger and is heated to a high temperature.

  Most of the secondary aluminium is produced in furnaces fired with fossil fuels, heavy oils, commonly natural gas, where reverberatory and rotary furnaces are the main technologies. Electric furnaces are typically used in small processing operations, i.e., where scrap is usually home-made rather than purchased material. Electric furnaces cannot compete in terms of melting capacity with the large-scale fossil-fuel furnaces, such as reverberatory and rotary furnaces. The melting process maximises metal recovery, i.e., the ratio between aluminium present in the scrap and secondary aluminium obtained. Fluxing indicates the addition of chemical compounds in the scrap feed to improve recovery of the metal and quality.

  After melting of scrap, re-alloying is carried out based on specifications such as tolerance levels, proportions of various alloying elements, etc as provided by the client. In order to ensure that the final product meets the required specifications, recyclers use quality control measures such as tensile strength testing, spectrometric analysis, and microscopic testing. As the required configuration varies client-wise, alloy manufacturers typically install furnaces with small capacities (5-10 tonne/ batch), enabling them to switch grades at any time during production.

- **Casting into ingots or liquid form:**

  This is the last stage in the value chain. Molten aluminium may be kept in its liquid state or cast into large slabs called ingots or billets. In some cases, alloying elements are added to liquid aluminium to produce the desired metal for a specific product type. Aluminium ingots may be rolled back into a sheet product (like can or auto body sheet), while billets can be extruded into a shaped product.

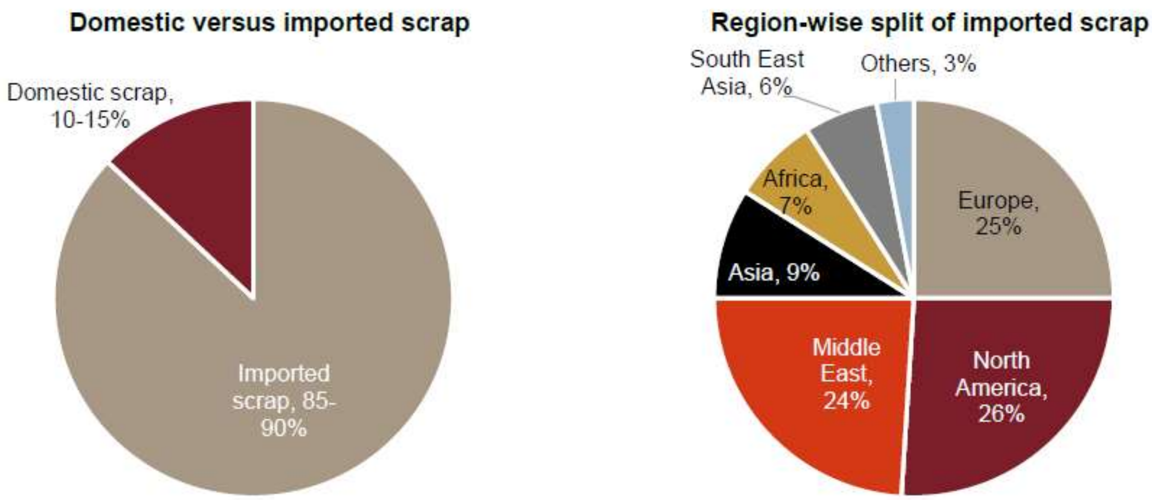
  There has also been an increasing trend of supplying alloy metal in the molten stage to the final consumer (typically auto component manufacturers) owing to several operational advantages to manufacturers as well as consumers (by eliminating the re-melting process, reduced power and fuel consumption, lowering other operational costs).

3.2 Aluminium scrap consumption mix

Imported scrap dominates recycling requirement in the country

India is heavily dependent on imports of aluminium scrap. Of the total demand for aluminium scrap in fiscal 2020, 85-90% was met through imports. Higher share of imported scrap is largely on account of lack of an efficient ecosystem for scrap collection and processing facilities (such as scrap yards). Also, a large chunk of scrap collected domestically is used by small and mid-sized players such as utensil making.

Aluminium consumption mix in fiscal 2020



Note: Asian countries here include: Australia, Bangladesh, Taiwan, People's Republic of China, Hongkong, Iran, Japan, Republic of Korea, Maldives, Myanmar, Nepal, and Srilanka. South East Asian countries include: Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam
Source: DGFT, Industry, CRISIL Research

Aluminium scrap imports (net) increased at a 5-year CAGR of 9.3% to 1.34 million tonne in fiscal 2020. Imported scrap is used by domestic foundry and extrusion sectors to produce items inputs for the auto sector.

Europe, North America and the Middle East accounted for ~75% of the total scrap imports in fiscal 2020, followed by contribution from Asia and Africa. Within Europe, key countries include the UK, the Netherlands, and Germany; key countries in North America include the US, Canada, and Mexico; and key countries in the Middle East include United Arab Emirates, Saudi Arabia, Kuwait, Israel, and Qatar. Also, the top five countries accounted for almost 58% of the total import volume.

3.3 Key success and risk factors in secondary aluminium industry

Key success factors

- **Strong demand growth:**

- Demand for secondary aluminium clocked a CAGR of 9-10% between fiscals 2015 and 2020, outpacing 3- 4% CAGR for primary aluminium demand. This was largely supported by high growth in the auto and B&C sectors, led by rise in penetration of secondary aluminium

- This increased the share of secondary aluminium from 29-30% in fiscal 2015 to 35-36% in fiscal 2020. Moreover, perpetual recyclability of the metal without any significant loss in metallic properties should continue to support demand for secondary aluminium in the overall aluminium consumption.

- **Low capital expenditure (capex) requirement:**

- Though capex for setting up a recycling plant is based on plant characteristics such as the technology being installed, it is considered to be significantly lower than setting up a greenfield primary aluminium plant.

- **Environment friendly:**

- Compared with manufacturing through the primary route, recycling of aluminium consumes significantly less power (5-7% of the total energy requirement for primary aluminium). Each tonne of aluminium manufactured through recycling results in saving of 5-6 MT of bauxite, 1-1.5 MT of limestone, 20-25 MT of water and ~14000 kwh of energy (~90-95% of energy savings as per International Aluminium Institute). Also, 1 tonne of aluminium manufactured through the recycling process results in savings of ~3,500 kg of CO2 emission (as per the BIR).

- Liquid aluminium also contributes to the environmental benefits through generation of carbon credits.

- **Perpetual recyclability and scrap availability:**

- The inherent quality of aluminium is not affected by recycling and remains high irrespective of the number of recycling cycles. The other key characteristic that drives demand for secondary aluminium is its perpetual recyclability, with an advantage of pre-existence of desired properties (as it is pre-alloyed specific to end-use requirement when in scrap form).

  Also, aluminium scrap is estimated to be available in abundance globally and is also expected to grow in the future, which is expected to result in increased recycling of the metal for end-use products.

Key risk factors

- **Heavy dependence on imports:**

- Scrap imports account for 85-90% of the total raw material requirement. This exposes recyclers to several risks such as currency fluctuations, volatility in prices of scrap globally, upfront cash payment for settlement of trades (leading to working capital crunch), higher turnaround time, etc. Also, with high reliance on imports, any potential upward revision in duty structure (for scrap) may impact recyclers' profitability negatively unless such costs can be passed down to the customers in an effective manner. It is also noteworthy that the availability of the domestic scrap has also been increasing over the years.

- **High material cost:**

- Raw material cost (scrap) typically accounts for 80-85% of the total cost (inclusive of all taxes and duties), which is considerably high for any given industry and, thereby, has a high bearing on recycler's profitability

- **Lack of automation:**

- The aluminium scrap recycling business in India is not fully automated with regards to recycling activities like sorting, cleaning and segregating the scrap. This industry in India is typically labour intensive. Also, majority of the manufacturers (small and mid-sized players) prefer to operate semi-mechanised plants in order to save on capex costs. Heavy reliance on labour as against investment into mechanised operations results in loss of productivity as well as lack of quality control compared with large players.

▪ **Fragmented nature of the industry:**

- The aluminium recycling industry is highly fragmented with most companies being run as family enterprises/ proprietorships, and having regional presence with the exception of CMR group. This intensifies competition, lowering the bargaining power of small recyclers.

▪ **Risk of impurities:**

- Presence of impurities in secondary aluminium could pose a serious threat to all major end-use industries such as packaging, automobiles, B&C, and consumer durables.

Global scrap markets

Metal recycling has been of an importance in the international market. As per ISRI estimates, 40% of the world raw material needs is met through recycled commodities. This is due to the advantages observed due to cost and energy savings in the recycling process. In addition to this, recycling enables sustainability through circular economy for certain metals which do not lose their properties despite multiple recycling. Ferrous scrap is known to be the most recycled scrap as compared to other commodities. Production of steel from ferrous scrap is estimated to require 60% lesser energy. The largest source of this ferrous scrap consisting of iron and steel is from consumer product segment and automobile industry.

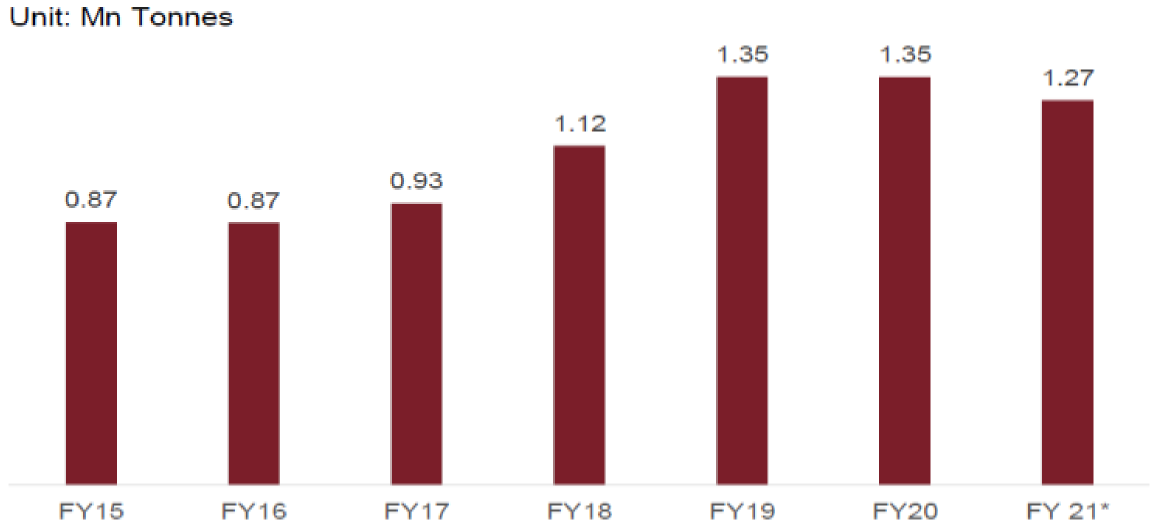
For non-ferrous scrap such as aluminium, highest recycling is observed in the construction and transportation sector. In 2019, countries such as United States, Germany, United Kingdom, France and Saudi Arabia were the top exporters of scrap. In the US, more than 36% of the aluminium demand is met through scrap because of high availability. Germany being one of the world's largest auto making countries, contributes to approximately 25% of the total aluminium market in Europe. In Europe more than 50% of the aluminium market comprises of secondary aluminium. Due to the country's heavy dependence on the auto sector, the scrap generated from this sector is also high, leading to net exports of aluminium scrap. EU has been the net exporter of aluminium since 2002. The country's major exporting economies include India and China with considerable quantity exported to China. It is estimated that in 2019, primary and secondary aluminium held 67% and 33% shares, respectively, in total aluminium demand globally.

3.4 Trend of aluminium scrap imports

Imports up due to cost advantage of secondary aluminium, unavailability of local scrap

In India, majority of demand for secondary aluminium is met by imports due to cost benefits and unavailability of scrap in India. Imports of aluminium scrap increased at a 5-year CAGR of 9.2% to 1.35 million tonne in fiscal 2020 from 0.87 million tonne in fiscal 2015.

Aluminium scrap imports on the rise



*Note: * FY 21 data has been annualised*
Source: DGFT, Industry, CRISIL Research

Despite a huge primary aluminium production capacity and the potential to generate enough domestic scrap, 85- 90% of scrap is imported. India does not have adequate institutional mechanisms to check proper collection, sorting, and processing of domestic scrap.

Secondary aluminium continues to be 25-30% cheaper than primary aluminium. Primary aluminium manufacturers have been lobbying with the government to increase the import duty on scrap. However, the government has already recognized the importance of recycling and considering aluminium's recycling properties, there has not been any changes in import duty structure on the imported scrap.

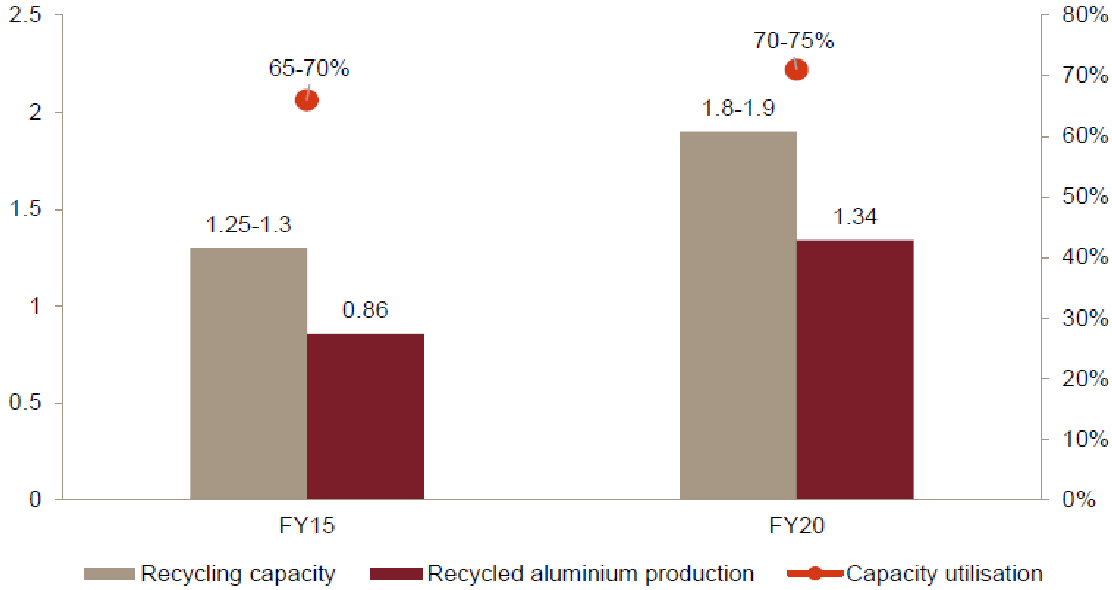
With regards to other metal scrap, as proposed in Union Budget 2021-22, the government has exempted (upto March 2022) customs duty on import of steel which was at 2.5% earlier. Duties on copper scrap has also been reduced from 5.0% to 2.5%. This move made by the government is expected to boost the recycling industry in India.

3.5 Secondary aluminium capacity review

Recycling capacity added at a CAGR of 7-9% over the past five years

The aluminium recycling industry is dominated by small and medium players and the total recycling capacity in India is estimated to have expanded from 1.25-1.3 million tonne in fiscal 2015 to 1.8-1.9 million tonne in fiscal 2020, at a CAGR of 7-9%. Capacity addition followed healthy demand growth.

Trend in recycling capacity and production of secondary aluminium (million tonne)



Note: Figures are estimated
Source: Industry, CRISIL Research

Capacity utilisation is estimated to be 70-75% in fiscal 2020, up from 65-70% in fiscal 2015.

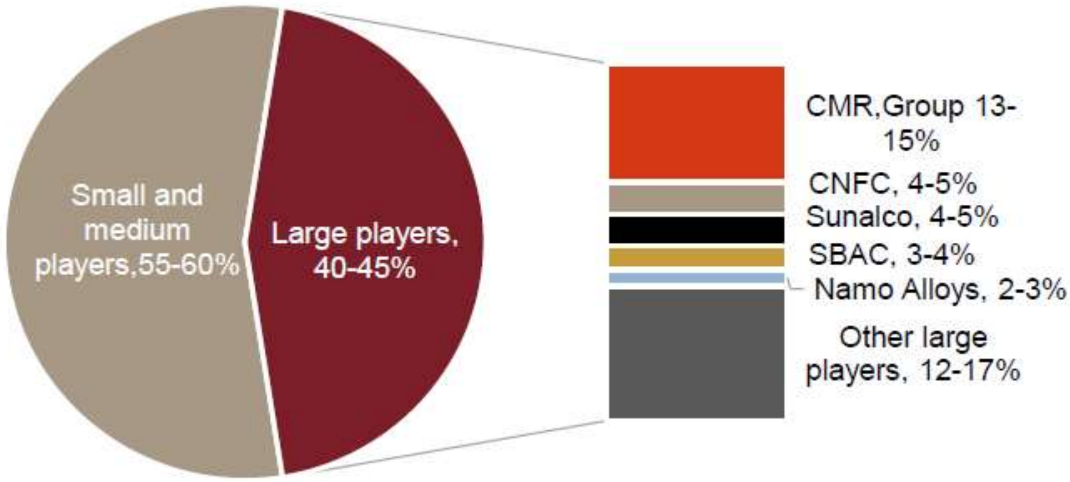
With capacity of 90,000 tonne added from fiscal 2016 to fiscal 2021, CMR Group (CMR Green Technologies Limited, CMRT, CMRN) is one of the largest contributors from the recycling segment. Other players, including the smaller companies, also added capacities over the period under consideration. Overall capacity addition is estimated to be around ~560 KT during fiscal 2015 to fiscal 2020 of which ~300 KT has been added over the last two years.

3.6 Supply analysis of recycling industry

Domestic aluminium recycling industry dominated by small and medium players

All activities related to aluminium scrap recovery are largely limited to the small and medium players in the sector, catering to utensil and casting industries. Based on the size of players, this industry can be broadly segregated into small and medium players, and large players.

Small and medium players have more capacity than large players



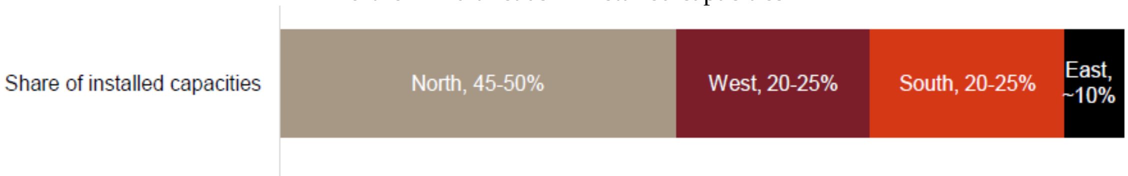
Note:
(i) *Group , CNFC – Century NF Casting, SBAC – Shree Balaji Alumnicast*
(ii) *Large players are defined as known players with an annual capacity of 40K tonne or above*
(iii) *Share is calculated based on estimated installed capacity for fiscal 2021 Source: Industry, company websites, CRISIL Research*

The aluminium recycling market is predominantly dependent on small and medium players, commanding 55-60% of aggregate supply estimated for fiscal 2020, while large players accounted for the remaining 40-45%. Better economies of scale, steady order book, large client pool, mechanised operations, technological advancement, and better productivity are some of the characteristics exhibited by large players.

Moreover, large players tend to have well-diversified geographical presence with plants at multiple locations against single location presence of small and medium players. This enables large players to hedge against the risk of demand volatility in any region/ cluster. Also, it may be expected that the large players will exhibit better growth with the industry.

Majority of the larger players (CMR Group, CNFC, SBAC, and Sunalco) have significant presence in the key auto clusters

Northern India leads in installed capacities



Source: Industry, CRISIL Research

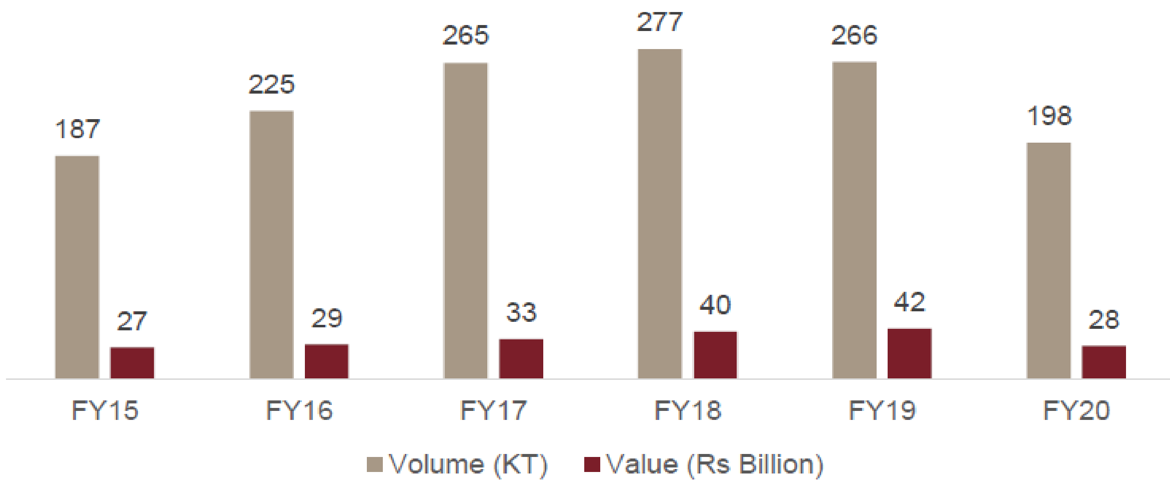
Northern India houses 45-50% of the country's secondary aluminium recycling capacity led by close proximity to key demand centre – the NCR auto cluster. It is followed by western and southern regions at 20-25% each, where recyclers have diversified offerings for the automotive, B&C, and consumer durables industries. The eastern region accounts for only ~10% of the total capacity. Recyclers in the region largely cater to the deoxidizer segment (with steel plants present in the region) as well as utensil manufacturing.

3.7 Imports of alloy ingots

Imports down on weak demand

Imports of aluminium alloy ingots rose to 266 thousand tonnes (KT) in fiscal 2019, registering a CAGR of 9.2%. However, in fiscal 2020 imports declined 25% on-year to 198 thousand tonnes owing to pandemic-caused weak demand from the auto industry.

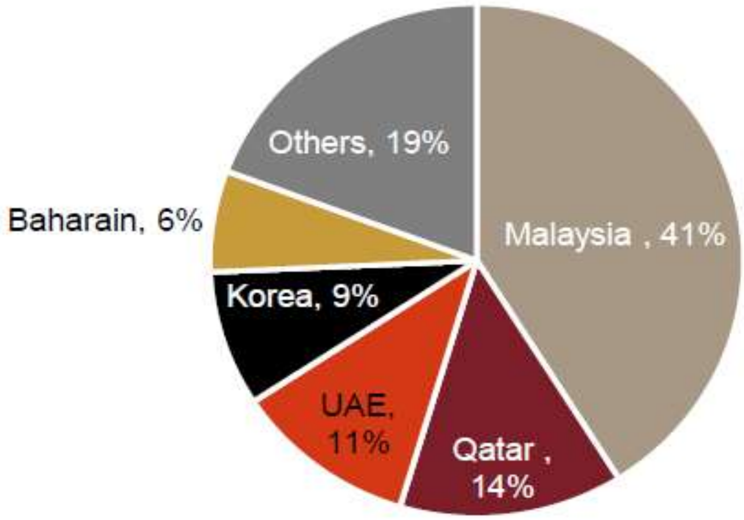
Alloy ingot imports down



Source: DGFT, CRISIL Research

Malaysia is the largest exporter of alloy ingots to India (~41% of overall imports in fiscal 2020), followed by Qatar, UAE and Korea. Together, the top five exporting countries accounted for ~81% of the total volumes imported during the year. Higher share of imports from Malaysia is attributed to India's free trade agreement (FTA), which leads to import of ingots at highly competitive prices, though the benefit is partially offset to the extent of relevant freight charges.

Malaysia is the largest exporter of alloy ingots to India



Source: DGFT, CRISIL Research

4. Secondary aluminium: Demand outlook

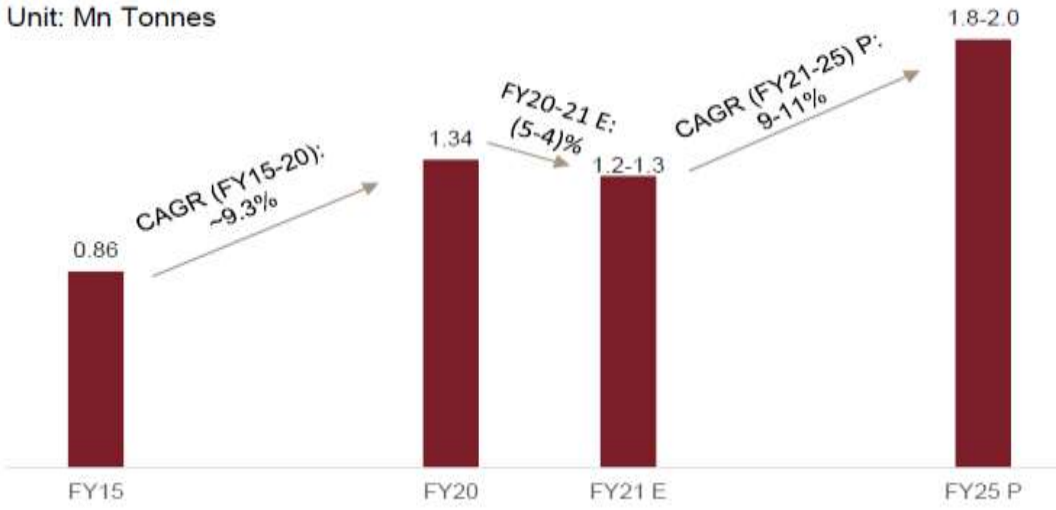
Secondary aluminium demand expected to log CAGR of 9-11% from fiscal 2021 to fiscal 2025

Aluminium (primary and secondary) consumption in India de-grew in fiscal 2020, because of slow demand from key end-use industries such as power, auto and B&C; and due to the pandemic-led economic slowdown. Recycled aluminium demand, too, was subdued due to slowdown in the domestic auto sector, key consumer of secondary aluminium in India. Despite a muted financial year, demand for secondary aluminium increased at a 5-year CAGR of 9.3% to 1.34 million tonne in fiscal 2020, from 0.86 million tonne in fiscal 2015.

First quarter of fiscal 2021 saw economic contraction, labour shortage, and logistic disruptions, affecting key demand segments – automobile, construction, and consumer durables – which account for over three-fourths of total demand. However, demand started recovering marginally from the second quarter as the process of unlocking began and economic activities gradually revived. The auto sector observed sharp recovery with vehicle sales hitting record highs during the festive months of October and November 2020. For full fiscal, fall in demand is expected to be contained to 4-6% with recovery estimated in the second half.

Demand is likely to revive in the long term supported by revival in the auto industry, pick-up in execution of construction projects, recovery in consumer durable spending, and increased demand from the packaging segment. Also, stimulus measures by the government are expected to create investment demand in the construction segment. Thus, total secondary aluminium demand is expected to increase at a CAGR of 9-11% to reach 1.8-2.0 million tonne by fiscal 2025, from an estimated demand of 1.2-1.3 million tonnes in fiscal 2021.

Demand for secondary aluminium expected to jump



Note: E: estimated, P: projected
Source: Industry, CRISIL Research

Growth in demand for secondary aluminium will continue to outpace primary aluminium demand growth, largely on account of anticipated healthy volumes as a result of revival across key end-use industries as well as increased intensity of secondary aluminium in applications like auto. Some of the key government initiatives that will support aluminium recycling in India are as follows:

- **National Resource Efficiency Policy (NREP):** The Ministry of Environment, Forest and Climate Change (MoEF&CC) is in the process of formulating National Resource Efficiency Policy (NREP). The policy aims at efficient use of natural resources and promoting recycling across all sectors, with aluminium as one of the priority sectors. It will help India live up to its commitments under the UN Sustainable Development Goals by 2030.

- **Draft National Non-Ferrous Metals (Aluminium and Copper) Scrap Recycling Policy:** Published in March 2020 by the Ministry of Mines, the policy envisages a framework to address the challenges faced by the Indian non-ferrous metal recycling industry, with a special focus on aluminium.

  - The policy foresees the country shifting towards a circular economy in the coming years for base metals, including aluminium.

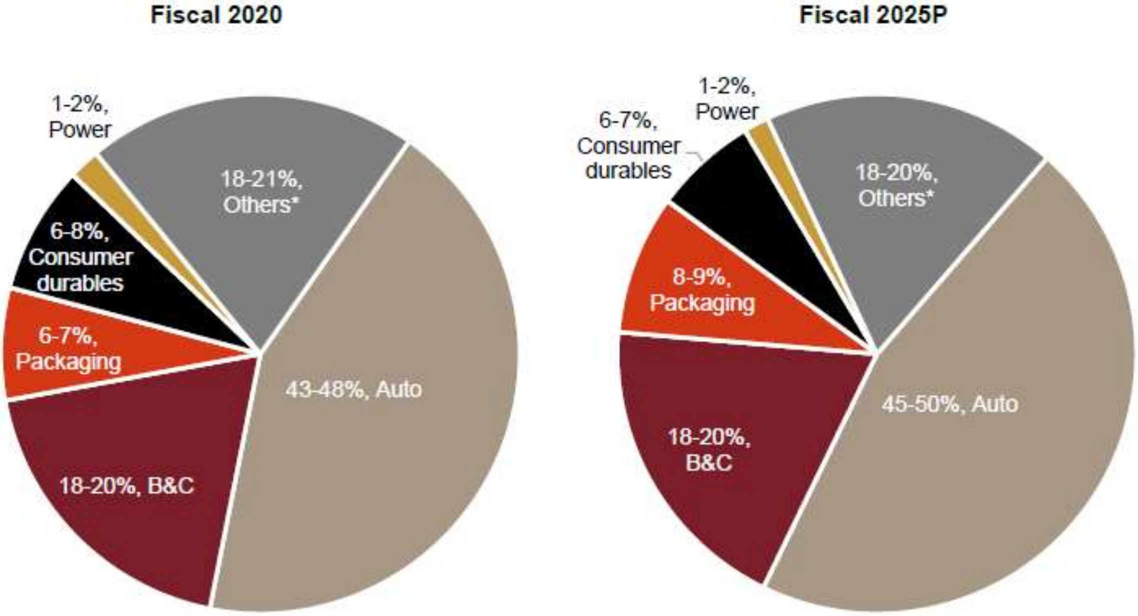
  - It also aims to make the Indian aluminium scrap recycling industry less dependent on imported scrap through organised and scientific metal scrapping and collection mechanism throughout the country to produce high quality scrap for quality secondary production.

  - According to the policy, the government's role will also include laying down minimum recycled content requirement for manufacturing of select products. The government may set targets for manufacturers to use recycled metal in their products.

As a result, the share of secondary aluminium is expected to steadily increase from 35-36% in fiscal 2020 to 39- 40% in fiscal 2025.

Auto and B&C segments, which collectively constitute 61-68% share in total demand of secondary aluminium in India, are expected to maintain the high share, with an expected improvement to 63-70% in fiscal 2025. Increasing use of aluminium in the auto segment driven by light weighting trend, government emission norms etc and better economies of secondary aluminium over its primary counterpart are expected to drive the demand for secondary aluminium in this segment.

Secondary aluminium demand by end-use industries



Note: P: Projected
**Others include defence, aerospace, machinery and equipment amongst others; B&C: building and construction*
Source: Industry, CRISIL Research

Key end-use industry-wise demand growth: Automotive

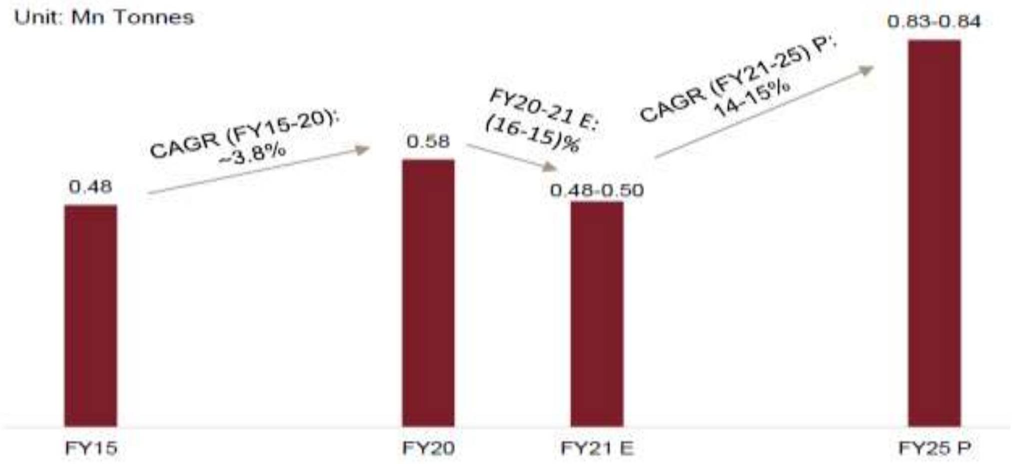
Aluminium is one of the most preferred materials in the automobile industry due to its light weight, cost effectiveness, and eco-friendliness. Aluminium improves the dent resistance power of the vehicle by increasing the thickness of body panels while maintaining a low overall weight. The use of aluminium also enhances handling, fuel-efficiency, braking, and acceleration of the vehicle. Keeping the growing concerns on global warming in mind, major automobile manufacturers are progressively using secondary aluminium. Therefore, the increasing use of aluminium in the automobile industry will have a positive impact on the growth of global aluminium scrap recycling market during the forecast period.

The pandemic has resulted in uncertainties in both domestic and international markets. The contraction in GDP and production, along with slowdown in the manufacturing segment has reduced the supply of aluminium. The secondary aluminium demand decreased due to shortage of workers in the manufacturing space along with contraction in demand from the aerospace and automobile industries.

However, growing automotive sector demand (as domestic production of cars and two-wheelers is expected to revive over fiscals 2020-25) and rising adoption of lighter vehicles to lead to increase in penetration of aluminium into this segment. Moreover, increasing acceptance and government incentives on the EVs may also propel aluminium demand as this category has higher intensity of aluminium usage than ICE vehicles.

Thus, among the major key end-use industries, demand from the automotive industry (that forms a large portion of total volumes) is expected to drive majority of the secondary aluminium demand between fiscals 2020 and 2025. The secondary aluminium demand from the automotive segment is expected to witness a CAGR of 7-8% and reach approximately 0.83-0.84 million tonnes by the end of fiscal 2025, from ~0.58 million tonnes in fiscal 2020.

Trend in secondary aluminium demand: Automotive



Note: E: Estimated, P: Projected
Source: Industry, CRISIL Research

The vehicle scrappage policy too is expected to boost secondary aluminium consumption in India. The policy was announced by the Union Minister of Finance in the Budget speech on February 1, 2021. Later, the Union Minister for MSME and Road Transport & Highways approved the scrappage policy. With the policy introduction, passenger vehicles that are more than 20 years old and commercial vehicles that are more than 15 years old will undergo a fitness test. However, passenger vehicles over 20 years old are quite limited in the country. Therefore, this policy can provide better impetus to commercial vehicle sales if more incentives are provided to promote scrappage of commercial vehicles. Import duties have been levied on select auto-components to increase focus on localisation. The demand for commercial vehicles is anticipated to grow due to construction-led infrastructure push in the roads and urban infrastructure sectors.

While the scrappage policy is likely to create demand in the automotive industry (improving demand of vehicles will lead to increasing consumption of secondary aluminium as automotive is a key end-user) and will help in reducing pollution, it will also enable re-use of metals such as steel and aluminium. The policy will ensure better availability of auto-grade domestic aluminium scrap, thereby boosting aluminium recycling in India. The policy will be effective from April 1, 2022

The government of India issued standards related to average fuel consumption for passenger vehicles (using petrol or diesel or liquefied petroleum gas or compressed natural gas, and comprising not more than nine seats including driver's seat, and of gross vehicle weight not exceeding 3,500 kilograms tested). These standards became effective in fiscal 2018 and the second set of norms is expected to be effective from fiscal 2023. These norms are known as corporate average fuel efficiency (CAFE) which relate the Corporate Average Fuel Consumption (in litres/100 km) to the Corporate Average Curb Weight. With fuel efficiency in question one clear focus of auto OEMs because of these norms if to reduce the weight of the vehicles

Trend in automotive production in India: Two-wheeler

During the forecast period, the domestic two-wheeler demand is to expected to grow, driven by demand in under- penetrated rural market on rising income. Domestic wholesale volumes of two-wheelers have declined 25% in January 2021 resulting from weak private consumption. Domestic sales volumes are projected to decline 12-14% in fiscal 2021 led by the pandemic-induced lower private consumption.

The two-wheeler industry is likely to be negatively impacted in the near term by Covid-led disruptions and high cost of ownership owing to BS VI emission norms that has resulted in higher vehicles prices in fiscal 2021.

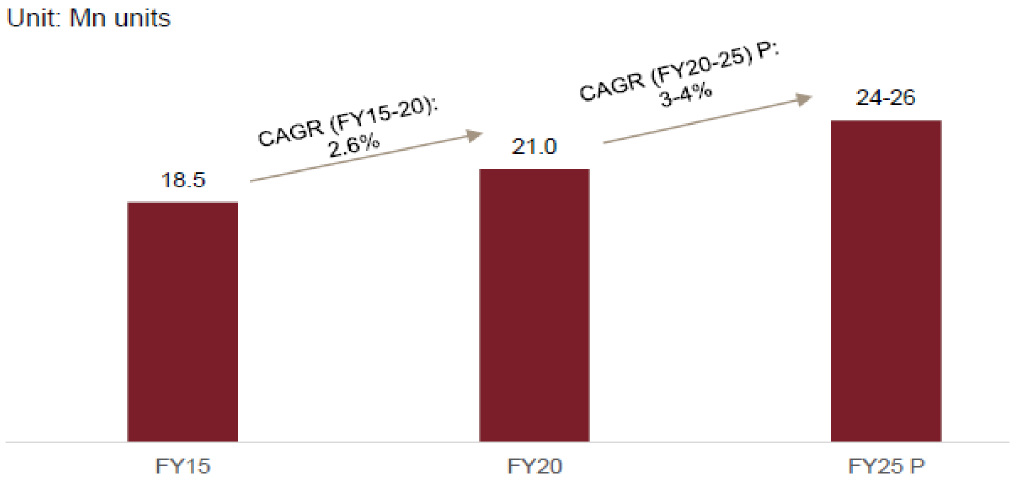
Consequently, the two-wheeler industry is expected to register a moderate 3-4% production CAGR between fiscals 2020 and 2025. Further, it is expected that scooters will adopt to electrification earlier than motorcycles, as the cost of ownership of an electric two-wheeler (mainly scooter) will be less than that for Internal Combustion Engine (ICE) scooter. However, electric two-wheelers will be more expensive than motorcycles.

On the rural front, rising penetration led by deeper distribution network and improving incomes on the back of three of five normal monsoons, is expected to support two-wheeler demand in the long run. In the urban areas, demand is likely to be underpinned by multiple ownership and increase in demand from Tier 2 cities.

In fiscal 2022, two-wheeler demand is forecasted to pick up by ~18-20% due to: (1) the dissipating impact of COVID-19 with availability of vaccines improving urban income sentiments, (2) buoyant rural sentiments owing to likely normal monsoons in calendar year 2021, (3) normalising of the automotive supply chain, (4) expected model launches in the economy and executive segments of motorcycles and 125cc scooter segment and (5) improving financing environment aided by higher OEM discounts (6) changing consumer sentiment towards personal mobility vis-à-vis shared mobility

Adoption of electric two-wheelers in the next five years seems favourable because of government initiatives such as FAME II subsidies, Delhi EV policy and increasing affordability of batteries, albeit the growth is likely to be moderate.

Trend in two-wheeler production in Indi



Note: P: Projected
Source: SIAM, CRISIL Research

Trend in automotive production in India: Passenger vehicle

Passenger vehicle production is forecasted to decline 9-10% on-year in fiscal 2021; and then revive to 25-27% growth in fiscal 2022 led by demand recovery. In fiscal 2021, Covid-19 initially impacted supply chain and subsequently, has led to shutdowns of OEM manufacturing plants. However, post significant decline in the first quarter of fiscal 2021, wholesale offtake is estimated to have recovered resulting in an expected ~3-5% volume decline for fiscal 2021. Exports are likely to decline significantly due to global automobile demand slowdown and trade restrictions because of the outbreak.

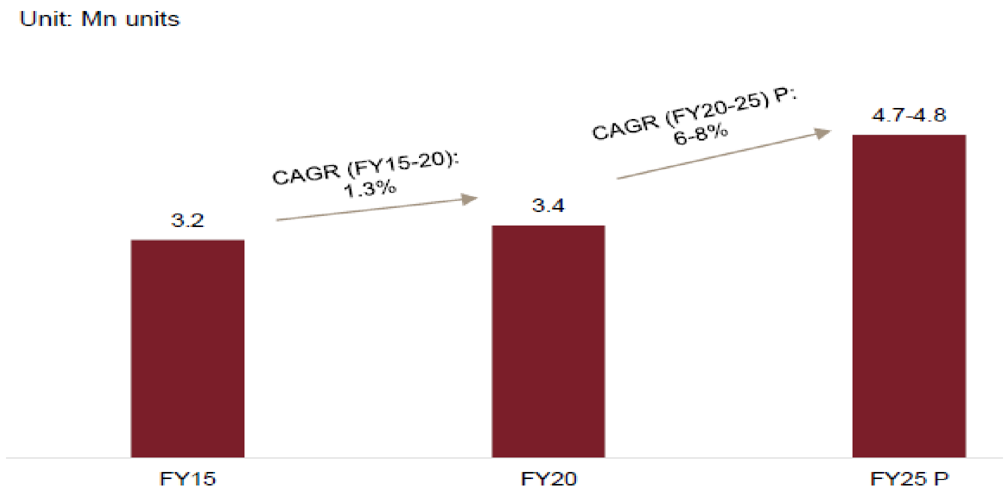
Sales for April were negligible due to the lockdown. This, along with the phased unlocking, impacted wholesale offtake severely in the first quarter of fiscal 2021, resulting in ~78% on-year decline for the quarter. Wholesale volumes rose in the second quarter of fiscal 2021 by ~16% on-year respectively, aided by inventory build-up as well as increase in sales to first-time and salaried class buyers. Urban income is estimated to have recovered post the first quarter of fiscal 2021 in-line with recovery in demand, while rural India brought its share of good news with higher Kharif sowing and projected 3-5% increase in per hectare profitability, coupled with healthy reservoir levels to support the upcoming Rabi sowing season.

Domestic sales of cars and UVs are expected to record a CAGR of ~7-9% between fiscals 2020 and 2025, better than the ~1% CAGR logged between fiscals 2015 and 2020. Healthy growth is expected after fiscal 2021, due to moderate macroeconomic growth, increasing disposable income and marginal increase in cost of vehicle ownership. Other factors encouraging demand are increasing urbanisation, government support to farm incomes, and improved availability of finance. Volumes are expected to improve by ~15-19% on-year in fiscal 2022.

Total cost of ownership and cost of acquisition of personal EVs are higher (~61% and ~43%, respectively) compared to petrol-alternative cars due to their low running and as such, are not a viable use-case for adoption. In fiscal 2025 too, the comparable costs would remain high. As such, electric four-wheelers are not a viable use-case for adoption within the personal car segment. Thus, the share of EVs to total passenger car sales is likely to remain low (~3-5%) in fiscal 2025; current penetration is only ~0.2% as of fiscal 2020.

With OEMs looking to optimise a vehicle's weight-strength ratio in order to increase fuel efficiency, aluminium demand is likely to propel over the medium to long term. With cost differential between primary and secondary aluminium to be in favour of the latter, along with the benefit of pre-existence of desired chemical properties, the secondary aluminium intensity is likely to witness a steady growth as well.

Trend in passenger vehicle production in India



Note: P: Projected
Source: SIAM, CRISIL Research

Trend in automotive production in India: Commercial vehicle

Within the automobile industry, the commercial vehicle industry was hit the hardest in fiscal 2020 as sales plunged with freight capacity increasing due to the new axle norms and limited support from freight demand. Supply chain constraints and labour availability issues hampered OEM's attempt to build up inventory at dealer end in the first quarter of fiscal 2021 as a result of Covid-19. OEMs also refrained from pushing inventory in a low-demand scenario resulting in ~85% on-year decline in the commercial vehicle segment.

Light commercial vehicle (LCV)s, which largely cater to movement of agricultural produce, e-retail, pharmaceuticals and consumer staples, showed some resilience in the second quarter of fiscal 2021 as it witnessed a lower ~3% on-year volume decline vis-a-vis ~43% on-year volume decline in MHCVs (Medium and Heavy Commercial Vehicles). In the same quarter, MHCVs continued to be impacted by lower freight demand and overcapacity due to revised axle norm. Buses, too, suffered owing to the need for social distancing and volumes declined ~78% on- year in the second quarter. In the third quarter of fiscal 2021, LCV volumes witnessed ~2-4% on-year growth over a low base driven by continued demand from aforementioned segments. MHCV witnessed ~15-17% on-year volume growth over a low base due to sequential improvement in freight demand. Buses, on the other hand, continue to remain impacted with ~75-80% on-year volume decline.

In fiscal 2022, commercial vehicle demand is forecasted to pick up as the impact of Covid-19 lessens leading to an increase in private consumption and freight demand. We expect financing environment to also improve in the next fiscal. Owing to rising freight demand and an uptick in replacement demand, LCV demand is likely to outperform and almost touch fiscal 2019 levels. Despite an uptick in fleet utilisation, we believe, MHCV demand would be below fiscal 2016 levels in volume terms while bus demand would remain at multi-year lows.

During the period until fiscal 2025, production of commercial vehicles (LCV and MHCV) is expected to register a ~6-8% CAGR and reach ~1- 1.1 million units by fiscal 2025-end, following strong demand.

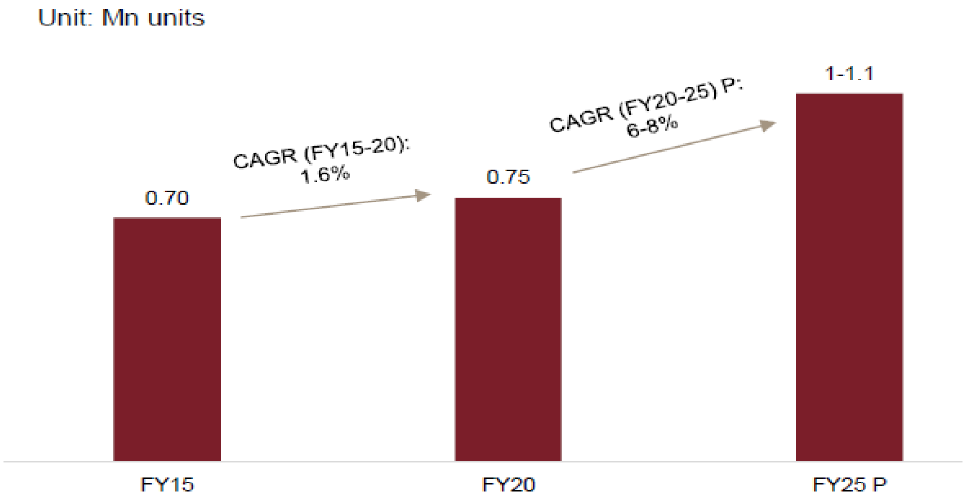
Commercial vehicle production is projected to grow at 6-8% over the next five years (over a low base of fiscal 2020 and despite a weak fiscal 2021) because of improvement in infrastructure expenditure and under penetration in LCVs. Demand is expected to increase during the period led by an improvement in industrial activity, rising replacement volume and government's thrust on rural transportation.

MHCV sales are likely to witness a ~8-10% CAGR (over a low base), between fiscals 2020 and 2025, as compared to the previous five-year (between fiscals 2015 and 2020) decline in CAGR of ~1%. Long-term growth to appear higher over a low base after a ~47% drop in sales in fiscal 2020. The five-year CAGR will be despite an expected fall of ~26-28% in fiscal 2021 caused by the pandemic. Factors driving long-term MHCV sales will be the improving industrial activity in the country, steady agricultural output, and the government’s focus on infrastructure. However, volume growth will be limited due to efficiencies achieved from the goods and services tax (GST), better road infrastructure along with the commissioning of the dedicated freight corridor (DFC).

LCV demand is anticipated to record a 4-6% CAGR between fiscals 2020 and 2025, due to higher private consumption, lower penetration, greater availability of redistribution freight and improved finance availability post fiscal 2021.

Price of an electric bus was ~3 times the cost of a bus running on diesel in fiscal 2019. Thus, subsidy would be a key driving factor for EV adoption in state transport undertaking (STU) buses. The share of STU buses in total bus sales is expected to be at ~10%. These buses are likely to be replaced by electric buses in the coming years. Hence, 3-4% of bus sales are expected to be electric buses by fiscal 2025.

Trend in commercial vehicle production in India



Note: P: Projected
Source: SIAM, CRISIL Research

Along with increasing production, a moderate rise in intensity over the next five years will further drive the overall demand for secondary aluminium from the auto segment.

Moreover, increasing acceptance of and government incentives on the EVs may also propel aluminium demand as this category has higher intensity of aluminium usage than ICE vehicles. EV adoption in India over the next five years is likely to be driven majorly by two-wheelers and three-wheelers. Electric two-wheelers are seen to have lower cost of ownership and acquisition versus scooters that account for over 30% of the two-wheeler industry.

- Government initiative for faster adoption of the electric vehicles and their manufacturing has been launched under the National Electric Mobility Mission Plan (NEMMP 2020). This scheme has been designed to improve the national fuel security and to provide environment friendly and affordable transportation.

Under NEMMP 2020, the Department of Heavy Industry launched a scheme in fiscal 2015 for promotion of electric and hybrid vehicles known as Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME) in two phases. Phase I (providing incentives to buyers of electric/hybrid in the form of upfront reduced purchase price) came into effect from fiscal April 1, 2015 after which the phase II (mainly for electrification of public and shared transportation) was launched which was effective from April 1, 2019 to promote faster adoption of electric mobility and development of the manufacturing eco-system in the country. In addition to the FAME-2 benefits, state governments are providing various incentives such as purchase concessions, 100% exemption of road tax and registration fee, 100% tax exemption to all battery-operated vehicles etc. Such favourable tax laws are expected to encourage electric vehicle adoption for personal mobility

Trend in EV penetration in India

Vehicle segment	EV penetration	
	FY20	FY25 P
Passenger vehicels	0.2% (~3,400)	3-5% (~1,59,000)
Two-wheelers	0.9% (~1,52,000)	8-12% (~ 23,00,000)
Buses	0.6% (~600)	2-4% (~3,000)
LCVs	**0%** (~100)	**3-5%** (~26,000)
Three-wheelers	0.1% (~700)	43-48% (~2,35,000)

Note: P: Projected
Source: Industry, CRISIL Research

Key end-use industry-wise demand growth: Others

B&C segment

The demand for secondary aluminium increased with a CAGR of 16.1% from fiscals 2015 to 2020 owing to low base and improving acceptance of the metal in the segment.

However, the growth experienced a decline of about 4-5% in fiscal 2021. Under real estate segment in India, many developers focused on completing the existing projects and the launch of new projects were limited. However, improving affordability led to faster than envisaged rebound in fiscal 2021.

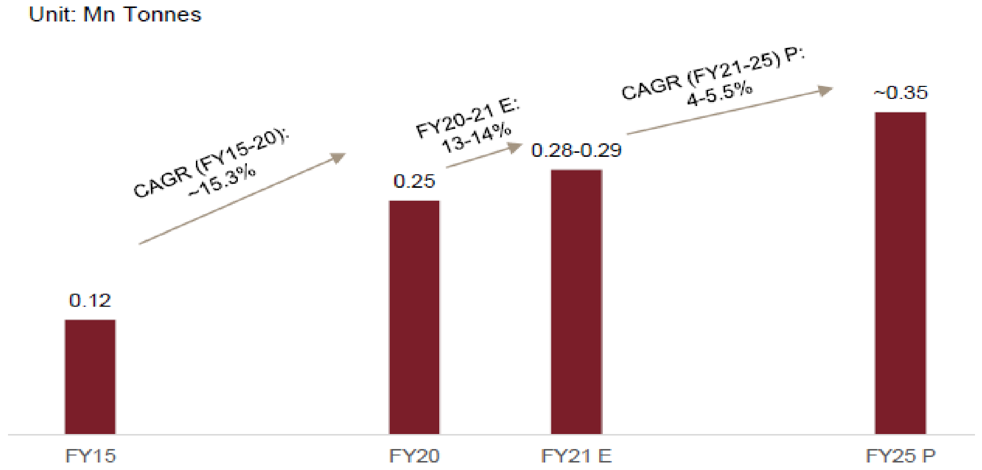
CRISIL Research estimates 18-22% drop in investments in construction for fiscal 2021 (versus fiscal 2017 levels) with a 30-35% recovery seen in fiscal 2022 primarily due to deferral of planned capex for fiscal 2021 to fiscal 2022 and a low base effect bringing spends in fiscal 2022 to fiscal 2020 levels. In the budget 2021, budgeted capex allocation for fiscal 2022 increased 26% over fiscal 2021 RE to Rs 5.54 lakh crore.

Investments through projects such as Bharatmala, smart cities, AMRUT, refinery expansion plans by RIL, Nayara Energy etc., and launches through PMAY houses are expected to drive aluminium (secondary and primary) demand in the B&C segment. The growth will also be driven by increase in urban housing demand, demand from premium urban projects and improvement in usage intensity. Increasing focus on sustainable buildings (green buildings) is expected to result in incremental demand for secondary aluminium due to its inherent nature of recyclability of the metal. Also, innovative products like Aluminium Composite Panels (ACPs) and Aluminium Honeycomb Panels (AHPs), used for panelling and cladding, have also started making in-roads in the construction industry in India.

Over the forecast period of fiscal 2020 to 2025, the demand from the B&C segment is expected to grow at

6-7% CAGR. Demand from construction is expected to reach ~0.35 mn tonnes in fiscal 2025 from demand of ~0.25 mn tonnes in fiscal 2020.

Trend in secondary aluminium demand: B&C



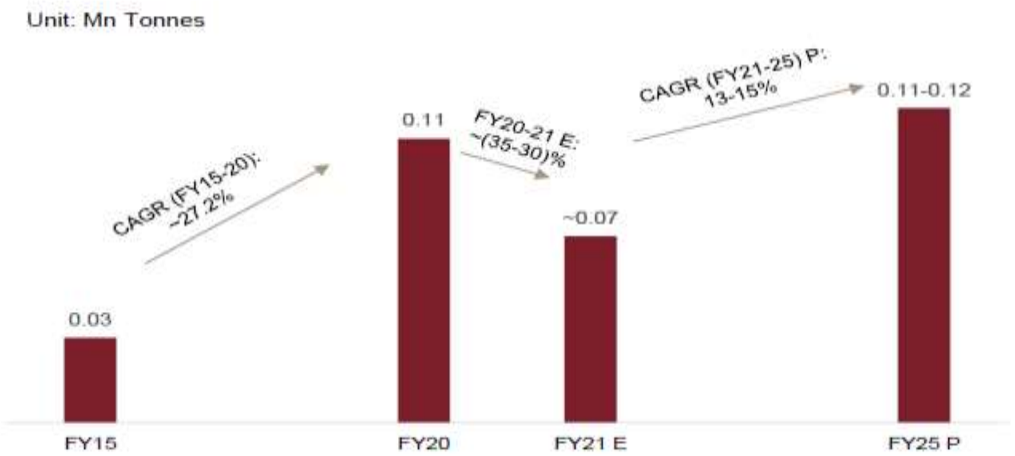
Note: E: Estimated, P: Projected
Source: Industry, CRISIL Research

Consumer durables segment

CRISIL Research envisages healthy demand growth for household appliances in the long term, in tandem with sustained economic recovery. Growth will be driven by better affordability, shorter replacement cycles, multiple ownership (in case of CTVs) and low penetration levels (in case of other appliances). Between fiscals 2020 and 2025, revenue of the household appliances industry is forecasted to witness a 5-7% CAGR, lower than the pace registered in the past five years (at ~10% CAGR) since revenue is impacted in fiscal 2021 due to Covid.

The segment, which, over a low base, registered a CAGR growth of ~27.2%, for secondary aluminium demand over the past five years, is expected to record a ~2% CAGR over the next five years (between fiscals 2020 to 2025), to reach a demand of 0.11-0.12 million tonnes by fiscal 2025

Trend in secondary aluminium demand: Consumer durable



Note: E: Estimated, P: Projected
Source: Industry, CRISIL Research

The average secondary aluminium intensity is expected to remain stable as penetration levels are estimated to have reached optimum levels.

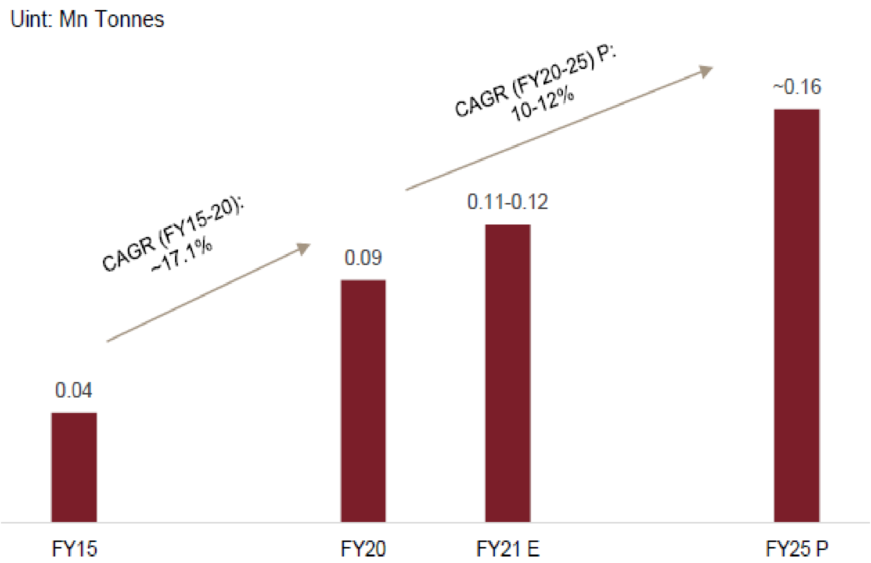
Packaging segment:

CRISIL Research expects the packaging industry to witness a de-growth of 13-18% to Rs 1,550-1,600 billion in fiscal 2021 due to a steep decline in raw material prices across sectors affecting realisations along with a moderate decline in volumes. However, food products and pharma industries that are major users of aluminium packaging, witnessed stable demand owing to their essential nature and hence cushioned the blow.

The share of metal packaging (currently at 8-10% of the total packaging market) is expected to remain unchanged over the next three years, owing to the continuous healthy demand from the F&B and pharma industry. Besides, there are no major and cheaper substitutes (of other packaging materials) for aluminium foil, primarily used in strips, blisters, and pilfer-proof caps. Moreover, aluminium foil has special properties such as protection from light, moisture, oxygen, odour, and, most importantly, bacteria. These features make it almost irreplaceable.

Over the past five years, the demand for secondary aluminium from packaging segment registered a CAGR of 17.1%, driven by low base. It is expected to record a double digit CAGR of 10-12% between fiscals 2020 and 2025 to reach ~0.16 million tonnes in fiscal 2025.

Trend in secondary aluminium demand: Packaging



Note: E: Estimated, P: Projected
Source: Industry, CRISIL Research

Robust demand growth from the packaging industry, led by rising sale of aluminium foil in the wake of restrictions on plastic usage is expected to boost demand. Further, higher usage of secondary aluminium in packaging and limited foil capacity of primary aluminium manufacturers will drive growth from the segment in the near term.

Some key highlights of Union Budget 2021 that will support secondary aluminium demand:

With an increase in infrastructure spending through various sectors, aluminium demand is expected to improve through various end-use sectors such as B&C, auto/ automotive components, and power. The latter two are the top two end-use industries of secondary aluminium. Following are some of the budget highlights that will support secondary aluminium demand:

- Introduction of the vehicle scrappage policy to boost secondary aluminium demand

- Higher amount has been allocated to roads and railways (relative to fiscal 2021) along with encouragement in private investments through expansion of projects under National Infrastructure Pipeline. The budget not only focusses on pushing central capex but also state government capex.

- The budget provides a support to the manufacturing sector that was predominantly impacted by Covid-19. Around Rs 1.97 lakh crore are expected to be spent over the next five years in electronics, automobiles/auto components, pharma, telecom, and textile sectors. The budget complements the reforms by the announcement of customs duty rationalisation.

- In a year since the pandemic, the government has kept up capital spending despite reorientation among other sectors. In fiscal 2022, capex through budget is expected to increase by 26.2% to Rs 5.5 lakh crore. Total capex through budget and central public sector enterprise (CPSE) is estimated to rise by 4.8% to Rs 11.4 lakh crore. The increase in capital spending is concentrated in sectors such as national highways, railways, defence and power.

- The budget is set to have a neutral impact on the housing sector. The government is yet to achieve its targeted completion of 11 million houses through the PMAY urban programme. Moreover, extensions under sections 80EEA and 80-IBA are expected to drive affordable housing and bring profit-linked tax exemptions, respectively.

- The infrastructure push will further create demand for key input materials such as cement, steel and aluminium.

Growth opportunities for secondary aluminium ingots and extrusions:

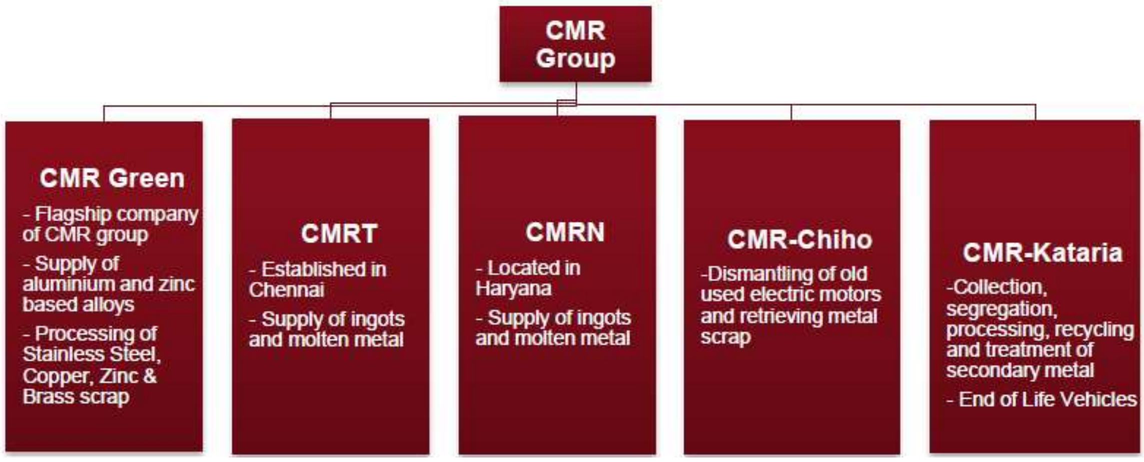
In fiscal 2021 (April to January), India exported ~1.08 Mn tonnes of aluminium alloy ingots and these exports were majorly to countries such as China, Japan, Taiwan, Mexico, Korea etc. Also, during the same period, aluminium extrusions were mainly exported to USA, UAE, Canada etc.

With regards to global trade scenario for aluminium, opportunities arise to Indian market on the account of various anti-dumping restrictions imposed on Chinese aluminium products. For instance, in 2020, the European Union imposed anti-dumping duty on the imports of aluminium extrusions originating from China. The anti-dumping duties ranged from 21.2% to 32.1%. Increasing local demand in China for aluminium owing to infrastructural developments in the country might result in lowered exports. This can act as a growth opportunity for Indian aluminium market.

5. Company profile: CMR Group

With reference to Order of National Company Law Tribunal, Chandigarh Bench dated 6th August, 2021 (Ref: NCLT/Chd/ Reg/288), Century Metal Recycling Limited alongside with Grand Metal recycling Private Limited, Suvridhi Financial Services Limited, Sanjivani Non Ferrous Trading Private Limited, Ramayana Polymers Private Limited and Forever Multimedia Private Limited have been amalgamated into Grand Metal Industries Limited. Additionally, Grand Metal Industries Limited has undergone a name change to "CMR Green Technologies Limited" ("CMR Green") as per Certificate of Incorporation pursuant to change of name dated 11th August, 2021.

CMR Group is the largest metal recycler in the domestic aluminium recycling industry and amongst the largest in the world.



Source: Industry, CMR Group

About CMR group: CMR Group consists of CMR Green Technologies Limited, Century Metal Recycling Limited, Grand Metal recycling Private Limited, Suvridhi Financial Services Limited, Sanjivani Non Ferrous Trading Private Limited , Ramayana Polymers Private Limited , Forever Multimedia Private Limited, CMR Toyotsu Aluminium India Private Limited (CMRT), CMR Nikkei India Private Limited (CMRN), CMR-Chiho Recycling Technologies Private Limited, CMR- Chiho Industries India Private Limited, CMR-Kataria Recycling Private Limited, CMR Aluminium Private Limited, Nikkei CMR Aluminium India Private Limited.

Set up in 2006, CMR group is currently engaged in the business of aluminium, zinc, stainless steel and electric motor recycling. Based on primary interactions and data available about the competition companies as listed on page number 22 and under section 'Supply analysis of recycling industry', CMR Group is the largest aluminium recycler in the domestic Indian market and amongst the largest in the world. In 2008, the group had set-up a plant for molten aluminium in Haridwar, after which multiple units were set up in Gurgaon, Bhiwadi and Manesar in subsequent years.

The group caters to the following portfolio of products and services to its end users:

- Aluminium alloy ingots
- Zinc alloy
- Aluminium alloy – molten form
- Stainless steel scrap recycling
- Electric motor dismantling
- Copper, Zinc, Brass and other scrap recycling
- ELV recycling

In 2012, the group entered into two joint venture (JV) agreements with Nikkei MC Aluminium and Toyota Tsusho Corporation for manufacturing of aluminium alloys. The group ventured into recycling of stainless steel and electric motors in fiscal 2018 and 2020, respectively. This not only enlarged CMR group's recycling portfolio but also helped the group reduce its dependence on auto sector. With two plants under construction, the CMR Group is currently operating through 12 manufacturing plants, including four plants under two JVs with Toyota Tsusho Corporation and Nikkei MC Aluminium.

In 2020, CMR Group has opened 11th eleventh manufacturing plant under a 50-50 JV with Chiho Environmental Group Limited to engage in dismantling of old used electric motors and retrieving various metal scrap, its processing and recycling.

In fiscal 2021 CMR Green Technologies entered into a partnership with Kataria Group (51% CMR Green and 49% Kataria group) to incorporate an entity named CMR Kataria recycling private limited which is proposed to carry out business of collection, segregation processing, composting, recycling, treatment and disposal of all types of scrap, including end of life vehicles (ELVs). This can be sees as an important engine of growth in light of government policy push. Very recently, CMR Green Technologies Ltd, Pune entered into a new JV with Nikkei MC Aluminium.

Current annual capacities (in tonnes) of CMR group's key products are as follows:

Aluminium alloy	302,000
Zinc alloy	8,700
Stainless steel recycling	60,000
Electric motors recycling	50,000
Sales of other metal scrap such as brass/ copper etc	Upto 60,000

Source: Industry, CMR Group, CRISIL Research

The plant locations are spread across various locations in Tamil Nadu, Gujarat, Rajasthan, Haryana and Uttarakhand hence enabling the company to reach to its end markets in an efficient manner. The company caters to some of the largest automotive OEMs of the country such as Maruthi Suzuki, Toyota, Honda, Yamaha, Ford, Royal Enfield etc.

About CMR Green Technologies Limited

CMR Green Technologies Limited (CMR Green) is a flagship company of CMR Group. It is engaged in the recycling of aluminium, zinc and stainless steel, with a total installed capacity of 166,000 TPA, 8,700 TPA and 60,000 TPA, respectively, in fiscal 2021.

About CMR Toyotsu Aluminium India Private Limited

CMR Toyotsu (CMRT) is a JV between CMR green technologies, India, (CMR Green – 70%) and Toyota Tsusho Corporation, Japan, (TTC- 30%). CMRT was established in 2014, spread across nine acres, with a state-of-the-art facility for supplying ingots and molten metal, and has a current production capacity of 66,000 tonnes. CMRT has two manufacturing plants and is a leading producer of aluminium alloys in south India and is a single largest supplier in molten metal supply in the region.

About CMR Nikkei India Private Limited

CMR Nikkei India Private Ltd was established in November 2013 with an annual production capacity of 40,000 tonne, spread across five acres, at Bawal, Haryana. Its current production capacity stands at 70,000 tonnes with plant locations in Haryana and Gujarat. This is a JV between CMR Green (74%) and Nikkei MC Aluminium (26%) the second largest producer of aluminium alloys in Japan.

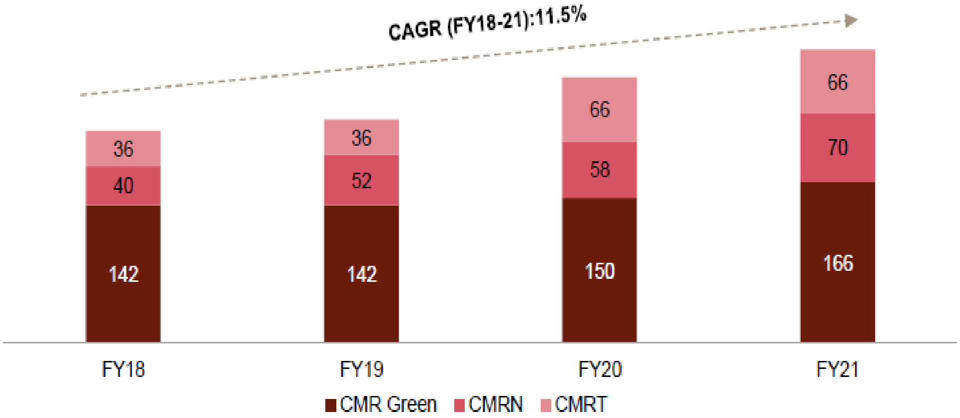
About CMR-Chiho Industries India Private Limited

CMR Green entered into a 50:50 JV with Chiho Environmental Group Limited (CEG) and incorporated a JV, CMR Chiho Industries India Private Ltd (CCIIPL) in December 2019. The business of the JV is dismantling of old used electric motors and retrieving various metal scrap, its processing and recycling; towards that end, a state-of-the-art plant has been established at Mahesana, Gujarat, with a capacity of 50,000 TPA.

CMR Group has consistently added aluminium recycling capacities over the past three years, supporting its market share

CMR Group is estimated to have added 84,000 tonnes of capacity for alumimium alloy over fiscals 2018 to 2021. Based on our industry interactions, it is estimated that the total installed capacity for aluminium recycling in India was ~1.8-1.9 million tonne in fiscal 2020. Thus, CMR Group accounted for a ~13-15% of the market share

Capacity (aluminium recycling) expansion of CMR Group during FY16-21



Source: Industry, CMR Group

The capacity addition in the aluminium segment for the group is as follows:

CMR Group capacity (tonnes)	FY18	FY19	FY20	FY21
CMR Green Technologies	142,000	142,000	149,500	166,000
CMRN	40,000	52,000	58,000	70,000
CMRT	36,000	36,000	66,000	66,000
Total capacity	**218,000**	**230,000**	**273,500**	**302,000**

Source: Industry, CMR Group, CRISIL Research

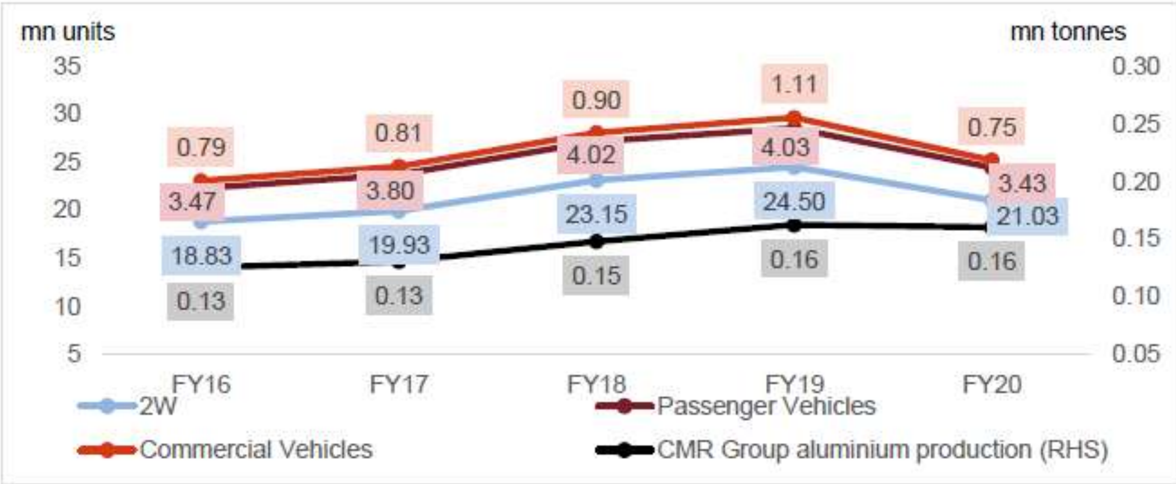
The capacity additions has been made year on year to cater to the anticipated future growth and also to maintain the market leadership in the segment.

CMR Group primarily caters to the auto segment, which accounts for a ~95% share of its aluminium alloy sales. A quick analysis of the demand for secondary aluminium originating from the auto segment and sales of CMR Group for fiscal 2020 suggest that it accounted for about 26-30% market share in this segment. Also, it is estimated that CMR Group's contribution in auto segment improved to 28-30% in fiscal 2021. Further, CMR Group is exploring application of recycled aluminium in aut
o-wheel application as well. This is expected to help CMR Group gain more share in the auto segment.

An analysis of the market share of secondary aluminium for CMR Group (capacity, million tonne, fiscal 2020)

E: Estimated
Source: Industry, CMR Group, CRISIL Research (considering 95% of sales to the auto segment)

Trend in production of two wheelers, PVs and CVs versus CMR Group production



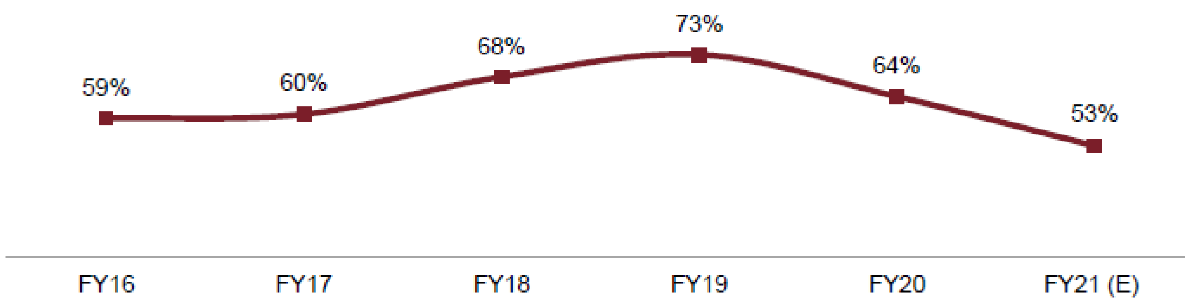
Source: Industry, CMR Group, CRISIL Research

Production of two wheeler grew with a CAGR of about 2-3% over the duration of fiscals 2016 to 2020. Production of passenger vehicles and commercial vehicles registered de-growth over the same duration. The segments' CAGR was calculated at -0.2% and -1.1%, respectively from fiscal 2016 to fiscal 2020. CMR group's aluminium production, on other hand, registered a CAGR of 6-7% over the same period.

Overall, the slowdown in the auto segment, clubbed with capacity addition by the CMR Group resulted in a dip in utilisation in fiscal 2020; the Covid-19-driven lockdown played further spoilsport in fiscal 2021.

The slowdown in the auto segment impacted the sales of CMR Group in fiscal 2020. The sales volume grew at a CAGR of ~9% between fiscals 2016 and 2019, with flattish growth in fiscal 2020. Consistent capacity addition in fiscals 2019 and 2020, amid a slowdown in sales, took a toll over production and the capacity utilisation dropped in fiscal 2020. The impact of Covid-19 pandemic, through the lockdown in the first quarter of fiscal 2021, resulted in almost negligible production, which took further toll on utilisation (estimated at 53%). However, the company has capabilities to attain 70-75% capacity utilisation in coming years.

Capacity utilisation (%) for aluminium of CMR Group during FY16-21



Source: Industry, CMR Group, Annualization of Capacity considered for estimation utilization levels

Majority of the company's volumes are concentrated in the northern region (the largest aluminium-recycling hub), followed by the south. CMR Group is estimated to occupy a market share of ~20% in the north and a 12-13% market share in the south in terms of total demand of secondary aluminium in the country as of fiscal 2020. It is estimated to account for ~5% of share in western region in fiscal 2020 risen to ~7-8% in fiscal 2021.

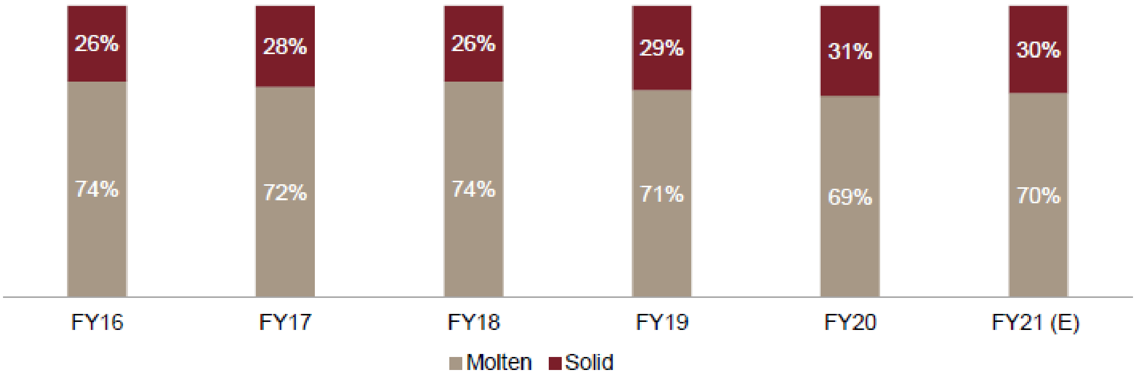
In terms of regional sales split, north India is CMR Group's key market. The region accounted for about 65-70% of the total CMR Group sales in fiscal 2021. South and west contributed to about 15-20% and 10-15% of the CMR Group's sales, respectively, in the same fiscal.

Predominant presence in liquid/molten aluminium

The company's product portfolio includes both liquid as well as solid form of aluminium alloy ingots. CMR Group is a pioneer in the molten aluminium segment in the country. The company has consistently increased its metal sales in the molten form, largely attributed to several advantages offered to both manufacturers as well as end- consumers in the auto segment.

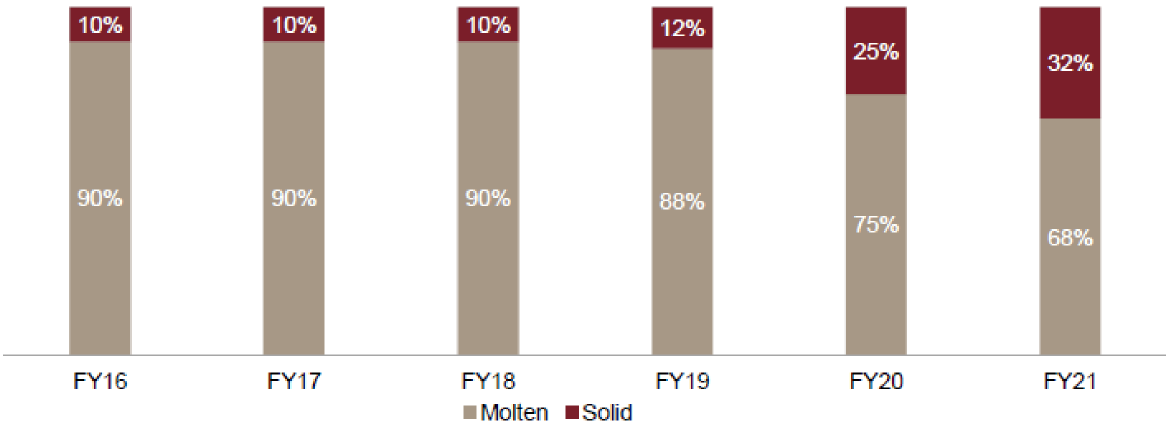
According to estimates molten metal constitutes ~15-20% of share in overall secondary aluminium demand in the country. It is estimated that CMR group accounts for about 35-40% to the total secondary aluminium demand through molten route in India in fiscal 2021. Also, the company is one of the leading suppliers of molten aluminium in auto segment.

Split of sales volume of molten aluminium versus solid aluminium for CMR Green Ltd



Source: Industry, CMR Green

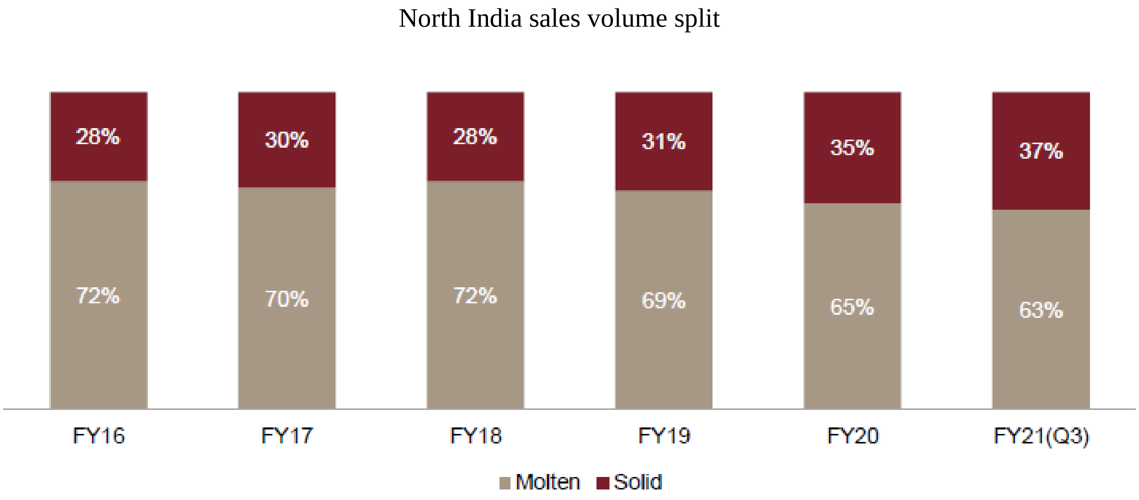
Split of sales volume of molten aluminium versus solid aluminium for CMRN



Source: Industry, CMR Group

Pertaining to CMRT, it is estimated that an average of ~75% of total aluminium sales volume were contributed by the molten-aluminium segment in fiscal 2020. CMRN is primarily into the sales and supply of solid aluminium with ~80% of solid aluminium.

CMR Green sales volumes split (molten versus solid)



Source: Industry, CMR Green

In other regions, while CMR Group's sales in the south region are predominately solid aluminium, in the western region, its sales are dominated by molten-aluminium sales

Cutting edge technologies implemented in the recycling process

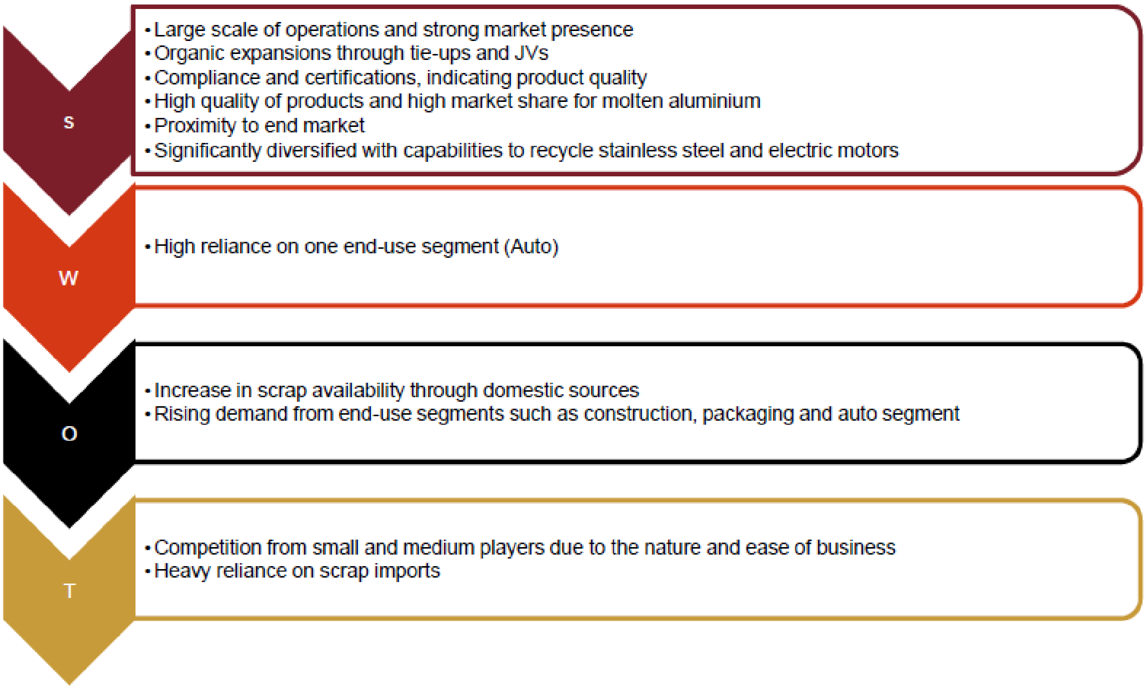
The group ensures usage of high end technologies in its manufacturing process with technological upgradation being taken up every 2-3 years to produce quality products. Partnering through JVs has helped the group build its technology expertise. The group has a significant technological superiority with state of the art machinery for media separation (for segregation of non-ferrous scrap), induction sorters (for segregation of stainless steel), colour sorters (for sorting of heavy metals), pump furnace (to maintain homogenised melt quality) and bag houses for pollution control. Apart from this, the group has also filed multiple patents for electric degassing and ladle safety for molten metal supply.

With a well-equipped quality lab, the group has been recognised for its efforts in quality control through various ISO certifications over the years such as ISO 45000: 2018, ISO 14001:2015, ISO 14001:2004, ISO 9001: 2008, BS OHSAS 18001:2007 and ISO TS 16949:2009.

Greater focus towards ESG norms

It is also notable that CMR Group has kept its focus on initiatives regarding to environmental, social and corporate governance norms. With periodic energy audits, the group has well established systems for energy conservation, waste and water management and use of latest pollution control systems. The Bhiwadi plant located in Rajasthan has been registered by UNFCCC for certified emission reduction under clean development mechanism scheme. Various CSR activities have been taken up by the group towards women empowerment, healthcare and youth skill development. With regards to the company's recycling mechanism, CMR Group stands to be a zero discharge company where all the by-products formed during the recycling process are effectively used.

SWOT analysis of CMR Group



Source: CMR Group, Industry, CRISIL Research

Key strengths:

- **Large operating scale**

  CMR Group is India's largest recycler of aluminium and zinc alloy ingots with a combined annual capacity of over about 310,700 MT as of fiscal 2021 along with a large yard space of 60000 MT scrap-handling capacity. Since inception, it has maintained a fast-paced growth by leveraging latest technologies and continuous improvement. CMR group's installed capacities accounted for ~13-15% of the aggregate capacity installed domestically as of fiscal 2021. Typically, large-scale operational capabilities enable players to achieve economies of scale, especially in the form of raw material procurement (relatively high bargaining power) and low overhead costs.

  The group has significantly diversified to other business segments and is hence catering to the stainless steel market and in dismantling of electric motors.

- **Organic expansion through tie-ups and JVs**

  CMR Group is currently operating through ten manufacturing plants, including four plants under two joint ventures with renowned Japanese companies, Toyota Tsusho Corporation and Nikkei MC Aluminium.

  Recently, the group has also set up a manufacturing plant under a 50-50 JV with Chiho Environmental Group Limited to engage in dismantling of old used electric motors and retrieving various metal scrap, its processing and recycling. Through these joint ventures, the company is able to expand its presence across various parts of the country.

- **Compliance and certifications, indicating product quality**

  The company has high control over quality (compared with small and medium-sized players) with compliance levels at par with the best industry practices. All of CMR group's manufacturing facilities are equipped with the latest pollution control systems. The company also has several ISO certifications, such as ISO 14001, TS16949, ISO 45001, IATF16949 and OHSAS 18001, and has been accredited by the Department of Scientific and Industrial Research

- **Strong market presence**

  Due to the company's brand recognition and associations, the firm is a market leader in the recycling space. CMR group has a strong supply chain with a large supply base from various countries such as the US, Europe, Middle East, India, Australia, the UK, New Zealand, Africa and Thailand. The customer base for the company is also quite strong with renowned players in the automotive space.

- **Nearness to the end market (proximity to key demand clusters)**

  The company's manufacturing plants are strategically located to the vicinities of its customers' manufacturing units, enabling it to supply just-in-time inventory and, thus, realise higher profitability margins. The group supplies molten aluminium to some large auto component majors, such as Rockman Industries, Sunbeam Auto, Maruti Suzuki, Rico Auto, Honda Cars and Yamaha India.

  CMR group's manufacturing facilities are spread across Tatarpur, Haridwar, Gurgaon, Bhiwadi, and Manesar, Bawal and Chennai, largely covering major markets within the northern and southern regions, such as NCR and Chennai, respectively. Proximity to these clusters help CMR group cater to the requirements of a few large OEMs and auto-component manufacturers. As a result, over years, the company has established a significant presence in these clusters and holds a major share in the auto-component market. Such geographical diversification in operations also immunes the company from any unforeseeable volatility in cluster/region specific demand dynamics, as against players having a presence in a single location.

- **Higher market share for molten metal**

  Molten metal largely occupies CMR Group's product mix, and accounted for ~54-55% of the total sales volume in fiscal 2020. As per the company report, CMR Group is also the largest player offering molten metal. With necessary infrastructure already set up (such as ladle transport vehicles and tilting furnace), increasing preference for molten metal by auto component manufacturers should bode well for such players.

Key weakness:

- **Heavy reliance on the auto sector**

  The group is highly dependent on the auto sector, as it is observed that secondary aluminium finds its maximum utilisation in this particular segment. The firm is also expecting to increase export orders through its joint ventures of Nikkei Mc Aluminium Company Ltd and Toyota Tsusho Corporation (both large aluminium

  alloy importers in Japan). In order to mitigate the risk of dependence on only the auto segment, the group has diversified its business into other verticals such as stainless steel scrap recycling, ELV recycling and electric motor dismantling.

Key opportunities areas:

- **Rising demand growth from auto sector**

  In line with lightweighting, aluminium is anticipated to play a vital role in the automotive industry. Electric vehicles are expected to witness growth in the coming years, as government incentives (such as FAME II, NEMMP etc) increase.

  Government initiative for faster adoption of the electric vehicles and their manufacturing has been launched under the National Electric Mobility Mission Plan (NEMMP 2020). This scheme has been designed to improve the national fuel security and to provide environment friendly and affordable transportation.

  Under NEMMP 2020, the Department of Heavy Industry launched a scheme in fiscal 2015 for promotion of electric and hybrid vehicles known as Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME) in two phases. Phase I (providing incentives to buyers of electric/hybrid in the form of upfront reduced purchase price) came into effect from fiscal April 1, 2015 after which the phase II (mainly for electrification of public and shared transportation) was launched which was effective from April 1, 2019 to promote faster adoption of electric mobility and development of the manufacturing eco-system in the country.

CMR Group, being a major player in the automotive segment, stands to be benefited from higher demand from the sector (ICE and increasing penetration of EVs). With increased focus of the government on implementation of an electric-vehicles policy, continued vehicle weight reduction will further support a rise in demand for aluminium, though in the long term.

- **Increasing scrap generation**

  The government of India's scrappage policy is designed to make metal scrap centres more efficient, providing a structure for their operations. It is thought to be a first step towards formalising the still-fragmented scrapping industry. India is taking measures to fulfil the circular economy's requirements, and raw-material sustainability is a critical component of achieving this goal. This is expected to improve the scrap value chain and facilitate the flow of coordinated global scrap trade. Ease of obtaining raw materials for the production of secondary aluminium is expected to support CMR Group's value chain by reducing its dependence on foreign markets and lowering the risk associated with currency fluctuations during the trade cycle.

- **Increase in demand due to an expected increase in infrastructure spending**

  With the growing economy and government policies related to investments being made in the infrastructure domain, an increase in demand for lighter and stronger metals is predicted, indicating opportunities for secondary aluminium recyclers. This is beneficial for CMR Group to diversify its portfolio into segments other than auto as well.

- **Higher customer retention**

  Molten metal supply chain involves adhering to stringent timelines. The customers' productivity may get effected due to any delays in molten metal supply. Hence, in most cases, customers do not tend to change their supplier for molten metal. Considering this, CMR Group has an advantage due to its efficient molten metal supply and infrastructure leadership in the industry.

Key threats:

- **Competition from the fragmented market**

  The Indian aluminium recycling industry, with an annual installed capacity of ~1.8-1.9 million tonne estimated as of fiscal 2020, is dominated by medium and small players, accounting for nearly 55-60% of the aggregate capacity. These medium and small sized players incur significantly lower capital expenditure to set up a plant as against large players, primarily because of low level of mechanisation and less adherence to necessary compliance. This may result in faster break-even period for small and mid-sized players, as the price differential between large and small players is typically minimal. However, higher compliance requirement post-GST implementation will lead to increasing compliance costs for small and mid-sized players.

- **Heavy reliance on scrap imports**

  The principal raw materials used in the manufacturing process include aluminium-based scrap, such as zorba, taint, tabor, tense, troma, turning and tally, among others. CMR Group does not have long-term agreements with any of the raw-material suppliers. Raw material supply and pricing can be volatile due to a number of factors beyond the company's control, including global demand and supply, general economic and political conditions, tariff disputes, transportation and labour costs, labour unrest, natural disasters, competition, import duties, tariffs and currency exchange rates. Given the nature of the international scrapping industry, CMR Group's purchase contracts are made at spot prices. This exposes the company to a significant risk of price and currency fluctuations. Due to longer lead times in the supply chain due to high imports, the scrap markets and forex rate may fluctuate in the intervening time, and the company may not be able to adjust prices of the finished products against what CMR Group would have paid for the raw materials. It should also be noted that as an industry practice, most of the players negotiate rates on monthly basis and all price fluctuations are passed on to the customers.

OUR BUSINESS

Some of the information contained 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 "Forward-Looking Statements" on page 17 for a discussion of the risks and uncertainties related to those statements and also the sections "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 29, 224 and 514, respectively, for a discussion on certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our financial year ends on March 31 of each year, so all references to a particular financial year/ Fiscal are to the twelve-month period ended March 31 of that year.

*Our Company, GMRPL, SFSL, SNFTPL, RPPL, FMPL, the erstwhile Century Metal Recycling Limited ("**CMR**" and along with GMRPL, SFSL, SNFTPL, RPPL and FMPL, the "**Transferor Companies**") and their respective shareholders filed a scheme of arrangement (the "**Scheme of Arrangement**") under Sections 230-232 before the NCLT, for the amalgamation of the Transferor Companies into our Company. Our Company and the Transferor Companies were part of the 'CMR Group', which was primarily engaged in the business of metal recycling and the manufacture of metal products. Upon the conclusion of the Scheme of Arrangement, the name of our Company was changed from 'Grand Metal Industries Limited' to its current name, 'CMR Green Technologies Limited'. Accordingly, unless otherwise indicated or the context requires otherwise, the information included herein refers to our Company, on a consolidated basis, as it stands upon the conclusion of the Scheme of Arrangement. For details, also see "– Our Scheme of Amalgamation", "Capital Structure" and "History and Certain Corporate Matters – Mergers or amalgamation" on pages 175, 82 and 182, respectively.*

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from the Restated Financial Information included in this Draft Red Herring Prospectus. Further, our restated consolidated financial statements as at and for the years ended March 31, 2019 (proforma) and March 31, 2020 (proforma) included in this Draft Red Herring Prospectus, do not take into account the impact of the Scheme of Arrangement and accordingly, such financial statements may not be comparable to the restated consolidated financial statements of the Company as at and for the years ended March 31, 2021 included in this Draft Red Herring Prospectus.

*The industry and market data used in this section, unless otherwise indicated, has been derived from the report "Assessment of secondary aluminium industry in India" dated September 2021 (the "**CRISIL Report**") prepared and released by CRISIL Research and commissioned by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Overview

We are the largest metal recycler in the domestic aluminium recycling industry and amongst the largest in the world. (*Source: CRISIL Report*) We are primarily focused on the recycling of aluminum, which involves the processing of aluminium based metal scrap to manufacture aluminium alloys and supplying them both in liquid form as well as solid ingots, and on the manufacturing of zinc alloys. Among the major key end-use industries, demand from the automotive industry forms a large portion of total volumes of secondary aluminium in India and this demand is expected to grow at 14-15% CAGR over Fiscal 2021 and Fiscal 2025. (*Source: CRISIL Report)* Within the automotive segment of recycled aluminium industry in India, while we occupied an estimated market share of 26-30% in Fiscal 2020, CRISIL estimated our contribution to improve to 28-30% in Fiscal 2021. (*Source: CRISIL Report*) In addition to aluminium recycling, we focus on segregation and recycling of other metals such as stainless steel, copper, brass, zinc, magnesium and steel that form part of the mixed metal scrap that we procure, and recycling of end of life vehicles ("**ELVs**") where we undertake dismantling, shredding and sorting of ELV parts.

We currently operate through 12 manufacturing facilities of which, 10 facilities undertake aluminium recycling operations, targeted towards the automotive manufacturing sector in India and overseas. These 10 manufacturing facilities, each of which is situated in key auto clusters in north, west and south India, are strategically located close to our customers' manufacturing facilities allowing us to optimise our deliveries, reduce lead times and facilitate greater interaction with our customers. We are also in the process of setting up a cold refining plant in Gujarat to create further operational efficiency and reduce logistics cost. In addition, we set up a facility at Balasar, Gujarat in Fiscal 2020 through which, we undertake the business of dismantling of electric motors, primarily catering to local recycling industry and metal traders. Further, we are in the process of setting up a facility in the district of Kheda, Gujarat pursuant to our joint venture agreement dated July 16, 2020 with Kent Industrial Park Private Limited ("**Kent**") which is intended to undertake dismantling, shredding and sorting of parts of ELVs. We are India's largest recycler of aluminium and zinc alloy ingots with a combined annual capacity of 310,700 MT as of Fiscal 2021, and our installed capacities accounted for approximately 13-15% of the aggregate installed capacity, domestically, as of Fiscal 2021 as compared to 4-5% for the nearest competitor. (*Source: CRISIL Report*) Additionally, we have a stainless steel recycling capacity of 60,000 MT, as of Fiscal 2021. (*Source: CRISIL Report*)

We are a customer centric company, constantly striving to create value for our customers through products offered and committed deliveries. Our customers primarily include OEMs and Tier 1 companies in the automotive manufacturing sector. Tier 1 companies are companies that directly supply to OEMs. Some of our OEM customers include Maruti Suzuki India Limited, Honda Cars India Limited, Bajaj Auto Limited, Hero MotoCorp Limited, Royal Enfield Motors Limited and India Yamaha Motor Private Limited, while our customers, who are Tier 1 companies include Toyota Industries Engine India Private Limited, Rockman Industries Limited, Sunbeam Lightweighting Solutions Private Limited, Endurance Technologies Limited, Rico Auto Industries Limited, Minda Industries Limited, Jaya Hind Industries Private Limited, Samvardhana Motherson Auto Component Private Limited, Craftsman Automation Limited, Gabriel India Limited, Denso International India Private Limited and Ahresty India Private Limited, among others. In our segregation and recycling of metal segment, we sell stainless steel, copper, brass, zinc and other metals to various manufacturers that further use these metals as raw material for their foundries. Some of such customers that we cater to include Jindal Stainless Limited and Agrawal Metal Works Limited. We believe we have a de-risked and diversified business model and as per CRISIL Report, our revenue streams are diversified geographically with north, west and south India, contributing 65-70%, 10-15% and 15-20% to our total revenue in Fiscal 2021 and exports accounting for approximately 4.67%. to our revenue from operations in Fiscal 2021.

We are one of the initial suppliers of liquid aluminium in automotive segment and per CRISIL estimates, accounted for approximately 35-40% of the total secondary aluminium demand through molten route in India, in Fiscal 2021. (*Source: CRISIL Report*) We started supplying liquid aluminium, through our manufacturing facilities situated adjacent to the premises of our customers in September 2008, and through road transport in November 2013. Our ability to supply liquid aluminium in addition to ingots, has allowed us to be flexible in our manufacturing operations and capitalize on the increasing trend of supplying liquid aluminium owing to several operational advantages to manufacturers as well as consumers. For instance, in addition to saving inventory handling costs, supply of liquid aluminium eliminates the re-melting process thereby minimising oxidation losses and reducing power and fuel consumption for our customers. Further, as per the industry estimates, the usage of liquid metal results in about ₹ 10 - 12 per kilogram savings. (*CRISIL Report*) Our strategically located manufacturing facilities allow us to supply liquid aluminium to our customers, in side-by-side facilities and, to customers located up to a distance of 20 - 25 kilometers, over the road, using specialized containers and specially designed trucks, thereby enabling us to not only adhere to their round the clock delivery schedules but also develop interdependence between us and our customers. In the past, we have achieved up to 99 deliveries of liquid aluminium to a particular customer and up to 120 deliveries of liquid aluminium to multiple customers in a single day.

Our facilities employ an extensive and stringent quality control mechanism at each stage of the recycling process to ensure that our finished product conforms to the exact requirement of our customers. As on the date of this Draft Red Herring Prospectus, certain of our other manufacturing facilities have received the IATF 16949:2016 accreditation for quality management systems. The facilities at Vanod, Halol and Vallam are accredited with ISO 9001:2015 certifications. Further, our facilities also have received ISO 14001:2015 for environmental management systems and ISO 45001:2018 for occupational health and safety management systems.

Our Promoter Gauri Shankar Agarwala has substantial experience in the field of law, finance and taxation, among others. Our Promoter Mohan Agarwal, who is our Chairman and Managing Director, has over 27 years of experience in the aluminium alloys recycling industry. In addition, we also have an experienced management team which has brought in organizational and operational changes in our Company over the past few years. This team is backed by a core technical team that has substantial experience in manufacturing and the technical know-how.

Our total income and our restated profit before exceptional deferred tax charge on goodwill was ₹ 29,272.96 million and ₹ 2,150.80 million, respectively, in Fiscal 2021. Profit for the year ended Fiscal 2021 was ₹ 407.29 million. Further, our EBITDA and EBITDA Margin was ₹ 3,365.34 million and 11.55% during the Fiscal 2021, respectively. We had total assets, total equity and total borrowings (including non-current borrowings, current borrowings and current maturities of long term borrowings) of ₹ 29,246.19 million, ₹ 17,747.67 million and ₹ 4,811.78 million, as at Fiscal 2021, respectively. In addition, as of March 31, 2021, our total borrowings (including non-current borrowings, current borrowings and current maturities of long term borrowings) net of cash and cash equivalents and other bank balances and our total debt / total equity ratio was ₹ 4,535.08 million and 0.56, respectively. Our Company incurred an aggregate capital expenditure on purchase of property, plant and equipment, intangible assets including capital work in progress amounting to ₹ 629.07 million during Fiscal 2021 of which, ₹ 98.46 million was incurred for modernization of the manufacturing facilities. Our return on net worth (before exceptional deferred tax charge on goodwill) and return on capital employed in Fiscal 2021 was 25.71% and 23.59%, respectively. For the Fiscal ended March 31, 2021, our Company's total volume of sale of liquid aluminium alloys, aluminium alloy ingots and zinc alloys, combined was 85,979.21 MT, 67,678.53 MT and 4,353.29 MT, respectively. Our Company generated a revenue of ₹ 20,574.67 million, ₹ 3,406.07 million and ₹ 1.99 million from aluminium recycling, recycling of stainless steel and recycling of ELVs which accounted for 70.62%, 11.69% and 0.01%, respectively of our revenue from operations for Fiscal 2021.

Our Competitive Strengths

Leading recycler in the domestic aluminium recycling industry in India

We are the largest metal recycler in the domestic aluminium recycling industry and amongst the largest in the world. (*Source: CRISIL Report*) We derive our revenue primarily from sales to the automotive industry. As per the CRISIL Report, we occupied an estimated market share of approximately 28-30% in Fiscal 2021 in the automotive segment of recycled aluminium industry, and in terms of liquid aluminium space, we accounted for approximately 35-40% of the total secondary aluminium demand through molten route in India, in Fiscal 2021. (*Source: CRISIL Report*) We are India's largest recycler of aluminium and zinc alloy ingots with a combined annual capacity of 310,700 MT as of Fiscal 2021, and our installed capacities accounted for approximately 13-15% of the aggregate installed capacity, domestically, as of Fiscal 2021 as compared to 4-5% for the nearest competitor. (*Source: CRISIL Report*) During Fiscal 2015 and 2020, the demand for secondary aluminium is estimated to have grown by 9-10% CAGR to 1.3 million tonne in Fiscal 2020. (*Source: CRISIL Report*) This was primarily supported by rising application of non-ferrous casting in the automotive sector, contributing to approximately 43-48% share in the total recycled aluminium sector. (*Source: CRISIL Report*) During Fiscal 2021, our Company supplied 85,979.21 MT liquid aluminium alloys, 67,678.53 MT aluminium alloy ingots, and 4,353.29 MT zinc alloys to our customers. Going forward, the automotive industry is expected to drive majority of the recycled aluminium demand throughout the period between Fiscals 2020 to 2025. (*Source: CRISIL Report*) As per CRISIL, secondary aluminium demand from automotive segment is expected to grow by 14-15% CAGR from Fiscal 2021 to Fiscal 2025.

Our manufacturing facilities, each of which is situated in key auto clusters in north, west and south India, have allowed us to undertake our operations and supply quality products to our customers while also adhering to their stringent delivery schedules. In addition to catering to our customers in north India, we have been able to serve the requirements of the customers in south India through our two facilities in Tamil Nadu, increasing our market share in the process. With an objective to establish a strong presence in western India, we recently commenced operations in our manufacturing facilities situated at Vanod and Halol, in the state of Gujarat. Both of these facilities undertake production of recycled aluminium alloys. On account of our presence as well as continued focus on offering products that create value for our customers, we believe we have been able to innovate our products for better quality and use, thereby positioning ourselves as a supplier preferred by our significant customers.

Long-standing relationships with our customers

During the Fiscal ended March 31, 2021, our Company catered to 60 customers on a standalone basis, and to a total of 116 customers on a consolidated basis, in respect of manufactured sale of aluminium and zinc alloys. We generally do not enter into long term agreements with our customers, however, we have developed long-standing relationships with these customers some of whom have been with us for over ten years. Maintaining strong relationships with our key customers is essential to our business strategy and to the growth of our business. Owing to our strong customer relationships and service, not only have we been able to retain a number of our customers for a long period of time, but also, been invited by certain of our customers to set up our facilities alongside their facilities so that we maintain uninterrupted supplies of our products to them.

Our customers include companies such as Maruti Suzuki India Limited, Rockman Industries Limited, Sunbeam Auto Private Limited, India Yamaha Motor Private Limited and Rico Auto Industries Limited, among others, who have been our customers for the last ten Fiscals. We have grown our customer base over the years to additionally include OEMs and Tier 1 companies such as Honda Cars India Limited, Bajaj Auto Limited, Hero MotoCorp Limited, Royal Enfield Motors Limited, Endurance Technologies Limited, Ahresty India Private Limited, Minda Industries Limited, and Jaya Hind Industries Private Limited, among others. Further, owing to our partnership with two Japanese aluminium alloy manufacturing companies, Toyota Tsusho and Nikkei ("**JV Partners**"), we have been able to export products to customers in Japan. In addition, we have been able to establish presence in China which, according to CRISIL Report, is now a large importer of aluminium alloy ingots.

We believe that our long-standing relationships with our customers bears testimony to our ability to successfully serve and meet their requirements and has been one of our key growth drivers. Our customers typically have stringent and time-consuming selection procedures for procurement from manufacturers. These procedures involve review of the manufacturer's expertise, available manufacturing facilities, processes, financial capabilities, logistical capabilities, multiple inspections, and review of prototypes. Such procedures lead us to work on an ongoing basis to engineer our products to meet our customers' requirements and specifications. Additionally, we believe that our consistent delivery of quality and cost competitive products over the years has helped us in receiving orders from multiple customers across the country, and abroad. Our long-standing relationship with major Tier 1 companies as well as OEMs and JV Partners, we believe, provides us with a significant advantage by enabling us in effectively competing with our competitors.

In accordance with our strategy, we have intentionally invested in locations close to our customers' manufacturing facilities. This, we believe, has been a key factor in aiding and nurturing a strong relationship with these customers. Being closely located to our customers allows us to optimise our deliveries and facilitates greater interaction with our customers by enabling us to respond to their requirements in a timely manner. For instance, our manufacturing facilities in Gurugram and Bhiwadi are situated on the premises of one of our customers. Further, our multi-location strategy provides us with an opportunity in key auto clusters to expand our customer base in addition to helping us in gaining greater market share by giving us the ability to quickly respond to our customers. Further, locating our manufacturing facilities near our customers' premises has reduced logistical costs allowing us to produce and supply cost competitive products for our customers.

Leading supplier of liquid aluminium alloy

We are a pioneer in the molten aluminium segment in the country, according to CRISIL Report, having commenced supplies through our manufacturing facilities situated adjacent to the premises of our customers since September 2008, and through road transport since November 2013. We occupied approximately 35-40% of the market share in liquid secondary aluminium space in India, in Fiscal 2021, as per CRISIL estimates, and have been able to increase our market share steadily over the years on account of our successful track record of quality, consistency and timely delivery of products to our customers. In Fiscal 2021, our combined volume of sale of liquid aluminium alloy in north India was 64,965.66 MT, accounting for 65.88% of our total aluminium alloy sales volume in north India. We commenced supply of liquid aluminium in south India through CMRT in Fiscal 2017, and our volume of sale of liquid aluminium alloy in the region was 9,421.62 MT, accounting for 30.21% in Fiscal 2021 of our total aluminium alloy sales volume in south India. Similarly, we have recently also set up facilities in western India to meet the requirement of automotive sector in that region. Our volume of sale of liquid aluminium alloy in the region was 11,591.93 MT for Fiscal 2021, accounting for 48.60% of our total aluminium alloy sales volume in west India.

Liquid aluminium cannot be stored and accordingly, our customers employ just-in-time ("**JIT**") inventory strategy in terms of which, they receive the products only as they are needed. This inventory model requires an uninterrupted supply of raw materials thereby increasing the customer's dependence on the suppliers. We believe that such interdependence between us and our customers coupled with our commitment to provide quality products in a timely manner has been instrumental in enabling us to capture major market share over the other players in the industry. In order to ensure quality and timely delivery, we have made significant investments in manpower, supply chain, logistics, information technology, process controls and plant and machinery, such as specially designed trucks used for transportation of liquid aluminium and in specially designed ladles which prevent spillage and loss of temperature during transit. Further, in order to ensure safety of liquid metal transport over the public road, we have applied for a patent of a special safety mechanism that ensures that even in case of accidents, metal does not spill from the truck or ladle.

Transportation of liquid aluminium can typically be carried out for destinations within a distance of up to 20 - 25 kilometers and with a travel time of not more than 45-60 minutes. (*Source: CRISIL Report*) Strategically, we have strived to set up our manufacturing facilities closer to or at the premises of our customers. On certain occasions, our customers have leased out land to us on their facilities to allow us to establish our manufacturing facilities, enabling us to adhere to their round the clock delivery schedules and increasing their dependence on us. For instance, our manufacturing facilities at Bhiwadi and Gurugram are situated on the premises of one of our customers on land leased by them to us for supplying liquid aluminium. Our manufacturing facilities in Haridwar, Manesar, Bawal, Vallam, Halol and Vanod are situated either next to our customers' facilities or in proximity to them.

Liquid aluminium provides several operational benefits to our customers. Such operational benefits include elimination of re-melting process, reduced power and fuel consumption and lowering other operational costs. (*Source: CRISIL Report*) Manufacturing of liquid aluminium is estimated to result in savings of melt-loss to the extent of 2-3% of the cost and energy costs at approximately 3% of the total metal cost to manufacturers (casters), as against manufacturing through the solid route. (*Source: CRISIL Report*) As per the industry estimates, the usage of liquid metal results in about ₹ 10 - 12 per kilogram savings. (*Source: CRISIL Report*) Additionally, liquid aluminium also results in a significant reduction of carbon emissions into the environment. According to the United Nations Framework Convention on Climate Change ("**UNFCCC**"), 1 MT of liquid aluminium saves approximately 528 kilograms of carbon and consequently reduces greenhouse gas emissions into the atmosphere. Based on our production for Fiscal 2021, we saved approximately 45.40 million kilograms of greenhouse gas emissions into the atmosphere, respectively. Our Bhiwadi Unit is also eligible to avail UNFCCC carbon credits. Accordingly, our Company has strived to focus significantly on supply of liquid aluminium and will continue to do so in the future.

Strategic alliances through joint ventures

We have partnered with other companies in the aluminium recycling industry to benefit from their experience, reach and technology. For instance, we set up manufacturing facilities in partnership with two Japanese aluminium alloy manufacturing companies, Toyota Tsusho and Nikkei, in order to leverage the combination of their technology with our own existing know-how and manufacturing capabilities for providing innovative and superior quality products at competitive prices to our customers. Accordingly, in the year 2012, our Subsidiaries, CMRN, where we presently hold 74% stake, and CMRT, where we presently hold 70% stake, were set up in partnership with Nikkei and Toyota Tsusho, respectively. Pursuant to these arrangements, we commenced supplying liquid aluminium through road transport to our customers. These organizations are global players and have a stringent process of due diligence and market research before entering into new markets and selecting a joint venture partner. We believe India is a key market for these companies and as they explore growth options in India, our partnering with them for the setting up of CMRT, CMRN and CCIIPL, gives us an added advantage. In addition to partnering with these global organizations, we have also entered into a joint venture agreement with Kent with a stake of 51% pursuant to which, we are in the process of setting up a facility in the district of Kheda, in Gujarat for dismantling, shredding and sorting of parts of ELVs.

Our association with these players has not only allowed us to leverage their technology for providing quality products, but also allowed us to build new capabilities / products. We intend to continue to gain from our partners' experience and expertise and to that end, have also agreed to consider Nikkei as our preferred partner for any future ventures of similar nature within a radius of 300 kilometers from our facility at Bawal, subject to certain conditions within our agreement with Nikkei. We intend to continue to expand our product, customer and technology base, thereby strengthening our overall business operations, through such joint ventures and strategic alliances.

Strong and diversified supplier base for sourcing raw materials

One of the critical factors to grow and develop in our business is the ability to source raw materials. The essential raw material used by our manufacturing facilities is aluminium based and stainless steel based metal scrap, which are mostly imported by us. Our Company has been procuring metal scrap from over 195 global suppliers, including, from the United States, United Kingdom, New Zealand, Australia, Europe, Africa, South Africa, Thailand and the UAE, among others, as well as from certain domestic suppliers.

Given that raw material expense constitutes a significant portion of our overall cost, we benefit majorly from a strong, globally spread out and diversified supplier base. This enables us to negotiate favorable terms and even avail better discounts. Further, since metal scrap prices vary in international markets, a diverse base of suppliers allows us to selectively buy metal scrap and limit the adverse effects of the changing prices across metal scrap on account of the various global and domestic market conditions. In addition, we to the extent possible, structure our sale contracts with our customers such that our exposure to forex and commodities associated risks are minimized.

We use derivative financial instruments such as forward exchange contracts to hedge risks associated with these foreign currency fluctuations. For Fiscal 2021, our cost of raw materials consumed including purchase of traded goods and changes in inventories of finished and traded goods was ₹ 22,963.91 million, which represented 78.83% of our revenue from operations, respectively.

While we do not have any long term contracts with any of our raw material suppliers, we have maintained long term relationships with most of our major suppliers. Production quantity and cost of our offerings are dependent on our ability to source raw materials at acceptable prices and maintain a stable and sufficient supply of our raw materials. We use a linear programming software which helps us to predict our raw material requirements by considering factors such as prices, process yields, available inventory, supply lead times, among others. This helps us to place orders for optimum quantities of raw materials with our suppliers so as to procure the optimum mix of raw materials for the forecasted sales. We believe our strong relationships with our raw material suppliers enable us to obtain such good quality metal scrap at rates which we believe are beneficial to us, within the prescribed timelines. We continually strive to maintain strong relationships with our suppliers in order to derive better insight into the markets for our raw materials, which helps us to manage our raw material supply chain, resulting in greater predictability of supply and, consequently, a greater ability to meet production schedules and achieve on-time delivery for our customers.

The scrap prices also vary from market to market, and our buying team, accordingly, analyses the arbitrage in different markets to take possible advantages of such variations by purchasing more from the cheaper source. We maintain a robust database of our suppliers, quality of materials received from them and pricing details in addition to periodically conducting melt loss experiments to determine effective realizations. We have a stringent vendor rating system which enables us to keep a periodic check on our suppliers with regard to the quality of materials supplied and the corresponding prices. We use these details for negotiating purchases in the future and for quality claims, which we believe is a very important aspect of our business operations.

Environment friendly business supported by green technologies and processes

Manufacturing of primary aluminium consumes significant natural resources. As per industry estimates, every one tonne of aluminium manufactured through primary route, consumes 4-6 tonnes of bauxite, 1-1.5 tonne of limestone, 20-22 cubic metre of water, and approximately 14,000 Kwh of power. (*Source: CRISIL Report*) As per the CRISIL Report, manufacturing one tonne aluminium from the recycled route requires aluminium scrap as a key raw material and consumes only 5 - 7% of the total power required for production of primary aluminium, thereby preserving the natural resources as well as being energy efficient. Due to better cost dynamics the share of secondary aluminium in aggregate aluminium market in India rose to 35-36% as of Fiscal 2020 from 29-30% in Fiscal 2015 (*Source: CRISIL Report*). Furthermore, each tonne of aluminium ingot manufactured through primary route emits approximately 3,830 kilogram of carbon dioxide compared with approximately 290 kilogram (approximately 8% of primary aluminium) of carbon dioxide for aluminium manufactured through scrap recycling. (*Source: CRISIL Report*) The process of primary aluminium production through refineries results in the generation of large quantities of solid waste amounting to approximately 2-2.5 tonnes for 1 tonne aluminium produced hence effecting the environment, unlike secondary aluminium where solid and liquid discharge is close to negligible. (*Source: CRISIL Report*)

Basis the above benchmarks, we believe we have contributed significantly in reducing carbon footprint, environmental degradation and challenges like resettlement and rehabilitation by reducing the incidence of mining in the country. We also use modern pollution control equipment in our facilities like baghouses. In order to further optimise energy consumption in our facilities, we use regenerative burners that help us to significantly reduce our oil consumption to melt metal in furnaces. Wherever, the local regulations demand, we use low sulphur high stock ("**LSHS**") oil to operate our furnaces. Further, in continuation of our commitment to the environment, we are in the process of initiating usage of solar power in our Tatarpur Unit.

Our facilities, technology, quality processes and engineering expertise

We presently operate through our 12 facilities of which, 10 facilities primarily focus on recycling of aluminium. Each of these 10 manufacturing facilities are present in some of the key auto clusters in north, west and south India. Each of these geographies are significant contributors to our revenue with north India contributing 65-70%, south India contributing 15-20% and west India contributing 10-15% to our total income from recycling of aluminium, in Fiscal 2021, as per CRISIL Report. While four of our facilities are situated at Tatarpur, Gurugram, Manesar and Bawal, in the state of Haryana, we also have one facility situated each at Halol and Vanod in the state of Gujarat, one facility situated each at Chennai and Vallam, in the state of Tamil Nadu and one facility situated each at Haridwar and Bhiwadi, in the states of Uttarakhand, and Rajasthan, respectively. Our other two facilities, which cater to the non-automotive sectors, are situated in Balasar and Ahmedabad, in the state of Gujarat. We are India's largest recycler of aluminium and zinc alloy ingots with a combined annual capacity of 310,700 MT as of Fiscal 2021, and our installed capacities accounted for approximately 13-15% of the aggregate installed capacity, domestically, as of Fiscal 2021 as compared to 4-5% for the nearest competitor. (*Source: CRISIL Report*)

We believe that we have been able to develop an efficient, technology driven manufacturing process that has helped us to manufacture our products in accordance with the requirements and specifications of our customers in a cost-effective manner. We use different technologies along our entire process for manufacturing our products, for instance, we use equipment such as regenerative burners, de-coaters and metal circulation furnaces. These equipment help us in saving fuel costs and enable better recovery from scrap and dross generated on account of the melting process. For segregation of scrap, we use flotation systems, induction-based sorting systems, colour sorters, rotary sieves, eddy current separators, gravimetric separation techniques and shredders to ensure that the materials being fed into the furnaces are devoid of most impurities. Our infrastructure in the manufacturing facilities give us the flexibility to process various types of metal scrap, and manufacture alloys in line with the required composition. Additionally, the infrastructure in our manufacturing facilities enables us to process and utilize various types of scrap. Different scraps are optimum for producing different types of alloys. For example, one of our alloys ADC 6 can, in the most efficient manner, be made out of tough taboo scrap. Possessing the ability to process various types of metal scraps allows us to produce different alloys in a cost-efficient manner. Such flexibility is also important to us as the required configuration of the alloys varies from customer to customer, and therefore, we, on certain occasions, need to switch grades of alloys from one furnace heat to another. Therefore, the ability to process varies types of scraps enables us to meet the varied demands of customers. We also employ anti-pollution control mechanism and baghouse to reduce harmful emissions into the environment. In respect of liquid aluminium, we use specially designed trucks for transportation and also employ modern equipment such as specially designed ladles which enable prevention of loss of temperature during transit. We believe, our technological expertise and the availability of modern equipment at our disposal provides us a cost competitive advantage which in turn provides us an advantage in securing purchase orders from customers across the country.

Additionally, we employ an extensive and stringent quality control mechanism at each stage of the manufacturing as well as our recycling process including a multi-stage check of raw materials, chemical analysis of alloys, microstructure analysis, tartar mould test, spectrometer analysis and K mould test, which are required to ensure that our finished product conforms with the exact requirement of our customers and successfully passes all validations and quality checks. We also have a dedicated development team of engineers along with a well-equipped laboratory. We continually try to better our quality through constant experimentation. In view of this, we have also made a patent registration application for an improved process for using electricity for removing hydrogen content from liquid aluminium. We believe this process will ensure the same quality of product with substantially reduced cost. Our constant endeavor to ensuring quality output has required us to make significant investments to maintain our quality assurance systems such as an online audit or periodic checking by the operators on the shop floor itself to ensure there is no defect from the previous stage, forming a separate business excellence team responsible for continuous improvement and quality and assurance in the manufacturing facilities and machineries, and in the manufacturing process. By practicing such short interval controls, our Company is able to trace defects during the early stages of the manufacturing process. We also believe that we have a relatively lower defect rate in our products with there being minimal rejections on account of quality. For Fiscal 2021, our defect rate was 0.07%.

Experienced and qualified management team with a focus on ESG practices

Our Company has experienced robust business growth under the vision, leadership and guidance of our experienced management team comprising our Promoters, Gauri Shankar Agarwala and Mohan Agarwal. Gauri Shankar Agarwala has substantial experience in the field of law, finance and taxation, among others. Mohan Agarwal, who is also our Chairman and Managing Director, has over 27 years of experience in the aluminium alloys recycling industry.

In addition, our senior management team has also been instrumental in establishing and maintaining relationships with our customers. They also have extensive experience in metal recycling industry including in operations, business development, quality assurance, and human resource management. Our senior management and technical personnel are supported by other skilled workers who benefit from our regular in-house training initiatives. Our personnel policies are aimed towards recruiting talented individuals, facilitating their integration, and promoting the development of their skills. We believe the strength and entrepreneurial vision of our Promoters and senior management has been instrumental in driving our growth and implementing our strategies.

In addition, our private equity investor, Global Scrap Processors Limited, which is a wholly owned subsidiary of pan-Asian private equity fund AIF Capital Asia IV L.P, has helped us in enhancing our operations and in strengthening our financial and internal controls.

Our Company is also committed to maintaining its performance on environmental indicators. Recycling aluminium has many environmental advantages over the production of aluminium afresh. As per the CRISIL Report, manufacturing one tonne aluminium from the recycled route requires aluminium scrap as a key raw material and consumes only 5 - 7% of the total power required for production of primary aluminium, thereby preserving the natural resources as well as being energy efficient. We use baghouses and regenerative burners in our facilities for controlling pollution and collecting dust and gases emitted by furnace and other equipment. We have, based on our sales volume, saved 768,288.74 MT of bauxite, 192,072.19 MT of limestone, 3,226,812.72 cubic meter of water, 2,022.14 million kwh of energy and 543,948.43 MT of Carbon dioxide during Fiscal 2021. In addition, our Company adheres to high standards for environmental protection. For instance, one of our manufacturing facilities has been accredited by the UNFCCC as being an environmentally clean plant, eligible for carbon credits.

Our Business Strategies

Leverage the mobility electrification theme and focus on aluminium content in electric vehicles

Government initiative for faster adoption of EVs and their manufacture has been launched under the National Electric Mobility Mission Plan 2020 ("**NEMMP 2020**") and this scheme has been designed to improve the national fuel security and to provide environment friendly and affordable transportation. (*Source: CRISIL Report*) Further, the Department of Heavy Industry launched a scheme in Fiscal 2015 for promotion of electric and hybrid vehicles known as Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India ("**FAME**") in two phases where phase I (providing incentives to buyers of electric/hybrid in the form of upfront reduced purchase price) came into effect from fiscal April 1, 2015 after which the phase II (mainly for electrification of public and shared transportation) was launched which was effective from April 1, 2019 to promote faster adoption of electric mobility and development of the manufacturing eco-system in the country. (*Source: CRISIL Report*) In addition to the phase II benefits, state governments are providing various incentives such as purchase concessions, 100% exemption of road tax and registration fee, 100% tax exemption to all battery-operated vehicles etc. Such favourable tax laws are expected to encourage electric vehicle adoption for personal mobility. (*Source: CRISIL Report*) Owing to this, according to CRISIL Report, EV adoption in India over the next five years is likely to be driven majorly by two-wheeler and three-wheeler vehicles. EV sales are expected to increase from approximately 157,000 units in Fiscal 2020 to approximately 2,700,000 in Fiscal 2025. (*Source: CRISIL Report*) The automotive segment accounted for 43-48% of the total secondary aluminium sector in Fiscal 2020. (*Source: CRISIL Report*) Within the automotive segment, 60-65% of non-ferrous casting was for two wheelers, followed by 30-35% for passenger vehicles and 3-5% for commercial vehicles, according to CRISIL Report. Two wheelers are expected to see 8-12% EV penetration by Fiscal 2025. (*Source: CRISIL Report*)

In addition, demand for secondary aluminium is expected to increase in the automotive sector due to the Government's stringent vehicular emission norms requiring manufacturers to reduce the vehicle curb weight. (*Source: CRISIL Report*) CRISIL expects that increasing acceptance and government incentives on the EVs may propel aluminium demand as this category has higher intensity of aluminium usage than internal combustion engine ("**ICE**") vehicles. Light weight requirements to improve the efficiency of EVs would mean a greater proportion of plastics and aluminium in them than petrol and diesel vehicles, resulting in an inevitable increase in aluminium demand in this sector. (*Source: CRISIL Report*) We, as the largest metal recycler in the domestic aluminium recycling industry, per CRISIL Report, are expected to be the natural beneficiary of this trend.

Even in ICE vehicles, there is an increasing trend towards light-weighting, because of which aluminium is rapidly replacing ferrous metals. Aluminium is extensively utilised in both passenger and commercial vehicle segments due to its intrinsic characteristics and properties. The strength-to-weight ratio makes aluminium invaluable in the transportation industry. Use of aluminium, instead of steel, enhances performance, safety, fuel efficiency and durability, and also provides many environmental benefits. Aluminium reduces the total weight of vehicles and light-weight vehicles reduce energy consumption and emissions considerably. Owing to our long-standing relationship with our OEM and Tier 1 customers, we believe we are at an advantageous position to benefit from this trend. To capitalise on the opportunity, we are in the process of increasing our existing capacities and are also setting up a facility for manufacturing billets and sheet ingots. In addition, the vehicle scrappage policy too is expected to boost secondary aluminium consumption in India. (*Source: CRISIL Report*) Accordingly, we also intend to grow and augment capacities in our proposed facility in the district of Kheda, in Gujarat in order to capture the opportunity presented by the vehicle scrappage policy.

Expansion of supply of liquid aluminium

Over the past few years, the demand from key end-use segments, particularly automotive industry segment, is partially shifting towards molten form of aluminium, as against solid form, according to CRISIL Report. Such a shift is owing to the environment benefits as well as operational advantages, not only to the manufacturers but also to the consumers. Liquid aluminium eliminates re-melting process thereby minimising oxidation losses and reducing power and fuel consumption for our customers. It also helps in increasing efficiency and reducing inventory costs and the customers are required to receive goods only as they are needed, thereby enabling the JIT inventory strategy. Consequently, supply of liquid aluminium helps reduce overall costs for our customers, part of which is also passed on to us allowing us to gain better margins thereby increasing our profitability. As per the industry estimates, the usage of liquid metal results in about ₹ 10 - 12 per kilogram savings. (*Source: CRISIL Report*) Accordingly, while we will continue to focus on strengthening our market position in the aluminium recycling sector, we would like to capitalise on this opportunity by supplying high quality liquid aluminium to our customers.

While currently our sales in the south Indian region are predominantly solid aluminium, we introduced supply of liquid aluminium in south India in Fiscal 2017 through the manufacturing facility of our Subsidiary, CMRT, situated in Chennai. Subsequently, another facility was set up through CMRT in Vallam, Tamil Nadu, to undertake aluminium recycling operations. Through these facilities, we have become a leading producer of aluminium alloys in south India and are the single largest supplier in molten metal supply in the region. (*Source: CRISIL Report*) In Fiscal 2021, our combined volume of sale of liquid aluminium alloy in north India was 64,965.66 MT, accounting for 65.88% of our total aluminium alloy sales volume by facilities situated in north India. Our volume of sale of liquid aluminium alloy in south India was 9,421.62 MT, accounting for 30.21% in Fiscal 2021, of our total aluminium alloy sales volume by facilities situated in south India. In addition, we recently set up facilities in western India to meet the requirement of automotive sector in that region. Our volume of sale of liquid aluminium alloy in the region was 11,591.93 MT for Fiscal 2021, accounting for 48.60%, of our total aluminium alloy sales volume by facilities situated in west India. We have commenced supply of liquid aluminium in the southern region only recently and we believe, there is an opportunity for significant growth and we intend to continue to focus and strengthen our operations so as to be able to further increase our market share.

Further, we intend to draw on our experience, market position and ability to timely deliver quality products to successfully foray further, into the western and southern part of India, and establish a strong presence in the recycled aluminium industry, including the liquid aluminium market in these geographies as we have in north India. As per the CRISIL Report, at the industry level, the total production of liquid aluminium is estimated to account for 15-20% annually in Fiscal 2021, and therefore we are anticipating growth in the liquid aluminium supply within the recycled aluminium market. We believe that our manufacturing capabilities, our long standing experience in the aluminium recycling industry and our ability to supply liquid metal will enable us to cater to this rise in demand while significantly increasing our revenues.

Focus on deepening and strengthening our relationships with our existing customers as well as catering to new customers

We have over the years established long-term relationships with our customers leading to recurrent business engagements with them. Our major customers comprise Tier 1 companies as well as OEMs, some of whom have been with us for the last ten Fiscals. We believe that our customer retention levels reflect our ability to provide high quality products, and our consistent customer servicing standards have enabled us to increase our customer dependence on us. We strive to clearly understand our customers' business needs and provide products that maximize their returns. We will continue to work with our Tier 1 companies and OEM customers, with whom we believe we have long-standing relationships and knowledge of their requirements and preferences, in order to develop and supply highly specific products. We anticipate that our product offerings, the quality thereof and leadership in key product segments will help us in increasing our share of business amongst our existing customers as well as increase our customer base.

The demand for recycled aluminium has grown at a relatively faster pace at a CAGR of approximately 9-10% as compared to the demand for primary aluminium, which has grown at CAGR of 3-4% during Fiscal 2015 and

Fiscal 2020, as per the CRISIL Report. This growth in usage of recycled aluminium is primarily attributable to its low cost, better technical properties over other metals and environment benefits. As a result, the share of recycled aluminium is expected to steadily increase from 35-36% in Fiscal 2020 to 39-40% in fiscal 2025. (*Source: CRISIL Report*) Further, the GoI scrappage policy in relation to ELVs will also incentivize end users to opt for scrapping of their old vehicles. Towards this end, we are in the process of setting up a facility in the district of Kheda, in Gujarat pursuant to our joint venture with Kent which is intended to undertake dismantling, shredding and sorting of parts of ELVs. We expect to gain from the potential increase in demand of our products as well as the various policies and incentives issued by the Government of India coupled with our strong relationships with our existing customers. We believe that our long-term, established customer relationships will enable us to effectively capitalize on our customers' increasing requirements, increase our market share, our revenues and future earnings.

Expand our international presence including through increase in exports

A certain portion of our business operations are focused on exports to international customers. For instance, ingots from some of our manufacturing facilities have been approved by our customers in Japan and are exported to them. Our products have successfully met the stringent quality checks and requirements set out by our customers abroad. We have also been able to quickly ramp up exports during the lockdown in India due to COVID-19, owing to availability of spare capacities. In addition to Japan, our products are exported to China and Bangladesh. For the year ended March 31, 2021, the revenue from contracts with customers located outside India amounted to ₹ 1,361.91 million, reflecting 4.67% of our revenue from operations. We further seek to identify markets where we believe we can provide cost advantages to our clients and distinguish ourselves from other competitors. In addition, CRISIL reports that the European Union imposed anti-dumping duty on the imports of aluminium extrusions originating from China and increasing local demand in China for aluminium owing to infrastructural developments can act as a growth opportunity for exports. Accordingly, we would like to capitalize on this export opportunity and continue to expand our international operations to enhance our global presence.

In addition, we are in the process of expanding our capacities in Gujarat and Chennai to cater to the potential export markets in these countries. India's geographic location coupled with initiatives by the Government of India to increase recycle of metal scrap, will help us in exporting competitively to these countries. Further, the export revenue is also expected to act as a natural foreign currency hedge against imports of our raw materials.

Expansion of our supplier base

Manufacturing aluminium through primary route involves processes including, mining and refining of bauxite and smelting of alumina. Bauxite, as a natural resource is constantly depleting and is exhaustive in nature. Recycled aluminium, on the other hand, involves sorting and segregating of metal scrap, melting of such scrap, re-alloying, and casting into ingots. The inherent quality of aluminium is not affected by recycling irrespective of the number of recycling cycles. Consequently, as per the CRISIL Report, the growth in recycled aluminium demand will continue to outpace primary aluminium demand growth.

We have a diversified supplier base and we believe that this helps us in minimizing supplier risk due to low supplier concentration. On account of limited scrap generation and collection in the domestic market, presently, we have been procuring aluminium based metal scrap from our global suppliers, including, from the United States, United Kingdom, New Zealand, Australia, Europe, Africa, including South Africa, Thailand and the UAE, among others. With a view to making our supply chain even more robust, we are constantly looking to expand our supplier base and also intend to foray into newer geographies to purchase metal scrap. One of the salient features of the global scrap market is the fact that the scrap prices are different in different parts of the world. By extending our reach to different countries, we intend to take possible advantages of any variations in scrap prices by purchasing more from the cheaper source. Further, we are continually evaluating different types of metal scraps that may be used in our manufacturing process. This will help us in reducing losses on account of oxidation, thereby increasing the effective realization from the metal scrap. Raw material costs account for significant expenses and have a substantial impact on our profitability and accordingly, we believe that an expanding supplier base is essential for growth in our industry.

Leverage growth prospects for recycled aluminium and movement of market from unorganized to organized players

According to CRISIL Report, going forward, the demand for recycled aluminium is expected to be driven by an increase in production of automobiles, including two wheelers, passenger vehicles and commercial vehicles. Additionally, with the OEMs aiming to optimize vehicle's weight-strength ratio in order to increase fuel efficiency, aluminium demand is likely to increase over the medium to long term. (*Source: CRISIL Report*) Moreover, the government's focus on electric vehicles ("**EV**") will further support the demand for aluminium on account of its extensive use in electric vehicles for light-weighting. (*Source: CRISIL Report*) The recycled aluminium industry is expected to grow due to cost efficiency of recycled aluminium as compared with primary aluminium, benefits of pre-existing favourable chemical properties and environmental benefits. (*Source: CRISIL Report*) In addition, the Government of India has recently taken a number of initiatives to promote aluminium recycling in India. Certain of these initiatives are set forth hereunder:

- The Ministry of Environment, Forest and Climate Change ("**MoEF&CC**"), Government of India is in the process of formulating the National Resource Efficiency Policy ("**NREP**"). This policy aims at efficient use of natural resources and promoting recycling across all sectors, with aluminium as one of the priority sectors.

- The National Non-Ferrous Metals Metal Scrap Recycling Framework 2020, published in March 2020 by the Ministry of Mines, Government of India envisages a framework to address the challenges faced by the Indian non-ferrous metal recycling industry, with a special focus on aluminium. The policy foresees the country shifting towards a circular economy in the coming years for base metals, including aluminium.

We, as the largest metal recycler in the domestic aluminium recycling industry as per CRISIL Report, are expected to benefit from such increase in demand as well as from any government schemes and initiatives in the sector.

Further, aluminium recycling industry is highly fragmented and unorganised with most companies being run as family enterprises or proprietorships, having regional presence, with us being the exception, according to the CRISIL Report. GST implementation will also lead to higher compliance requirements thereby leading to increasing compliance costs for unorganised segment and therefore, we expect a shift of the industry from the unorganised to the organised segment. We believe that this shift will be beneficial for us. For instance, majority of the imports are consumed in southern region because of absence of any major organized player. (*Source: CRISIL Report*) We believe that our manufacturing facility being set up in south India to supply liquid aluminium, will help us gain significant presence in the market.

To cater to the future demand, we are also in the process of increasing our capacities in our existing facilities. We are setting up a cold refining facility in Vanod, Gujarat which will act as a feeder to our facilities in west India and will reduce our logistics costs. We have also signed a new joint venture agreement with Nikkei MC Aluminium Company Limited where our stake is 26%, to setup a facility in Pune. Further, we are looking to setup a new facility to supply aluminium billets and sheet ingots for electric vehicles.

Continue to invest in our technological capabilities in order to capitalize on future trends

We are committed to expanding our technological capabilities in order to capture future growth trends. We incurred an aggregate expenditure of ₹ 98.46 million during the last Fiscal towards our technological capabilities. Going forward, we intend to continue making investments in capacity expansions and modernization of our equipment and facilities.

We also seek to expand our capabilities in a cost efficient manner, by actively pursuing joint venture opportunities and strategic alliances with entities that are complementary to our business. For instance, we are looking at absorbing the technology necessary for the manufacture of 'green' aluminium billets, either through a joint venture or a strategic alliance with global players who possess this technology and are in the early stages of discussions with various equipment and technology suppliers for this purpose. Aluminium alloys are cast in billets to make automotive, aerospace parts and also for other applications such as packaging, construction, electrical and electronics. Given that currently, there are no players in India to manufacture high grade aluminium billets out of recycled aluminium, we believe that an acquisition of the relevant technology would be very beneficial to our revenues and results of operations. By focusing on this technology, we seek to benefit from key trends in the aluminium industry to move towards green products with much lower CO_2 impact.

We believe that the track record of our growth and expansion of our business coupled with our vision of expanding our operations enables us to look for opportunities for inorganic growth in order to complement our existing businesses. Accordingly, we continue to evaluate opportunities, domestically and internationally, to partner with established players to acquire technologies which may be complementary to our existing business. Further, we will actively seek out such opportunities that, in our assessment, are aligned with our existing product lines. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

Ensure efficiency and reduced cost through integrating operations, process optimization and increased use of information technology

Offering quality products at competitive prices is a key aspect of maintaining and expanding our relationships with our customers. To this end, we have adopted a number of initiatives designed to improve our operational efficiency. We, as one of our primary business strategies, also intend to continue improving cost efficiency. For instance, we have a monthly review of working processes, wherein every employee is required to submit at least one idea for improving working practices. The best submitted ideas are adequately awarded and horizontally deployed. We also have reviews on a monthly basis, wherein our facility heads are required to present the process improvements carried out in their respective facility during the month. The best process improvements are horizontally deployed and their effective implementation is regularly reviewed by the management of our Company. Some of the areas in which improvements are implemented are low-cost automation, energy conservation initiatives and rationalizing manpower requirements. We have also adopted the total preventive maintenance initiative across all of our manufacturing facilities to improve our operational efficiency and the reliability of our manufacturing processes and machines by decreasing break downs and rejections. Our business excellence team is also actively involved in introducing various process improvements on shop floor. This team has been working on implementing short interval controls wherein the output and quality of the various sections of the shop floor are monitored in short intervals. We have implemented the root cause analysis technique of effective problem and solution identification which is based on the principle of asking '5 Whys' to determine the root cause of any problem that arises. We intend to continue focusing on our business excellence team and developing further techniques not just to identify the problems of the shop floor, but also to resolve them. We strongly believe that each such initiative, irrespective of its scale, contributes to improving our efficiency, reducing costs and improving overall product quality. These efforts, we believe, have improved our input / output ratio thereby resulting in profitability.

We fix the prices on monthly basis with a large OEM customer which becomes the benchmark for other customers. While fixing the prices, fluctuations on account of raw material and forex are factored in the price. It should also be noted that as an industry practice, most of the players negotiate rates on monthly basis and all price fluctuations are passed on to the customers. (*Source: CRISIL Report*)

We are focused on using information technology to establish a standardised platform across our business units for our processes, hardware and software infrastructure and workforce. We have tried to increase the use of information technology in our operations from the shop floors to our corporate offices to enhance efficiency in our systems and reduce manual intervention in the reporting of data. In line with our intention to build a 'paper-less' organization wherein information is easily accessible as and when required, we have set up central planning, marketing and raw material procurement teams that make use of various software and business intelligence tools for planning the procurement, tracking deliveries, distribution of materials to various facilities and generating reports in the required formats. This not only helps us to reduce costs but also achieve operational efficiencies and economies of scale. We have also introduced the Infor ERP LN in the year 2015 encompassing business functions including production, materials, finance, inventory and human resource management. We focus on technological improvements which provide us with a competitive advantage with respect to building an organization with fully integrated operations.

Our Operations

Our Products

Our Company is the largest metal recycler in the domestic aluminium recycling industry and amongst the largest in the world, according to the CRISIL Report, catering to the automotive as well as the non-automotive industry. We are currently engaged in manufacturing primary aluminium alloys as well as secondary aluminium alloys. Primary aluminium alloy is an alloy where the iron and zinc content is less than 0.60% whereas secondary alloy is an alloy where the iron and zinc content is more than 0.60%. Aluminium alloys industry is an important part of non-ferrous cast metal industry as it encompasses a combination of aluminium and other alloying elements. Aluminium alloys vary depending upon their chemical composition. Some of the aluminium alloys manufactured by our Company based on various standards are LM6, LM 4, HS-1, DAA1, ADC12, ADC6, among others. A brief description of these alloys is provided hereunder.

- **ADC12** - This alloy has high mechanical properties and good castability. It is used for automotive parts with complicated shapes, for example, cylinder blocks, transmission cases, and converter housings.

- **ADC6 -** This alloy offers good corrosion resistance and elasticity for various safety applications, primarily in two wheelers like brake levers and handle holders.

- **HS1H** - This alloy has high resistance to corrosion. It is used in inlet pipe, bottom case.

- **DAA1** – This alloy has good castability and corrosion resistance. It is used in making cylinder head.

- **LM6 -** This alloy has a high resistance to corrosion and excellent castability. Accordingly, it is very suitable for marine applications, watercooled manifolds and water jackets, motorcar and transport fittings.

- **LM4** - This alloy is suitable for general engineering purposes including cylinder heads, crank-cases, junction boxes, gear-boxes, clutch cases and switch gear covers where moderate mechanical properties are desirable.

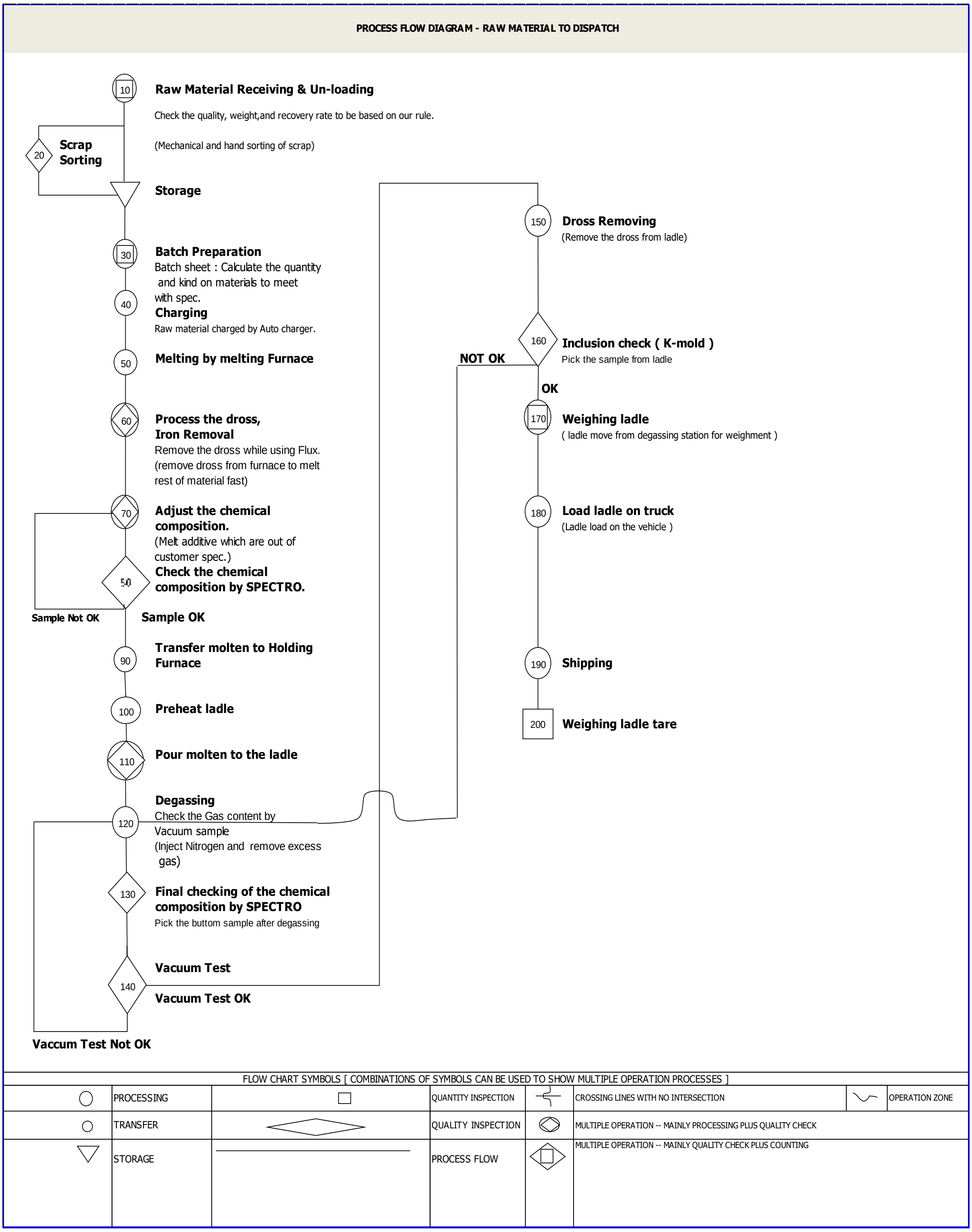
In addition to aluminium alloys, our Company also manufactures manufacture of zinc alloy ingots, specifically, Z3 and Z5, a combination prepared by adding metals such as aluminium and zinc.

In addition, our Company also recycles and sells other metals such as stainless steel, copper, brass, zinc, magnesium and steel that forms part of the mixed metal scrap that we procure. We employ sophisticated sorting equipment like induction sorting system, gravimetric separators and color-based sorting system to segregate these metals from the mixed metal scrap. We are able to obtain maximum value if the metals are segregated to an extent where they become ‘furnace ready’ and can be sold directly to the manufacturers who typically use these metals as raw material for their foundry units. As on March 31, 2021, our revenue from sale of segregated metals amounted to ₹ 7102.89 million, accounting for 24.38% of our revenue from operations.

Our Company has also entered into a joint venture with Kent Industrial Park Private Limited for recycling of ELVs where we undertake dismantling, shredding and sorting of ELVs and sell them in the form of scrap metal or re-usable automotive parts. With the recently announced automobile scrappage policy, we expect to witness a growth in this business going forward. We are in the process of setting up a facility in the district of Kheda, in Gujarat to undertake dismantling, shredding and sorting of parts of ELVs.

Our Manufacturing Process

Set forth below is a brief description of the process carried out in our manufacturing facilities:



Our Manufacturing Facilities

We presently operate through our 12 facilities of which, 10 facilities primarily focus on recycling of aluminium. Each of these 10 manufacturing facilities are present in some of the key auto clusters in north, west and south India. While four of our facilities are situated at Tatarpur, Gurugram, Manesar and Bawal, in the state of Haryana, we also have one facility situated each at Halol and Vanod, in the state of Gujarat, one facility situated each at Chennai and Vallam, in the state of Tamil Nadu and one facility situated each at Haridwar and Bhawadi, in the states of Uttarakhand, and Rajasthan, respectively. Our other two facilities, which cater to the non-automotive sectors, are situated in Balasar and Ahmedabad, in the state of Gujarat.

Our total manufacturing capacity as on March 31, 2021 was 302,000 MT aluminium alloys and 8,700 MT zinc alloys. Some of our manufacturing facilities are operated round the clock for seven days in a week with national and public holidays being the off days.

Set forth below are details of the installed capacity and the utilized capacity, during Fiscal 2021 at each of our manufacturing facilities.

Facility	**Alloy Manufactured**	**Installed Capacity *(in MT)* in Fiscal 2021**	**Utilized Capacity *(in %)* in Fiscal 2021**
Tatarpur Unit	Aluminium	40,000	68.96
	Zinc	7,200	53.79
	Zuric	60,000	51.27
Haridwar Unit	Aluminium	36,000	57.27
	Zinc	1,500	31.61
Gurugram Unit	Aluminium	24,000	46.35
Bhiwadi Unit	Aluminium	18,000	35.24
Manesar Unit	Aluminium	24,000	55.94
Halol Unit	Aluminium	24,000	39.42
Bawal Unit	Aluminium	40,000	69.88
Chennai Unit	Aluminium	42,000	51.81
Vallam Unit	Aluminium	24,000	38.90
Vanod Unit	Aluminium	30,000	53.48
Balasar Unit	Electric motor recycling	50,000	31.73

Details of our operating manufacturing facilities

Tatarpur Unit

Tatarpur Unit commenced operations in the year 2006. This facility has expanded and has an annual installed capacity of 40,000 MT aluminium alloys and 7,200 MT zinc alloys, as on March 31, 2021. Currently, this facility is engaged in the manufacture of more than 25 alloys conforming to the various standards.

This facility was set up with advanced metal recycling equipment such as metal circulation pumps, de-coaters and large furnaces, among others which were imported by our Company. We have strived to keep the equipment updated with the latest technology through further investments being made in modern metal recycling equipment such as heavy media separation system, induction based sorting system, colour sorters, eddy current separators, rotary sieves, gravimetric separation, among others, over the years. Some of the key customers associated with this facility include India Yamaha Motor Private Limited, Maruti Suzuki India Limited and Honda Cars India Limited.

Tatarpur Unit is equipped with hot as well as cold refining capabilities. The cold refining section receives mixed metal scrap such as zorba, twitch, tense, taint tabor, tally, taboo, turning etc. which is processed to segregate aluminium from other metals such as zinc and copper and other non-metals.

Haridwar Unit

The Haridwar Unit commenced operations in the year 2008. This facility has expanded and has an annual installed capacity of 36,000 MT aluminium alloys and 1,500 MT zinc alloys, as on March 31, 2021. This facility is located adjacent to its customer, Rockman Industries Limited. Other key customer associated with this facility include Rico Auto Industries Limited.

Haridwar Unit is equipped with hot as well as cold refining capabilities with six furnaces operating in its premises.

Gurugram Unit

The Gurugram Unit commenced operations in the year 2009. This facility has expanded and has an annual installed capacity of 24,000 MT aluminium alloys. At the time of commencement of operations in 2009, the Gurugram Unit was set up as a single customer focused facility for Sunbeam Lightweighting Solutions Private Limited. With hot refining capabilities, this manufacturing facility is entirely engaged in producing and supplying of liquid aluminium.

Bhiwadi Unit

The Bhiwadi Unit commenced operations in the year 2011. This facility has expanded and has an annual installed capacity of 18,000 MT aluminium alloys, as on March 31, 2021. This facility is engaged in the supply of liquid aluminium as well as aluminium alloy ingots.

The Bhiwadi Unit is located adjacent to its customer, Sunbeam Lightweighting Solutions Private Limited. Other key customers associated with this facility are Honda Cars India Limited, among others. This facility is equipped with hot refining and cold refining capabilities. The effective capacity utilisation of this facility is relatively low as this is a side by side facility with one of our customers and is dependent on the growth of the customer. However, our Company, in order to utilise this facility better, has also started segregation of stainless steel based scrap, zurik, from this location.

Manesar Unit

The Manesar Unit is one of the recently set up facilities having commenced operations in the year 2013. This facility has expanded and has an annual installed capacity of 24,000 MT aluminium alloys, as on March 31, 2021. This manufacturing facility is entirely engaged in producing and supplying liquid aluminium.

The key customer associated with this facility is Maruti Suzuki India Limited, among others. This facility is equipped with hot refining capabilities in its premises. This facility receives sorted raw material from Tatarpur Unit and Bawal Unit which is processed and the aluminium is then segregated.

Halol Unit

The Halol Unit is one of the recently set up facilities having commenced operations in the year 2019. This facility has an annual installed capacity of 24,000 MT aluminium alloys, as on March 31, 2021, and is entirely engaged in producing and supplying liquid aluminium.

The key customers associated with this facility is Sunbeam Lightweighting Solutions Private Limited, among others. This facility is equipped with hot refining capabilities in its premises. This facility receives sorted raw material from Vanod Unit.

Bawal Unit

The Bawal Unit commenced operations in the year 2013. This facility has expanded and has an annual installed capacity of 40,000 MT aluminium alloy ingots, as on March 31, 2021. This facility is engaged in the manufacture and supply of liquid aluminium as well as aluminium alloy ingots.

Set up in the year 2013 pursuant to a joint venture agreement between our Company and Nikkei, this facility is equipped with hot as well as cold refining capabilities with eight furnaces operating in its premises. Some of the key customers of this facility are Ahresty India Private Limited, Samwardhana Motherson Auto Component Private Limited, Rico Auto Industries Limited and Rockman Industries Limited.

Chennai Unit (Pillaipakkam)

The Chennai Unit commenced operations in the year 2014. This facility has expanded and has an annual installed capacity of 42,000 MT aluminium alloys, as on March 31, 2021. This facility offers manufacture of aluminium alloy ingots only.

Set up in the year 2014 pursuant to a joint venture agreement between our Company and Toyota Tsusho, this facility is equipped with hot as well as cold refining sections with seven furnaces operating in its premises. This facility caters to the automotive market in south India. Some of the key customers associated with this facility include India Yamaha Motor Private Limited, Toyota Industries Engine India Private Limited, Jaya Hind Industries Limited, among others.

Vallam Unit

The Vallam Unit commenced operations in the year 2019. This facility has an annual installed capacity of 24,000 MT aluminium alloy ingots, as on March 31, 2021. This facility is engaged in the manufacture and supply of liquid aluminium alloys.

Set up in the year 2019 as the second facility under CMRT, this facility is equipped with hot refining capabilities in its premises. Some of the key customers of this facility are Sundaram Clayton Limited.

Vanod Unit

The Vanod Unit commenced operations in the year 2018. This facility has an annual installed capacity of 30,000 MT aluminium alloys, as on March 31, 2021. This facility is engaged in the supply of liquid aluminium as well as aluminium alloy ingots.

Balasar Unit

The Balasar Unit is one of the recently set up facilities having commenced operations in the year 2019. This facility was set up in Fiscal 2020 and is engaged in the operations of segregating and dismantling old and used electric motors. This facility has an annual installed capacity of 50,000 MT. This facility sells segregated iron, aluminium and copper scrap to the non-automotive sector.

Ahmedabad Unit

The Ahmedabad Unit is one of the recently set up facilities having commenced operations in the year 2020. This facility has been set up under our joint venture entity CMR Kataria Recycling Private Limited and is engaged in the recycling of ELVs where we undertake dismantling, shredding and sorting of ELV parts.

Our Equipment

We use various technologies for manufacturing and supplying aluminium alloy ingots and liquid aluminium alloys including a regenerative burner, baghouse, pump furnace and de-coater, rotary sieve, heavy media separation system, induction based sorting system, colur sorting system, eddy current separator, gravimetric separation, shredder, specially designed ladles and auto chargers as well as specially designed trucks which we believe provide us a cost competitive advantage among our competitors.

Regenerative burner

Regenerative burner helps us to achieve combustion efficiency, reduced fuel consumption, increased production from existing facilities and reduced emission of carbon dioxide and carbon monoxide into the environment. It works on the principle of waste heat recovery, and accordingly is energy efficient.

Baghouse

A baghouse is an air pollution control device that removes particulates out of air or gas released from our furnaces. Baghouse helps in collecting dust and gas emitted by our furnaces and other equipment.

Pump furnace and de-coater

Pump furnace is a continuously operating furnace. Continuous circulation of metal by creating vortex helps in dissolution and adequate mixing of scraps. De-coater helps in drying the wet material by pre-heating thereby eradicating splashing and consequently eliminating chances of accident. De-coater also removes coatings of oil and/or paints from the surface of scrap, thereby ensuring lower melt loss and higher recovery.

Heavy media separation system

The heavy medium separation ("**HMS**"), also known within the field of the scrap treatment as Flotation, is a process used to separate materials that have a different specific weight. To obtain this kind of separation, the material to be separated is immersed into a 'bath' of a fluid of the proper density, in which the light components float, while heavy components sink.

Induction sorting system

The induction sorting system is utilised for recovering residual metals from a mix of materials. It is especially suitable for stainless steels and composite materials such as cables or circuit boards. It has been deployed with a focus on recovering stainless steel metal concentrates from zurik.

Colour sorting system

This system is designed to recognize and separate materials based on their colour characteristics and mineral fingerprint checked against the near-infrared ("**NIR**") wavelength spectrum.

Rotary sieve

A rotary sieve is responsible for the size based segregation of zorba. It is a rotating equipment which has outlets of various sizes. This enables sizing of material, after which each size fraction can be treated and sorted more efficiently.

Eddy current separator

Eddy current separator is a machine which uses high frequency, high power rotating magnets to separate metals from non-metals. Materials below a particular size are processed in the eddy current separator which enables separation of metallic substances from the non-metallic impurities.

Gravimetric separation

Integrated washing machines use difference in bulk density of scrap to segregate mixed metal scrap with force of water. Along with separation, it also helps by washing impurities from metal scrap such as dust, so as to ensure clean scrap gets charged in the furnace. The materials segregated are then transferred to separate conveyors, where the lady sorters manually hand pick the various metals.

Shredder

Shredder is an imported equipment used for shredding of radiators and other metal scraps which assists in removal of impurities such as iron and dust from the scrap.

Auto chargers

Auto chargers are equipment used for feeding aluminium scrap into the furnaces. It uses hydraulics to push the material into the furnace.

Ladles

Ladles are equipment used to carry liquid aluminium, preventing loss of temperature during transit. They are lined with special refractory materials to prevent loss of temperature and to ensure non-sticking to molten aluminium.

Raw Materials and Suppliers

The essential raw material used by our manufacturing facilities for production of aluminium alloy ingots and liquid aluminium alloy is aluminium based metal scrap. Our Company has the capability to procure and process a variety of aluminium based scrap such as zorba, zurik, taint tabor, tense, troma, tally, among others. A brief description of some of these forms of scrap is set forth hereunder.

Zorba - Zorba consists of various metallic substances such as aluminium, copper, lead, magnesium, brass, stainless steel, nickel, tin and zinc in solid form. This material is generated by eddy current, air separation, flotation, screening, other segregation technique(s), or a combination thereof.

Zurik - Zurik is made up of a combination of the non-ferrous metals: stainless steel, insulated copper wire, aluminium, copper, lead, magnesium, nickel, tin, and zinc, in elemental or alloyed (solid) form.

Taint Tabor - This is a kind of scrap which consists of clean old aluminium sheet of two or more alloys, free of foil, venetian blinds, castings, hair wire, screen wire and other non-metallic items. Our Company imports taint tabor primarily from Europe and the United States.

Tense - Tense consists of clean aluminium castings which may contain auto and airplane castings but no ingots. Tense imported by us is free of brass, copper and other metals. Our Company imports tense from Europe, Africa, Middle East and the United Kingdom.

Troma - Troma consists of clean, single-piece, un-plated aluminium wheels of a single specified alloy, free of all inserts, steel, wheel weights, valve stems, tires, grease and oil. Our Company imports troma primarily from Europe.

Tally - Tally consists of clean aluminium radiators and condensers. The contaminants including iron, plastic, and foam do not constitute more than one percent.

Our cost of raw materials consumed including purchase of traded goods and changes in inventories of finished and traded goods was ₹ 22,963.91 million, which represented 78.83% of our revenue from operations, respectively.

We procure all these raw materials from third party suppliers at negotiated spot rates. While we do not have any long term agreements with any of our raw material suppliers, we have maintained long term relationships with most of our major suppliers.

According to the CRISIL Report, India is significantly dependent upon imports to meet the aluminium scrap requirement. In Fiscal 2020, these imports accounted for approximately 85-90% of the total scrap requirement. This higher share of imported aluminium scrap is largely on account of the lack of efficient ecosystem for collection of scrap and processing facilities. Further, a large portion of aluminium scrap collected domestically is used in unorganised segments, such as making of utensils. However, with an increased focus to boost recycling globally, and establishment of necessary infrastructure to collect metal scrap domestically, availability of scrap is expected to gradually rise for the recyclers.

Forex management

We import most of our raw materials from other countries where payments are carried out in foreign currencies. This exposes us to currency fluctuation risk. The prices of our raw materials are volatile and are subject to various factors including commodity prices, global economic conditions, supply and demand dynamics and market speculation, among other factors.

Given the nature of the international scrap industry, we do not enter into any long-term contracts with our suppliers and our purchase contracts are made on spot prices. Since scrap prices are not quoted on an exchange, tools for commodity hedging, such as hedging on industrial metals trading platforms is not available to us. As a result, we, to the extent possible, structure our sale contracts with our customers such that our exposure to forex and commodities associated risks are minimized. It should also be noted that as an industry practice, most of the players negotiate rates on monthly basis and all price fluctuations are passed on to the customers. (*Source: CRISIL Report*)

As a trade practice, the alloy prices are generally fixed on a monthly basis by one of our major OEM customers, which generally forms the basis for most of our customers. Various factors including movements in scrap prices and currency and average of scrap prices and forex rates of the preceding month are considered while fixing the alloy prices. Considering we make our payments to our raw materials suppliers approximately 30 days prior to the sale of our finished goods, this gives us a natural hedge against price and forex fluctuations to a large extent.

In addition, we hedge our foreign currency loans, in accordance with the requirement of the lender, to minimize our exposure to adverse currency movements.

Customers

Our customers in the aluminium recycling segment in India are predominantly automotive OEMs and Tier 1 companies, including some of India's well-known OEMs. As on July 31, 2021, some of our OEM customers include Maruti Suzuki India Limited, Honda Cars India Limited, Bajaj Auto Limited, Hero MotoCorp Limited, Royal Enfield Motors Limited and India Yamaha Motor Private Limited, while our customers, who are Tier 1 companies include Toyota Industries Engine India Private Limited, Rockman Industries Limited, Sunbeam Lightweighting Solutions Private Limited, Endurance Technologies Limited, Rico Auto Industries Limited, Minda Industries Limited, Jaya Hind Industries Private Limited, Sebros Auto Private Limited, Samvardhana Motherson Auto Component Private Limited, Hitachi Astemo Haryana Private Limited, Craftsman Automation Limited, Gabriel India Limited, Denso International India Private Limited, Ahresty India Private Limited and Aurangabad Electricals Limited, among others. In our segregation and recycling of metal segment, the customers that we cater to include Jindal Stainless Limited, Agrawal Metal Works Limited, Bright Metals India Private Limited, Mittal Appliances Limited and Mehta Tubes Limited.

We rely on purchase orders with our customers and do not typically enter into firm-commitment on pricing. The purchase orders specify prices and quantities for the products. However, the delivery of the products ordered is based on delivery schedules which are shared by the customers from time to time. These purchase orders are typically subject to conditions such as ensuring that all products delivered to the customers have been inspected and are built to customers' specifications and that orders are fulfilled according to predetermined delivery schedules. To that end, we also include pre-dispatch inspection reports with our deliveries.

Our Sales and Marketing Operations

We have a strong sales and marketing team consisting of 52 employees (on a consolidated basis), as of July 31, 2021, who work as key account managers and focus on customer development and maintaining customer relationship. Under the leadership of our Chairman and Managing Director, Mohan Agarwal, this team is also responsible for the marketing of our products, negotiating prices, procuring repeat orders and ensuring timely dispatch and deliveries.

Quality Control and Services

In the sectors that we cater to, adherence to quality standards is a critical factor as any defects in any of the products manufactured by our Company or failure to comply with the specifications of our customers may lead to cancellation of the purchase order placed by our customers. In order to maintain the quality standards and comply with the design specifications provided by our customers and to ensure that our products successfully pass all validations and quality checks, we employ an extensive and stringent quality control mechanism at each stage of the manufacturing process including a multi-stage check of raw materials, chemical analysis of alloys, microstructure analysis, tartar mould test, spectrometer analysis and K mould test. At each stage of the manufacturing process, the products are checked by the operators to ensure there is no defect from the previous stage operator. Separately, our manufacturing facilities and manufacturing processes are regularly inspected by representatives of our customers. We also have a separate team of 40 employees (on a consolidated basis) which is responsible for quality assurance both in the manufacturing facilities, plant and machineries, and in the manufacturing processes.

Our facilities employ an extensive and stringent quality control mechanism at each stage of the recycling process to ensure that our finished product conforms to the exact requirement of our customers. As on the date of this Draft Red Herring Prospectus, certain of our other manufacturing facilities have received the IATF 16949:2016 accreditation for quality management systems. The facilities at Vanod, Halol and Vallam are accredited with ISO 9001:2015 certifications. Further, our facilities also have received ISO 14001:2015 for environmental management systems and ISO 45001:2018 for occupational health and safety management systems.

Information Technology

We have implemented various information technology ("**IT**") solutions and/or enterprise resource planning ("**ERP**") solutions to cover key areas of our operations. We intensively use technology in relation to customer order management and dispatches, production planning and reporting, manufacturing processes, financial accounting and scheduling raw material purchase. We rely on our IT infrastructure to provide us with connectivity and data backup across our locations and functions. We intend to continue to focus on and make investments in our IT systems and processes, including our backup systems, to improve our operational efficiency, customer service and decision making process and to reduce manual intervention and the risk of system failures and the negative impacts these failures may have on our business thereby improving reliability and efficiency of our business and operations.

We also have in place a business intelligence software which is utilized for driving process improvements and supporting the entire process lifecycle, including process discovery, definition and modelling, implementation, monitoring, and analysis and continuous improvement. This is an extremely flexible software and can be tailored to match the needs of the end user. Further, our Company also employs an advanced software that allows us to plan our procurement and production processes using the linear programming technique. This software is fully integrated, programming based system that includes scrap control, inventory control, purchase evaluation, among others. We implemented ERP systems encompassing all business functions including production, materials, finance, inventory and human resource management. We make efforts to consistently upgrade our systems to ensure efficiency thereby leading to business continuity.

Intellectual Property

Our success and ability to compete depend in part upon our ability to protect our technology and to establish and adequately protect our intellectual property rights. We have applied for patenting an invention relating to a process of electric degassing of molten aluminium with the Controller General of Patents, Designs and Trade Marks. We have filed another application with the Controller General of Patents, Designs and Trade Marks for patenting our invention relating to a system and method of conveying a ladle in a truck wherein the ladle contains molten metal, for locomotion by land. Also see, "*Risk Factors – We might infringe upon the intellectual property rights of others, which could harm our competitive position.*" on page 54.

Health, Safety and Environment

We aim to comply with applicable health and safety regulations and other requirements in our business operations. We have implemented work safety measures to ensure a safe working environment, such measures include general guidelines for health and safety at our offices and manufacturing facilities, accident reporting, wearing safety equipment and maintaining clean and orderly work locations. To this end, independent third party audits are also conducted to improve safety on our shop floor.

Our Company is also committed to maintaining its performance on environmental indicators. Recycling aluminium has many environmental advantages over the production of aluminium afresh. As per the CRISIL Report, manufacturing one tonne aluminium from the recycled route requires aluminium scrap as a key raw material and consumes only 5 - 7% of the total power required for production of primary aluminium, thereby preserving the natural resources as well as being energy efficient. As per industry estimates, every one tonne of aluminium manufactured through primary route, consumes 4-6 tonnes of bauxite, 1-1.5 tonne of limestone, 20-22 cubic metre of water, and approximately 14,000 Kwh of power. (*Source: CRISIL Report*) We use baghouses and regenerative burners in our plants for controlling pollution and collecting dust and gases emitted by furnace and other equipment. This allows us to maintain our SPM[3] emission levels under 50 mg/Nm3 when the permissible limit as per Central Government pollution norms is 150 mg/Nm3. Consequently, based on our sales volume, we have saved approximately 768,288.74 MT of bauxite, 192,072.19 MT of limestone, 3,226,812.72 cubic meter of water, 2,022.14 million kwh of energy and 543,948.43 MT of Carbon dioxide during Fiscal 2021. In addition, our Company adheres to high standards for environmental protection. For instance, one of our manufacturing facilities has been accredited by the UNFCCC as being an environmentally clean plant, eligible for carbon credits.

Human Resource and Employee Training

As on July 31, 2021, we have 615 permanent employees and 4,215 contractual workmen, on a consolidated basis. We undertake selective and need-based recruitment every year to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees. As on July 31, 2021, we had 139 employees working in the production team, 47 employees engaged in the purchase team, 75 employees engaged in the maintenance team, 67 employees engaged in the accounts and finance team and 52 employees engaged in the sales and marketing team, among others. For the purposes of recruiting employees, we use recruitment agencies and web-sites and conduct campus interviews at regular periods. Our emoluments for our staff are performance based. Employees are evaluated on a monthly basis for their performance on specified parameters and appraised on a yearly basis.

None of our employees are in a union and we have not had any material disputes with our employees in the past. As such we consider our relations with our employees to be amicable. We are committed to the development of the expertise and know-how of our employees through technical seminars and training sessions organised or sponsored by the Company. Our personnel policies are aimed towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations.

Insurance

We maintain insurance policies for our manufacturing facilities, including our buildings, plants, machinery, furniture, fixtures and fittings.

We maintain various policies such as the marine insurance policy, standard fire and special perils policy, commercial general liability insurance policy, contractor plant and machinery insurance policy, and erection all risks/ storage cum erection insurance policy, among others. We have also obtained a personal accident insurance policy for our employees. However, our insurance policies may not be able to cover all of our losses and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. Also, see "*Risk Factors – Our insurance coverage may not adequately protect us against all material hazards.*" on page 50.

Corporate Social Responsibility

We seek to integrate our business values with our operations so we may undertake our business activities in an ethical and transparent manner. Further, we seek to improve our fulfilment of social responsibilities and enhance our economic practices in an attempt to create a positive impact on the society. Our Corporate Social Responsibility Committee comprising Gyan Mohan, Rashmi Verma and Akshay Agarwal, has adopted a CSR policy with a focus on hunger and poverty eradication, on malnutrition and health, on education, and on rural development projects.

Property

Our Registered and Corporate Office is located at Unit Nos. 802-803, 8th Floor, SSR Corporate Park, Sector 27 B, Faridabad 121 003, Haryana, India, and is leased by us, and such lease is valid for a period of five years from January 1, 2018 until December 31, 2022.

Further, we operate our manufacturing facilities on parcels of lands that are held by us on a leasehold basis as well as freehold basis. As on the date of this Draft Red Herring Prospectus, four of our operating manufacturing facilities are on our own land and eight operating manufacturing facilities are on leased land.

Our Chennai Unit and Vallam Unit, operated through our Subsidiary CMRT, are both situated on premises occupied on a long term lease basis, for a period of 99 years, pursuant to a lease agreement dated December 27, 2012 and March 26, 2018, respectively, entered into between CMRT and State Industries Promotion Corporation of Tamil Nadu Limited ("**SIPCOT**"). Our Haridwar Unit is also situated on premises occupied by us on a long term lease basis, for a period of 90 years, pursuant to a lease agreement dated May 5, 2007, entered into between our Company and State Industrial Development Corporation of Uttaranchal Limited ("**SIDCUL**"). Similarly, our Balasar Unit is situated on premises occupied by us on a leasehold basis, for a period of 99 months, commencing from October 1, 2020. Our other manufacturing facilities located at Bhiwadi, Gurugram, Manesar and Ahmedabad, are all situated on premises currently held by us on a leasehold basis.

Our manufacturing facilities situated at Tatarpur, Haryana and Halol, Gujarat are situated on land owned by us. Further, our facilities at Bawal, Haryana and Vanod, Gujarat (both operated through CMRN) are also situated on land owned by our Subsidiary, CMRN.

Also see, "*Risk Factors - The land and premises for our Registered and Corporate Office and certain of our manufacturing facilities are taken on lease by us including from our Promoters. If we or our business partners are unable to renew existing leases or relocate operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition, result of operations and cash flows. Further, any failure or delay in the acquisition of land or an inability to acquire land at acceptable costs or on commercially reasonable terms may adversely affect our business, results of operations and financial condition.*" on page 51.

Competition

The aluminium recycling industry is extremely competitive where the key factors of competition primarily comprise of product quality, cost, delivery, development and management. In this highly competitive industry, we compete with other aluminium alloy manufacturers and suppliers in the world and in India. As per the CRISIL Report, the overall market is largely dominated by small and medium sized players commanding around approximately 55-60% of the aggregate supply for Fiscal 2020, of the aluminium recycling industry in India. Some of our competitors have better penetration in some of the geographical locations that we operate in. While we have been able to increase our market share consistently in the last five fiscals, we continue to compete with international, regional and domestic entities engaged in manufacturing and supply of aluminium alloy to the automotive industry. Some of our significant competitors in the organized segment are Century NF Casting, a division of Century Aluminium Manufacturing Company Limited, Shree Balaji Alumnicast Private Limited and Namo Alloys Private Limited. (*Source: CRISIL Report*)

Competition in the aluminium manufacturing industry is likely to further intensify in view of the continuing globalization and consolidation in the automotive industry. However, we believe that the shift from unorganized players to organized players will benefit us. Please also see, "*Risk Factors - We face competition in the recycled metals industry. Failure to compete effectively may have an adverse impact on our business, financial condition, results of operations and cash flows.*" on page 42.

Our Scheme of Amalgamation

Our Company, Grand Metal Recycling Private Limited ("**GMRPL**"), Suvridhi Financial Services Limited ("**SFSL**"), Sanjivani Non Ferrous Trading Private Limited ("**SNFTPL**"), Ramayana Polymers Private Limited ("**RPPL**"), Forever Multimedia Private Limited ("**FMPL**"), Century Metal Recycling Limited ("**CMR**" and along with GMRPL, SFSL, SNFTPL, RPPL and FMPL, the "**Transferor Companies**") and their respective shareholders filed a scheme of arrangement (the "**Scheme of Arrangement**") under Sections 230-232 before the National Company Law Tribunal, Chandigarh ("**NCLT**"), for the amalgamation of the Transferor Companies into our Company.

Our Company and the Transferor Companies were part of the 'CMR Group', which was primarily engaged in the business of metal recycling and the manufacture of metal products. The objective of the Scheme of Arrangement was, *inter alia,* to simplify the corporate structure of the CMR Group, eliminate cross-holding among the entities comprising the CMR Group, pool resources to enable greater fund raising opportunities, create management efficiencies and synergies in the operations and businesses of the CMR Group, and optimising administration and statutory compliances.

The NCLT approved the Scheme of Arrangement pursuant to its order dated August 6, 2021. The Scheme of Arrangement was divided into various parts each of which became effective on September 1, 2021, pursuant to the submission of a certified copy of the order of the NCLT with the RoC.

For further details of this Scheme of Arrangement, see "*History and Certain Corporate Matters - Mergers or amalgamation*" on page 182. For details of allotments of Equity Shares made by our Company pursuant to the Scheme of Arrangement, see "*Capital Structure – Notes to Capital Structure – Equity Share Capital History of our Company*" at page 82.

KEY REGULATIONS AND POLICIES IN INDIA

The following is an overview of the important laws, policies and regulations, which are relevant to our business and related sectors. The regulations set out below are not exhaustive and are only intended to provide general information. The following is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The following is only intended to provide general information to the investor and is neither designed nor intended to be a substitute for professional legal advice. For details of government approvals obtained by us in compliance with these regulations, to the extent applicable, refer to "Government and Other Approvals" on page 564.

I. Industry-specific Regulations and Policies

National Non-Ferrous Metal Scrap Recycling Framework, 2020

The National Non-Ferrous Metal Scrap Recycling Framework, 2020, as amended (the "**Non-Ferrous Metal Recycling Framework**") issued by the Ministry of Mines, Government of India, envisages bringing both product and processing stewardship to enhance Non-Ferrous Metal recycling. Its objectives include, *inter alia*, promotion of a formal and well-organized recycling ecosystem; adoption of data-based analysis and policy making at all stages of the recycling chain; production of high quality scrap for quality secondary production whilst minimizing the dependency on imports; achieving technological leadership in scientific methodology; bettering the quality of scrap produced; and to promote the 6Rs principles of Reduce, Reuse, Recycle, Recover, Redesign and Remanufacture through scientific handling, processing and disposal of all types of non-ferrous scrap, through authorized centres / facility. The Non-Ferrous Metal Recycling Framework aims to achieve its goal of having a sustainable non-ferrous metal recycling eco-system in the long run by, *inter alia*, setting up a central authority for recycling of metals which may be called as Metal Recycling Authority; placing obligations on the stakeholders involved in the process; setting up an institutional mechanism for carrying out studies and advance research in the field of recycling of metal; and by having the government encourage and provide support to research & development in metal scrap recycling. It also aims to develop specified metal recycling zones with facility for collection, segregation, dismantling etc. of metal scrap and ensure quality control by fixing minimum infrastructure requirement for recycling units with clear minimum standards and criteria for the processing of recyclables to produce consistent, high quality streams of recyclable material.

Steel Scrap Recycling Policy, 2019

The Steel Scrap Recycling Policy, 2019, as amended (the "**Steel Recycling Policy**") was introduced by the Ministry of Steel, Government of India, envisaging a framework to facilitate and promote the establishment of metal scrapping centres in India. The policy aims to ensure scientific processing & recycling of ferrous scrap generated from various sources and a variety of products. The policy framework provides standard guidelines for collection, dismantling and shredding activities in an organized, safe and environmentally sound manner. The policy aims to achieve the objectives, *inter alia*, to promote circular economy in the steel sector; to promote a formal and scientific collection; dismantling and processing activities for end of life products that are sources of recyclable (ferrous, non-ferrous and other non-metallic) scraps which will lead to resource conservation and energy savings and setting up of an environmentally sound management system for handling ferrous scrap; processing and recycling of products in an organized, safe and environment friendly manner; to evolve a responsive ecosystem by involving all stakeholders; to produce high quality ferrous scrap for quality steel production thus minimizing the dependency on imports; to decongest the Indian cities from end of life vehicles ("**ELVs**") and reuse of ferrous scrap; to create a mechanism for treating waste streams and residues produced from dismantling and shredding facilities in compliance to Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 issued by Ministry of Environment, Forest and Climate Change; and to promote 6Rs principles of reduce, reuse, recycle, recover, redesign and remanufacture through scientific handling, processing and disposal of all types of recyclable scraps including nonferrous scraps, through authorized centres / facility.

National Steel Policy, 2017

The National Steel Policy, 2017, as amended (the "**National Steel Policy**"), seeks to enhance domestic steel consumption, ensure high quality steel production, and create a technologically advanced and globally competitive steel industry in India. As per the National Steel Policy, the Ministry of Steel will facilitate research and development in the sector, through the establishment of Steel Research and Technology Mission of India. The initiative is aimed to spearhead research and development of national importance in the iron and steel sector, by utilizing tripartite synergy amongst industry, national research and development laboratories and academic institutes. The National Steel Policy encompasses, *inter alia*, steel demand, steel capacity, raw materials, including iron ore, iron ore pellets, manganese ore, chromite ore, ferroalloys, land, water, power, infrastructure and logistics, and environmental management. Through its policy measures, the Ministry of Steel, intends to ensure the availability of raw materials such as iron ore, coking coal, natural gas, etc. at competitive rates. The National Steel Policy envisions that in the steel industry, an environment will be created to promote domestic steel and resultantly create a scenario where production meets the anticipated pace of growth in consumption, through a technologically advanced and globally competitive steel industry.

Steel and Steel Products (Quality Control) Order, 2020

The Steel and Steel Products (Quality Control) Order, 2020, as amended (the "**Quality Control Order 2020**"), was notified by the Ministry of Steel, Government of India, to require a total of (now) 145 steel and steel products to be mandatorily certified under the Indian Standards from the Bureau of Indian Standards ensuring standardisation and quality control. All manufacturers of steel and steel products are required to apply to the Bureau of Indian Standards for certification and ensure compliance with the Quality Control Order 2020. The Quality Control Order 2020 further provides that every steel and steel products stated therein shall bear the standard mark under a license from Bureau of Indian Standards as provided in Bureau of Indian Standards (Conformity Assessment) Regulations, 2018.

II. Environmental Legislations

The Environment (Protection) Act, 1986 and Environment (Protection) Rules, 1986

The Environment (Protection) Act, 1986, as amended (the "**Environment Protection Act**") is a wide overarching legislation, which seeks to formulate laws on various environmental issues and provide for protective measures in India. Under the Environment Protection Act, the Government is empowered to take any measure it deems necessary for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes, among other things, rules for laying down standards for protecting and improving the quality of the environment by setting standards for emission or discharge of environmental pollutants from various sources as provided under the Environment (Protection) Rules, 1986. The Environment Protection Act further enlists various penalties for contravention of any provision of the Environment Protection Act, including imposing fines up to ₹ 100,000 and imprisonment for up to five years, or both. If the violation continues beyond a period of one year after the date of conviction, the offender shall be punishable with imprisonment for a term that may extend up to seven years.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981, as amended (the "**Air Act**") is the primary legislation in India, which provides for prevention, control and abatement of air pollution. The Air Act seeks to protect the environment and surroundings, from any adverse effect of the pollutants, which emanate from any factory or manufacturing unit or activity. It lays down standards and requirements for the companies to adhere to, in relation to the emission of pollutants by them. Pursuant to the provisions of the Air Act, any person seeking to establish or operate an industrial or manufacturing unit, within an air pollution control area, is required to obtain the necessary permissions and consents of the relevant state pollution control board, before establishing or operating such an industrial plant. The pollution control board of the particular state is required to, within a period of four months of the application, grant the consent if all the specifications and compliance requirements have been adhered to.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974, as amended, (the "**Water Act**") is the primary legislation in India, which provides for prevention, control and abatement of water pollution, while also seeking to maintain or restore the quality of water. The Water Act seeks to protect the environment and surroundings, from any adverse effects of the effluents, which emanate from any factory or manufacturing unit or activity. It lays down standards and requirements for the companies to adhere to in relation to the discharge of effluents. Pursuant to the provisions of the Water Act, any person seeking to establish or operate an industrial or manufacturing unit, is required to obtain the necessary permissions and consents, upon having complied with the technical specifications to establish and commence operations. The pollution control board of the particular state must within a period of four months of the application, grant the consent if all the specifications have been adhered to.

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended (the "**Hazardous Wastes Rules**") impose an obligation on every occupier of a facility generating hazardous waste for safe and environmentally sound handling of such waste at the facility. Every person engaged in the generation, processing, treatment, packaging, storage, transportation, use, collection, destruction, conversion, offering for sale and transfer of hazardous waste, must obtain approval from the applicable state pollution control board. The occupier, the importer, the transporter and the operator of such facility are liable for damage to the environment or third party resulting from the improper handling and disposal of such hazardous waste. The Hazardous Wastes Rules permit for aluminium and zinc scrap to be imported without the permission of the Ministry of Environment, Forest and Climate Change to users and traders, who have obtained the one-time permission from the applicable state pollution control board.

III. Labour Legislations

Factories Act, 1948

The Factories Act, 1948, as amended (the "**Factories Act**") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term 'factory', as defined under the Factories Act, includes any premises which employ or has employed on any day in the preceding 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workers are employed or were employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. The Factories Act, and the rules framed thereunder, also requires, among other things, maintenance of various registers dealing with safety and labour standards. Further, a notice of an accident or a dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory. This legislation is being enforced by the Central Government through officers appointed under the Factories Act i.e. Inspectors of Factories, Deputy Chief Inspectors etc. who work under the control of the Chief Inspector of Factories and overall control of the Labour Commissioner.

Labour Codes

In order to rationalize and reform labour laws in India, the Government has enacted four labour codes that would subsume primarily all of the central labour laws and would collectively form the governing labour legislations, as and when brought into effect. These four codes are:

(a) *The Code on Wages, 2019*

The Code on Wages, 2019 proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code predominantly concerning the constitution of the Central Advisory Board and other provisions of this code will be brought into force on a date to be notified by the Central Government.

(b) *The Occupational Safety, Health and Working Conditions Code, 2020*

The Occupational Safety, Health and Working Conditions Code, 2020 proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

(c) *The Industrial Relations Code, 2020*

The Industrial Relations Code, 2020 proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

(d) *The Code on Social Security, 2020*

The Code on Social Security, 2020 proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

Other Labour and Employment Laws

Additionally, our Company is required to comply with other employment and labour laws applicable in India. The following is an indicative list of additional labour laws applicable to our operations:

- Child Labour (Prohibition and Regulation) Act, 1986;
- Contract Labour (Regulation and Abolition) Act, 1970
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' Compensation Act, 1923;
- Employees' State Insurance Act, 1948;
- Equal Remuneration Act, 1976;
- Industrial Disputes Act, 1947;
- Industrial Employment (Standing orders) Act, 1946;
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Trade Unions Act, 1926;
- Payment of Gratuity Act, 1972;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- Payment of Wages Act, 1936; and
- Public Liability Insurance Act, 1991

IV. Tax-Related Legislations

The Customs Act, 1962 and the Customs Tariff Act, 1975

Imports and the taxes imposed on them are predominantly covered within the ambit of the Customs Act, 1962, as amended and the Customs Tariff Act, 1975, as amended (together, the "**Custom Regulations**"). While, the Customs Act, 1962 classifies and segregates various goods in several categories, the Customs Tariff Act, 1975 determines the rate of the duty, which is to be imposed on importing a particular good. However, the Government has the discretion to either increase, decrease or even exempt certain goods from GST by notification.

The Central Goods and Services Tax Act, 2017

The Central Goods and Services Tax Act, 2017, as amended (the "**GST Act**") levies tax on the supply of goods and services throughout India to replace multiple taxes levied by the Central and State Governments on production, supply and sale of goods and providing of services in India, applicable from July 1, 2017. Under the GST Act, goods and services are taxed under five different categories, being 0%, 5%, 12%, 18% and 28%. Aluminium waste scrap falls within the 18% bracket. GST is levied on all transactions such as supply, transfer, purchase, barter, lease, or import of goods and/or services. Transactions made within a single state are levied with Central GST ("**CGST**") by the Central Government and State GST ("**SGST**") by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST ("**IGST**") is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

Additional tax related laws that are applicable to us include the Income Tax Act, 1961 along with various rules and notifications issued by the tax authorities.

V. Intellectual Property Laws

Trade Marks Act, 1999 and the Trade Marks Rules, 2017

The Trade Marks Act, 1999 as amended (the "**Trade Marks Act**") governs the law pertaining to the protection of trade marks in India. Once a mark is registered, it is valid in India only for a period of 10 years and can be renewed from time to time in perpetuity. Registration of a trade mark grants the owner a right to exclusively use the trade mark as a mark of goods and services and provides for remedies in case of the fraudulent use of deceptively similar marks by any third party. The Trade Marks Rules, 2017 as amended (the "**Trade Marks Rules**") lays down certain guidelines including the process for determination of "well-known trademark", representation of sound marks, recognition of e-mail as a mode of service, new registration fees and mandatory filing of statements of users.

VI. Other Legislations

The Legal Metrology Act, 2009 and the Legal Metrology (Approval of Models) Rules, 2011

The Legal Metrology Act, 2009, as amended (the "**LM Act**") seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith. The LM Act makes it mandatory to obtain a license from the Controller of Legal Metrology by any person who manufactures, sells or repairs or offers, exposes or possesses for repair or sale, any weight or measure. All weights or measures in use or proposed to be used in any transaction are required to be verified and stamped at such place and during such hours as the Controller of Legal Metrology may specify on payment of the prescribed fees. Additionally, no person shall import any weight or measure unless he is registered in such manner and on payment of the requisite fees. The LM Act enlists several penalties for the contravention of its provisions, for instance, a penalty for manufacture or sale of non-standard weight or measure may attract a fine of up to ₹ 20,000 and a subsequent offence may lead to penalties and imprisonment extending to three years or both. Further, whoever imports any weight or measure without being registered under the LM Act, may be punished with a fine of ₹ 25,000. The LM Act also provides for provisions relating to compounding of offences.

The Legal Metrology (Approval of Models) Rules, 2011, as amended ("**Approval of Models Rules**") lay down provisions regarding approval of models of weights and measures. The Approval of Models Rules state that only recognised laboratories shall carry out tests for approval of models. Application for approval of models needs to be made to the director of legal metrology with the prescribed information. Once a model is approved, a certificate of approval is issued, pursuant to which, a license to manufacture the model may be obtained from the State Government. The procedure for issue, revocation and suspension of the certificate of approval is also laid down in the Approval of Models Rules. The Approval of Models Rules repealed the Standard of Weights and Measures (Approval of Models) Rules, 1987.

Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016, as amended (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.

In addition to the above, our Company is required to comply with certain rudimentary laws, *inter alia*, in order to effectuate its business, such as the Companies Act, 2013, the Indian Contract Act, 1872 and the Sale of Goods Act, 1930.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as 'Grand Metal Industries Private Limited' pursuant to a certificate of incorporation dated August 23, 2005 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, pursuant to the conversion of our Company to a public limited company, the name of our Company was changed to 'Grand Metal Industries Limited', and a fresh certificate of incorporation dated May 28, 2020 was issued to our Company by the RoC. Subsequently, our name was changed to 'CMR Green Technologies Limited' due to our Company proposing to employ green technologies following the Scheme of Arrangement, and a fresh certificate of incorporation dated August 11, 2021 was issued to our Company by the RoC.

Change in registered office of our Company

Except as set out below, our Company has not changed its registered office since its incorporation.

Date of Change	Details of change	Reasons for change
March 2, 2020	Registered office of our Company was changed from F 170B, Western Avenue, Sainik Farm, New Delhi – 110 062, India to Unit Nos. 802-803, 8th Floor, SSR Corporate Park, Sector 27 B, Faridabad 121 003, Haryana, India	To carry on the business of our Company more efficiently, economically and to enlarge our area of operations

Main Objects of our Company

The main object contained in the Memorandum of Association of our Company is as mentioned below:

1. *"To carry on the business of manufacturers, manipulators, fabricators, assemblers, designers, processors, buyers, sellers, importers, exporters, factors, brokers, agents, consultants, traders and / or distributors of and dealers in all kinds of ferrous and non-ferrous metal products including alloy ingots, castings, automobile components, dies and moulds, artware, electrical and other engineering or casting goods etc. made of aluminum, zinc, copper, iron and steel, plastic or any other ferrous, non-ferrous, metallic or nonmetallic substances."*

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the ten years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution / amendment	Nature of Amendment
December 16, 2019	Clause II of our Memorandum of Association was amended to reflect the change in our registered office from the National Capital Territory of New Delhi to the state of Haryana.
May 18, 2020	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'Grand Metal Industries Private Limited' to 'Grand Metal Industries Limited'
July 28, 2021	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'Grand Metal Industries Limited' to 'CMR Green Technologies Limited'
September 1, 2021*	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each to ₹ 533,426,780 divided into 53,292,678 equity shares of ₹ 10 each and 50,000 preference shares of ₹ 10 each, pursuant to amalgamation of Grand Metal Recycling Private Limited, Suvridhi Financial Services Limited, Sanjivani Non Ferrous Trading Private Limited, Ramayana Polymers Private Limited, Forever Multimedia Private Limited and Century Metal Recycling Limited with our Company pursuant to an order dated August 6, 2021 passed by the National Company Law Tribunal, Chandigarh bench
September 4, 2021	Clause V of the Memorandum of Association was amended to reflect (a) the sub-division of equity and preference shares of our Company, and (b) reclassification of preference shares of our Company to Equity Shares, pursuant to which the authorised share capital of the Company was modified from ₹ 533,426,780 divided into 53,292,678 equity shares of ₹ 10 each and 50,000 preference shares of ₹ 10 each to ₹ 533,426,780 divided into 266,713,390 Equity Shares of ₹ 2 each.

* *The effective date of the Scheme of Arrangement.*

Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Calendar Year	Particulars
2005	Incorporation of our Company.
2021	Our Company entered into the Scheme of Arrangement, pursuant to which Grand Metal Recycling Private Limited, Suvridhi Financial Services Limited, Sanjivani Non Ferrous Trading Private Limited, Ramayana Polymers Private Limited, Forever Multimedia Private Limited and CMR were amalgamated into our Company.

Awards, accreditations or recognitions

Our Company has not received any awards, accreditations or recognition as at the date of this Draft Red Herring Prospectus.

Launch of key products or services, entry or exit in new geographies

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the location of plants see "*– Major Events and Milestones of our Company*" and "*Our Business*" on pages 182 and 153 respectively.

Financial or Strategic Partners

Our Company does not have any financial or strategic partners as on the date of filing this Draft Red Herring Prospectus.

Time or cost overruns

There have been no time or cost overruns pertaining in the setting up of projects by our Company since incorporation.

Defaults or rescheduling of borrowings with financial institutions/banks

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled.

Revaluation of assets

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

Our holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding Company.

Details regarding acquisition or divestment of business or undertakings

There have been no material acquisitions or divestments of business or undertakings by our Company in the last 10 years.

Mergers or amalgamation

Except as disclosed below, our Company has not been party to any merger or amalgamation in the 10 years preceding the date of this Draft Red Herring Prospectus:

Scheme of Arrangement amongst Grand Metal Recycling Private Limited, Suvridhi Financial Services Limited, Sanjivani Non Ferrous Trading Private Limited, Ramayana Polymers Private Limited, Forever Multimedia Private Limited, Century Metal Recycling Limited, our Company and each of their respective shareholders

Our Company, Grand Metal Recycling Private Limited ("**GMRPL**"), Suvridhi Financial Services Limited ("**SFSL**"), Sanjivani Non Ferrous Trading Private Limited ("**SNFTPL**"), Ramayana Polymers Private Limited ("**RPPL**"), Forever Multimedia Private Limited ("**FMPL**"), Century Metal Recycling Limited ("**CMR**" and along with GMRPL, SFSL, SNFTPL, RPPL and FMPL, the "**Transferor Companies**") and their respective shareholders filed a scheme of arrangement (the "**Scheme of Arrangement**") under Sections 230-232 before the National Company Law Tribunal, Chandigarh ("**NCLT**"), for the amalgamation of the Transferor Companies into our Company.

Our Company and the Transferor Companies were part of the 'CMR Group', which was primarily engaged in the business of metal recycling and the manufacture of metal products. The objective of the Scheme of Arrangement was, *inter alia*, to simplify the corporate structure of the CMR Group, eliminate cross-holding among the entities comprising the CMR Group, pool resources to enable greater fund raising opportunities, create management efficiencies and synergies in the operations and businesses of the CMR Group, and optimising administration and statutory compliances.

The Scheme of Arrangement was divided into the following three parts:

(a) *Part 1:* The assets, liabilities, rights, obligations and the entire business / undertakings of GMRPL, SFSL, and SNFTPL (collectively, the "**Part 1 Transferor Companies**") were transferred to and vested in our Company as a going concern. As consideration for this Part 1 of the Scheme of Arrangement, 12 fully paid up equity shares of face value ₹ 10 each of our Company were issued to the shareholders of GMRPL for every 10 equity shares held by them therein, 137 fully paid up equity shares of face value ₹ 10 each of our Company were issued to the shareholders of SFSL for every 1,000 equity shares held by them therein, and eight fully paid up equity shares of face value ₹ 10 each of our Company were issued to the shareholders of SNFTPL for every 10 equity shares held by them therein. Further, all equity shares of face value ₹ 10 each held by the Part 1 Transferor Companies were cancelled, and our share capital was reduced to this extent. Additionally, the authorised share capital of the Part 1 Transferor Companies was merged with our Company, and Clause V of our Memorandum of Association was modified to this extent.

(b) *Part 2:* Following Part 1 described above becoming effective, the assets, liabilities, rights, obligations and the entire business / undertakings of RPPL and FMPL (together, the "**Part 2 Transferor Companies**") were transferred to and vested in our Company as a going concern. As consideration for this Part 2 of the Scheme of Arrangement, 33 fully paid up equity shares of face value ₹ 10 each of our Company were issued to the shareholders of both, RPPL and FMPL, for every 10 full paid up equity shares held by them in the respective companies. Further, all equity shares of face value ₹ 10 each held by the Part 2 Transferor Companies were cancelled, and our share capital was reduced to this extent. Additionally, the authorised share capital of the Part 2 Transferor Companies was merged with our Company, and Clause V of our Memorandum of Association was modified to this extent.

(c) *Part 3:* Following Part 2 described above becoming effective, the assets, liabilities, rights, obligations and the entire business / undertakings of CMR were transferred to and vested in our Company as a going concern. As consideration for this Part 3 of the Scheme of Arrangement, 13 fully paid up equity shares of face value ₹ 10 each of our Company were issued to the shareholders of CMR for every 100 fully paid equity shares held by them therein. Further, all equity shares of face value ₹ 10 each held by CMR were cancelled, and our share capital was reduced to this extent. All legal proceedings relating to CMR were continued and can be enforced against our Company in the same manner as they could have against CMR prior to its amalgamation into our Company. Additionally, the authorised share capital of CMR was merged with our Company, and Clause V of our Memorandum of Association was modified to this extent. Further, our Articles of Association were substituted with the articles of association of CMR.

For details of the amendments to our Memorandum of Association to reflect the change in our authorised share capital, see "*– Amendments to our Memorandum of Association*" on page 181. For details of allotments of equity shares made by our Company pursuant to the Scheme of Arrangement, see "*Capital Structure – Notes to Capital Structure – Equity Share Capital History of our Company*" at page 82.

The NCLT approved the Scheme of Arrangement pursuant to its order dated August 6, 2021. Each of the above parts became effective on September 1, 2021, pursuant to the submission of a certified copy of the order of the NCLT with the RoC.

Details of shareholders' agreements

Details of subsisting shareholder's agreements among our shareholders *vis-a-vis* our Company, which our Company is aware of, as on the date of this Draft Red Herring Prospectus, are provided below:

Investment Agreement dated September 24, 2013 ("Investment Agreement") among our Company, Mohan Agarwal (HUF), Gauri Shankar Agarwala (HUF), Kalawati Agarwal, Pratibha Agarwal, Ramayana Polymers Private Limited, Forever Multimedia Private Limited, Sanjivani Non Ferrous Trading Private Limited, Grand Metal Recycling Private Limited and Suvridhi Financial Services Limited (collectively, the "Company Shareholders") and Global Scrap Processors Limited (the "Investor", and together with the Company and the Company Shareholders, the "Parties"), as amended.

Pursuant to the share purchase agreement dated September 24, 2013, entered into among IFCI Venture Capital Fund Limited, Global Scrap Processors Limited, Gauri Shankar Agarwala and CMR ("**AIF SPA**"), the Investor agreed to purchase 523,375 equity shares of CMR at a price of ₹ 422.02 per equity share aggregating to ₹ 220,872,451 from IFCI Venture Capital Fund Limited, and pursuant to the Investment Agreement, the Investor agreed to subscribe to 1,530,844 compulsorily convertible preference shares ("**CCPS**") of face value ₹ 10 each, issued at a premium of ₹ 381.94 aggregating to ₹ 600,000,000, from CMR.

Further, the Parties, Mohan Agarwal and Gauri Shankar Agarwala, entered into a Share Sale and Purchase Agreement, dated January 20, 2018 ("**Share Sale and Purchase Agreement**"), which was amended pursuant to an amendment agreement dated May 8, 2018 ("**First Amendment Agreement**"). Pursuant to the Share Sale and Purchase Agreement, as amended by the First Amendment Agreement, the Investor agreed to transfer 1,027,110 CCPS to a wholly owned entity of certain members of our Promoter Group at a purchase consideration to be computed after giving effect to an IRR of 18%, applicable until the date of consummation of such transfer, subject to the terms of the First Amendment Agreement, as also mentioned in the Investment Agreement, as part of their put option right. However, as per the Share Sale and Purchase Agreement, any spill-over of the consummation of such transfer beyond a period of 180 days from the date of the Share Sale and Purchase Agreement would result in an increase in the IRR to 20%, with effect from the date of completion as per the Investment Agreement, till the date of receipt of purchase consideration by the Investor. Furthermore, a letter dated May 29, 2018 was issued by CMR to the Investor (the "**CCPS Conversion Letter**") indicating that the 1,027,110 CCPS to be transferred by the Investor to GMRPL and the balance 389,512 CCPS held by the Investor would be converted into 4,108,440 equity shares and 1,558,048 equity shares of CMR, respectively, in the ratio of four equity shares for every CCPS held. Accordingly, upon the completion of such transfers, 1,14,222 CCPS held by the Investor were converted into 4,56,888 equity shares of CMR on June 8, 2018 and 1,027,110 CCPS held by GMRPL were converted into 4,108,440 equity shares of CMR on August 14, 2018. The 389,512 CCPS held by the Investor were also subsequently converted into 1,558,048 equity shares of CMR on September 21, 2018.

Subsequently, the Parties, Gauri Shankar Agarwala and Mohan Agarwal entered into an agreement dated June 6, 2018 ("**Second Amendment Agreement**"), modifying certain terms of the Investment Agreement. Pursuant to the Second Amendment Agreement, *inter alia,* Gauri Shankar Agarwala and Mohan Agarwal became parties to the Investment Agreement, and the conditions relating to the termination of the Investment Agreement were modified, such that the agreement would terminate when (i) the Investor ceases to hold securities in CMR, or (ii) upon the listing of equity shares of CMR.

Thereafter, our Company, CMR, the Investor and the Company Shareholders entered into an agreement dated June 26, 2020 (the "**Third Amendment Agreement**") in view of the Scheme of Arrangement. In terms of the Third Amendment Agreement, upon the Scheme of Arrangement becoming effective, all references to CMR would be deemed to be references to our Company, amongst others.

The Investment Agreement contains certain reserved matters, which require consent of the Investor, such as, among others, any change in the issued, subscribed or paid up equity or preference share capital of our Company and/or our Subsidiaries; re-organization of the share capital of our Company and/or our Subsidiaries, including new issuance of shares or other securities of the Company; any change in ownership of our Company; or increase or decrease in the size of our Board or any committee thereof, other than as provided in the Investment Agreement. Further, in terms of the Investment Agreement, the Investor has certain special rights, including among others, the right to appoint one director on the Board of Directors of our Company and on the board of each of our Subsidiaries; right to avail information including, among others, audited financial information of our Company and our Subsidiaries after the end of each Fiscal; entitlement to anti-dilution rights and tag-along rights in relation to the Equity Shares held by it if our Company's shareholders transfer, in aggregate, more than 5% of the equity shares held by them.

The Investment Agreement was further amended pursuant to an amendment agreement dated September 24, 2021 entered into between our Company, our Promoters, the Investor, Gauri Shankar Agarwala (HUF) and Mohan Agarwal (HUF) ("**Fourth Amendment Agreement**") pursuant to which the Investor has, *inter alia,* agreed to waive certain of its rights under the Investment Agreement from the date of filing of this Draft Red Herring Prospectus. Under the terms of the Fourth Amendment Agreement, all special rights available to the Shareholders shall terminate and fall away upon receipt of the listing and trading approvals for the listing of the Equity Shares from the Stock Exchanges.

Agreements with Key Managerial Personnel, Director, Promoter or any other employee

Neither our Promoters, nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, 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 the dealings of the securities of our Company.

Guarantees given by our Promoter Selling Shareholders

Other than as disclosed below, our Promoters have not given any guarantee to any third parties as on July 31, 2021:

As on July 31, 2021, Gauri Shankar Agarwala and Mohan Agarwal, the Promoter Selling Shareholders, have issued the guarantees listed below to third parties. These guarantees are in the nature of personal guarantees and have been issued towards contractual obligations in respect of loans availed by our Company.

Sr. No.	Lender	Guarantor	Type of Facility	Guaranteed amount (in ₹ million)
1.	State Bank of India in the consortium with Axis Bank Limited and HDFC Bank Limited	Gauri Shankar Agarwala and Mohan Agarwal	Working capital loan	3,056.00
2.	State Bank of India	Gauri Shankar Agarwala and Mohan Agarwal	Ad-hoc demand loan	95.00
3.	Federal Bank	Gauri Shankar Agarwala and Mohan Agarwal	Working capital loan	500.00
4.	HDFC Bank Limited	Gauri Shankar Agarwala and Mohan Agarwal	Bill discounting facility	1,200.00
5.	HSBC Bank Limited	Gauri Shankar Agarwala and Mohan Agarwal	Overdraft facility	500.00
6.	Citi Bank Limited	Gauri Shankar Agarwala and Mohan Agarwal	Working capital loan	680.00
7.	Axis Bank Limited	Mohan Agarwal	Term loan and working capital loan	1,100.00
8.	Shinhan Bank	Mohan Agarwal	Sales bill discounting under inland letter of credit facility	200.00

The abovementioned guarantees are effective for a period till the underlying loan is repaid by our Company. The financial implications in case of default by our Company would entitle the lenders to invoke such guarantees to the extent of the outstanding loan amount. Our Company has not paid any consideration to the Promoter for providing these guarantees. For details, see "*Financial Indebtedness*" on page 554.

Other agreements

Except as disclosed below, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business:

Joint venture agreement dated July 25, 2012 between our Company and Nikkei Aluminium MC Company Limited ("CMRN Joint Venture Agreement")

CMR and Nikkei executed the CMRN Joint Venture Agreement to set up our joint venture entity, CMRN for the purpose of manufacturing, importing, exporting, processing of primary and secondary metal, metal scrap recycling and selling of aluminium alloy and zinc alloy in liquid and ingot form (the "**Products**"). Accounting for this entity has been done as for Subsidiaries in the Restated Financial Information, in accordance with Ind AS 110. Pursuant to the CMRN Joint Venture Agreement, CMRN established its manufacturing facility at Bawal, Haryana.

Pursuant to the Scheme of Arrangement, upon the amalgamation of CMR into our Company, CMR was substituted by our Company in the CMRN Joint Venture Agreement, as well as all other agreements, as are described below, between the parties specified above. As on the date of this Draft Red Herring Prospectus, our Company holds 74% and Nikkei holds 26% of the equity share capital of CMRN.

CMR had also agreed to enter into a customer relationship transfer agreement in order to introduce certain potential customers to CRMN for selling the Products. In terms of allocation of customers by CMR to CRMN, CMR agreed that in case the customer is located within the Bawal industrial zone or within a radius of 25 kilometres of Bawal industrial zone including Neemrana industrial zone but excluding Bhiwadi area ("**Defined Area**"), irrespective of whether such customer is developed through CMR and/or Nikkei efforts or owing to a relationship of either CMR or Nikkei, and irrespective of whether CMR was earlier supplying to such customer, after the date of commencement of commercial production by CMRN, all supplies to such customers be routed through CMRN only. Further, the customers located outside the Defined Area would be supplied through CMR (and our Company, upon the Scheme of Arrangement becoming effective), except in case of a mutual agreement between CMR or our Company and Nikkei that due to cost efficiency the supplies be routed through CMRN. Additionally, CMR and Nikkei had agreed to not, without the prior written consent of the other party, as applicable, either by itself or through its affiliate, enter into another joint venture agreement or technical assistance agreement, directly or indirectly, for the purpose of carrying out activities of a nature similar to them, within a radius of 300 kilometres of Bawal industrial zone. Furthermore, CMR (and our Company, upon the Scheme of Arrangement becoming effective) and Nikkei have undertaken to consider each other as a preferred partner in India for future ventures of a nature similar to that of CMRN.

Pursuant to CMRN Joint Venture Agreement, certain additional agreements were entered into such as the name license agreement between CMRN and Nikkei to use the name 'NMA' or 'Nikkei'; the name license agreement between CMRN and CMR to use the name 'CMR'; agreement between our Company and CMRN for the transfer of Ahresty India Private Limited, a customer of CMR to CMRN; and agreement for procurement of raw material between CMRN and CMR for supply of raw materials to CMRN. CMR has been substituted by our Company in each of these agreements.

The CMRN Joint Venture Agreement is subject to termination upon a mutual written agreement between our Company and Nikkei; or liquidation of CMRN or our Company; or Nikkei ceasing to be a shareholder of CMRN, except where our Company or Nikkei ceases to be a shareholder of CMRN on account of transfer of its shareholding in CMRN to an affiliate; or our Company and Nikkei agreeing that any of the conditions precedent to the CMRN Joint Venture Agreement cannot be satisfied; or the shareholding of either our Company or Nikkei, including any affiliate which has acquired shares of CMRN from either our Company or Nikkei and has signed the affiliate deed of adherence, falls below 5% on a fully diluted basis.

Joint venture agreement dated September 4, 2012 between our Company and Toyota Tsusho Corporation ("CMRT Joint Venture Agreement")

CMR and Toyota Tsusho executed the CMRT Joint Venture Agreement to set up our joint venture entity, CMRT for the purpose of manufacturing, distributing and selling recycled aluminium and zinc alloy and any other products as agreed (the "**Products**"). Accounting for this entity has been done as for Subsidiaries in the Restated Financial Information, in accordance with Ind AS 110.

Pursuant to the Scheme of Arrangement, upon the amalgamation of CMR into our Company, CMR was substituted by our Company in the CMRT Joint Venture Agreement, as well as all other agreements, as are described below, between the parties specified above. As on the date of this Draft Red Herring Prospectus, our Company holds 70% and Toyota Tsusho holds 30% of the equity share capital of CMRT.

Pursuant to the CMRT Joint Venture Agreement, CMRT established its manufacturing facility at Chennai, Tamil Nadu. CMR had agreed, *inter alia* to provide CMRT all information and advice required for the manufacturing of the Products, provide quality control of the Products and operations of CMRT, cooperate with CMRT by providing technical support and to act as an exclusive agent of CMRT in selling the Products to one of the significant customers inside India, and such obligations have been taken over by our Company pursuant to the Scheme of Arrangement. Further, Toyota Tsusho agreed to cooperate with CMRT by providing technical support in consideration of a support fee from CMR and by providing marketing support to CMRT, among others.

Pursuant to the CMRT Joint Venture Agreement, certain additional agreements were entered into, such as the technical support agreement between Toyota Tsusho and CMRT for providing technical support to CMRT; agreement between CMRT and Toyota Tsusho wherein CMRT was to act as an authorized agent of Toyota Tsusho for liaising with and procuring order for the Products from the customers; agreement between CMR and CMRT pursuant to which CMR was required to provide certain technological know-how for use in the facilities of CMRT; agreement between CMR and CMRT pursuant to which CMR would liaise with and procure order for the products from the customers and agreement entered into between CMR and CMRT pursuant to which CMR would facilitate buying, indenting or arranging the raw materials against specific demand or instruction from CMRT. CMR has been substituted by our Company in each of these agreements.

In accordance with the terms of the CMRT Joint Venture Agreement, the shareholders of CMRT and any person directly or indirectly controlled by such shareholder will not during the term of the agreement and for a period of three years after the termination of the agreement, directly own, maintain, operate, engage in, or have any interest, as a shareholder, lender, advisor, consultant, employee, director, or the like, in any project, or person, or business in the states of Karnataka and /or Tamil Nadu which is competitive with CMRT's business, without the prior written consent of the other shareholder. The CMRT Joint Venture Agreement shall be terminated by either the mutual written agreement of our Company and CMRT, or if either of our Company or Toyota Tsusho hold 95%, or more, of shareholding of CMRT.

Joint venture agreement dated November 14, 2018 between our Company and a Hong Kong-based metal recycling entity ("CMRC Joint Venture Agreement")

CMR and a metal recycling entity based in Hong Kong executed the CMRC Joint Venture Agreement to set up our joint venture entity, CMR-Chiho Recycling Technologies Private Limited ("**CMRC**"). The business of CMRC is to engage in collection, segregation, processing, composting, recycling, treatment, and disposal of all types of metal waste. Subsequently, the shares of CMRC held by the entity specified above were transferred to another Hong Kong based entity engaged in metal recycling.

Pursuant to the Scheme of Arrangement, upon the amalgamation of CMR into our Company, CMR was substituted by our Company in the CMRC Joint Venture Agreement. Our Company and the Hong Kong-based metal recycling entity hold 50% of the equity share capital each of CMRC.

In terms of the CMRC Joint Venture Agreement, CMRC is required to conduct is business in two phases; in the first phase, it shall be engaged in collection, segregation, processing, composting, recycling, treatment, and disposal of electric motors, and in the second phase, it is required to undertake collection, segregation, processing, composting, recycling, treatment, and disposal of zorba, international catering waste, waste electrical and electronic equipment, and such. The agreement also prescribes that CMRC shall be the only entity conducting such business in Gujarat, and that neither our Company, nor the Hong Kong-based metal recycling entity, may have a presence in electric motor recycling (either directly, or through affiliates) in the state.

The CMRC Joint Venture Agreement is subject to termination if, (a) our Company (and its Subsidiaries) or the Hong Kong-based metal recycling entity (and its subsidiaries) acquire 80% or more of the equity shareholding of the other party; (b) there is mutual agreement between our Company and the Hong Kong-based metal recycling entity; or (c) if CMRC is liquidated or wound up.

Joint venture agreement dated July 16, 2020 between our Company and Kent Industrial Park Private Limited ("CMRK Joint Venture Agreement")

CMR and Kent Industrial Park Private Limited ("**KIPL**") executed the CMRK Joint Venture Agreement to set up our subsidiary and joint venture entity, CMR-Kataria Recycling Private Limited ("**CMRK**"). Accounting for this entity has been done as for Subsidiaries in the Restated Financial Information, in accordance with Ind AS 110. CMRK was established *inter alia* for the purpose of undertaking the business of manufacturing, marketing and selling aluminium ingots, liquid and molten metal and other products, with its first manufacturing facility being near Ahmedabad, Gujarat. Pursuant to the Scheme of Arrangement, upon the amalgamation of CMR into our Company, CMR was substituted by our Company in the CMRK Joint Venture Agreement.

In terms of the CMRK Joint Venture Agreement, CMRK shall work as an autonomous body, governed by its board of directors, and shall strive to be financially independent. KIPL shall provide inputs to CMRK in relation to its experience and exposure in the automobile sector and identification of sources of raw materials. Our Company, on the other hand, shall give inputs to CMRK in relation to its experience and exposure in setting up processing plants.

The board of directors of CMRK, as per the CMRK Joint Venture Agreement, comprises four directors, including two directors appointed by KIPL and two directors appointed by our Company. The post of the chairman of CMRK must held by a director appointed by our Company, whereas KIPL is entitled to propose nominations for the appointment of the managing director of CMRK.

The CMRK Joint Venture Agreement may be terminated *inter alia* upon the mutual written agreement of our Company and KIPL, in the event CMRK is liquidated or if either of our Company or KIPL cease to be a shareholder of CMRK. Further, either our Company or KIPL can unilaterally terminate the CMRK Joint Venture Agreement by giving a written notice of 30 days to the other party, upon the occurrence of the events listed therein, *inter alia* including an action by a government authority which prevents CMRK from carrying out its business for more than 90 days, inability of the parties to enjoy their rights or privileges under the agreement due to the action of a government authority or the passing of a resolution to liquidate CMRK at a shareholders' meeting.

Joint venture agreement dated November 25, 2019 between a Hong Kong-based metal recycling entity and our Company ("CCIIPL Joint Venture Agreement")

CMR and a Hong Kong-based metal recycling entity executed the CCIIPL Joint Venture Agreement, in order to set up our joint venture entity, CMR Chiho Industries India Private Limited ("**CCIIPL**"). CCIIPL was established *inter alia* for the purpose of engaging in the collection, segregation, processing, composting, recycling, treatment and disposal of electric motors, zorba, international catering waste and waste from electrical and electronic equipment. Pursuant to the Scheme of Arrangement, upon the amalgamation of CMR into our Company, CMR was substituted by our Company in the CCIIPL Joint Venture Agreement.

In terms of the CCIIPL Joint Venture Agreement, CCIIPL may, in order to meet its funding requirements, make cash calls by written notice to our Company and the Hong Kong-based metal recycling entity, requiring such shareholders to make cash payments and subscribe to securities of CCIIPL in proportion to their existing shareholding percentage.

The board of directors of CCIIPL, as per the CCIIPL Joint Venture Agreement, comprises four directors, including two directors each appointed by our Company and the Hong Kong-based metal recycling entity.

The CCIIPL Joint Venture Agreement may be terminated *inter alia* upon either of our Company or the Hong Kong-based metal recycling entity, along with their subsidiaries, acquiring 80% or more of the securities held by the other party and its subsidiaries, the mutual agreement of our Company and the Hong Kong-based metal recycling entity, or in the event an order is passed for the liquidated or winding up of CCIIPL.

Joint venture agreement dated November 27, 2019 between Nikkei MC Aluminium Company Limited, Japan, our Company and certain other entities ("NCMR Joint Venture Agreement")

CMR, Nikkei MC Aluminium Company Limited, Japan ("**NMA**"), a Japanese entity engaged in the manufacture of wheels and an Indian entity engaged in the manufacture of aluminium alloy wheels (together, the "**Other JV Partners**") executed the NCMR Joint Venture Agreement, in order to set up our joint venture entity, Nikkei CMR Aluminium India Private Limited ("**NCMR**"). NCMR was established *inter alia* for the purpose of undertaking the business of manufacturing, marketing and selling aluminium ingots, liquid and molten metal and other products, with its first manufacturing facility being near Pune Maharashtra. Pursuant to the Scheme of Arrangement, upon the amalgamation of CMR into our Company, CMR was substituted by our Company in the NCMR Joint Venture Agreement.

In terms of the NCMR Joint Venture Agreement, CMRK shall work as an autonomous body, governed by its board of directors, and shall strive to be financially independent. Once NCMR commences commercial production, as per the NCMR Joint Venture Agreement, any customers located in a radius of 100 kilometers of the proposed manufacturing facility in Pune (other than an exception stated therein) would be serviced through NCMR, regardless of whether such customer is developed through CMR or NMA, or due to a relationship that such parties have with the customer. Further, outside of this radius, where it is more efficient to route supplies to a customer through NCMR than through either of CMR or NMA, such customer shall be serviced through NCMR.

By the 60th day from the incorporation of NCMR, in terms of the NCMR Joint Venture Agreement, parties to the agreement were required to subscribe to its shares in such a manner that NMA holds 60% therein, our Company holds 26% therein, and the Other JV Partners each hold 7% therein.

The board of directors of NCMR, as per the NCMR Joint Venture Agreement, comprises five directors, including three directors appointed by NMA, one director nominated by our Company, and one director nominated jointly by the Other JV Partners. The post of the chairman of NCMR must held by a director appointed by NMA, and NMA is also entitled to propose nominations for the appointment of the managing director of NCMR.

The NCMR Joint Venture Agreement may be terminated *inter alia* upon the mutual written agreement of our Company and NMA, in the event NCMR is liquidated or if either of our Company or NMA cease to be a shareholder of NCMR. Further, either our Company or NMA can unilaterally terminate the CMRK Joint Venture Agreement by giving a written notice of 30 days to the other party, upon the occurrence of the events listed therein, *inter alia* including an action by a government authority which prevents NCMR from carrying out its business for more than 90 days, inability of the parties to enjoy their rights or privileges under the agreement due to the action of a government authority or the passing of a resolution to liquidate NCMR at a shareholders' meeting.

OUR SUBSIDIARIES AND JOINT VENTURES

As on the date of this Draft Red Herring Prospectus, our Company has five Subsidiaries, namely:

(a) CMR Nikkei India Private Limited
(b) CMR Toyotsu Aluminium India Private Limited
(c) CMR-Kataria Recycling Private Limited
(d) CMR Welfare Foundation; and
(e) CMR Aluminium Private Limited

CMR Nikkei India Private Limited, CMR Toyotsu Aluminium India Private Limited and CMR-Kataria Recycling Private Limited are also our joint ventures entities. Other than the above, our Company has three joint ventures, namely:

(a) CMR-Chiho Recycling Technologies Private Limited
(b) CMR Chiho Industries India Private Limited; and
(c) Nikkei CMR Aluminium India Private Limited

Unless stated otherwise, the details in relation to our Subsidiaries and Joint Ventures provided below are as on the date of this Draft Red Herring Prospectus.

A. Our Subsidiaries

The details of our Subsidiaries are disclosed hereunder:

1. CMR Nikkei India Private Limited

Corporate Information

CMR Nikkei India Private Limited ("**CMRN**"), formed pursuant to a joint venture agreement between CMR and Nikkei, was incorporated on July 27, 2012 as a private limited company. The registered office of CMRN is situated at village Tatarpur, district Palwal, Haryana 121 102, India. The corporate identity number of CMRN is U37100HR2012PTC046602.

Nature of Business

CMRN is authorised under its memorandum of association to carry out the business of, among others, manufacturing, assembling, exporting and distributing and dealing in all kinds of ferrous and non-ferrous metal products, including alloy ingots, castings, automobile components, dies and moulds, artware, electrical and other engineering or casting goods etc, made of aluminium, zinc, copper, iron and steel, plastic or any other ferrous, non-ferrous, metallic or non-metallic substances.

Capital Structure

The authorised share capital of CMRN is ₹ 850,000,000 divided into 85,000,000 equity shares having a face value of ₹ 10 each and its issued and paid up equity share capital is ₹ 829,729,750 divided into 82,972,975 equity shares of face value of ₹ 10 each.

Shareholding

The shareholding pattern of CMRN as on date of this Draft 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 (%)
CMR Green Technologies Limited	61,400,000	74.00
Nikkei MC Aluminium Company Limited	21,572,975	26.00
Total	**82,972,975**	**100.00**

2. CMR-Toyotsu Aluminium India Private Limited

Corporate Information

CMR-Toyotsu Aluminium India Private Limited ("**CMRT**"), formed pursuant to a joint venture agreement between our Company and Toyota Tsusho, was originally incorporated on July 4, 2012. The registered office of CMRT is situated at village Tatarpur, district Palwal, Haryana 121 102, Faridabad, India. The corporate identity number of CMRT is U37100HR2012PTC046421.

Nature of Business

CMRT is authorised under its memorandum of association to carry out the business of, among others, manufacturing, assembling, exporting and distributing and dealing in all kinds of ferrous and non-ferrous metal products including alloy ingots, castings, automobile components, dies and moulds, artware, electrical and other engineering or casting goods etc, made of aluminium, zinc, copper, iron and steel, plastic or any other ferrous, non-ferrous, metallic or non-metallic substance.

Capital Structure

The authorised share capital of CMRT is ₹ 965,000,000 divided into 96,500,000 equity shares having a face value of ₹ 10 each and its issued and paid up share capital is ₹ 965,000,000 divided into 96,500,000 equity shares of face value of ₹ 10 each.

Shareholding

The shareholding pattern of CMRT as on date of this Draft 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 (%)
CMR Green Technologies Limited	67,550,000	70.00
Toyota Tsusho Corporation	28,950,000	30.00
Total	**96,500,000**	**100.00**

3. CMR-Kataria Recycling Private Limited

Corporate Information

CMR-Kataria Recycling Private Limited ("**CMRK**") was incorporated on August 6, 2020. The registered office of CMRK is situated at Unit No. 802-803, 8th Floor, SSR Corporate Park, Sector-27 B, Faridabad 121 003, Haryana, India. The corporate identity number of CTPL is U37100HR2020PTC088163.

Nature of Business

CMRK is authorised under its memorandum of association to carry out the business of (i) treatment and recycling of all kinds of ferrous, non-ferrous metal scrap and end of life vehicles to produce, sale, distribute all kinds of shredded ferrous and non-ferrous metal scrap and other products for industrial and other use; and (ii) setting up, owning, maintenance and operation of manufacturing plants and facilities for import, storage, collection, segregating for recycling of all kinds of ferrous, non-ferrous metal scrap and end of life vehicles.

Capital Structure

The authorised share capital of CMRK is ₹ 1,000,000 divided into 100,000 equity shares having a face value of ₹ 10 each and its issued and paid up equity share capital is ₹ 1,000,000 divided into 100,000 equity shares of face value of ₹ 10 each.

Shareholding

The shareholding pattern of CMRK as on date of this Draft 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 (%)
CMR Green Technologies Limited	51,000	51.00
Kent Industrial Park Private Limited	49,000	49.00
Total	**100,000**	**100.00**

4. CMR Welfare Foundation

Corporate Information

CMR Welfare Foundation ("**CMRW**") was incorporated on January 16, 2018 as a private limited company incorporated under the provisions of Section 8 of the Companies Act, 2013, and a certificate of incorporation dated January 16, 2018 was issued to it by the RoC. The registered office of CMRW is situated at F-170 B, Western Avenue, Sainik Farm, New Delhi 110 062, India. The corporate identity number of CMRW is U74994DL2018NPL328541.

Nature of Business

CMRW is authorised, among others to set up educational, training institute, spent fund for the development of rural area and slum area and to set up/promote skill development centers for imparting training, to promote, counsel, encourage, organize, operate and consult schools, colleges for primary, secondary and higher education in India and abroad, including professional education, engineering, medicine, management, law, education etc. and to facilitate, initiate and help universities/institutions/schools to undertake global and Indian accreditation initiatives for enhancing education quality output in India. CMRW is undertaking activities under the CSR policy of our Company.

Capital Structure

The authorised share capital of CMRW is ₹ 100,000 divided into 10,000 equity shares having a face value of ₹ 10 each and its issued and paid up equity share capital is ₹ 100,000 divided into 10,000 equity shares of face value of ₹ 10 each.

Shareholding

The shareholding pattern of CMRW as on date of this Draft 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 (%)
CMR Green Technologies Limited	9,000	90.00
Gauri Shankar Agarwala	1,000	10.00
Total	**10,000**	**100.00**

5. CMR Aluminium Private Limited

Corporate Information

CMR Aluminium Private Limited ("**CAPL**") was incorporated on January 15, 2020 as a private limited company incorporated, and a certificate of incorporation dated January 15, 2020 was issued to it by the RoC. The registered office of CAPL is situated at Unit Nos. 802-803, SSR Corporate Park, 8th Floor, 13/6, Sector 27 B, Delhi - Mathura Road, Faridabad 121 003, Haryana, India.

Nature of Business

CAPL is authorised under its memorandum of association to, among others, carry out the business of manufacturing, manipulating, fabricating, assembling, designing, processing, buying, selling, importing, exporting, and acting as factors, brokers, agents, consultants, traders and / or distributors of and dealers in, all kinds of ferrous and non-ferrous metal products, including alloy ingots, castings, automobile components, dies and moulds, artware, electrical and other engineering or casting goods made of aluminium, zinc, copper, iron and steel, plastic or any other metallic or non-metallic substances.

Capital Structure

The authorised share capital of CAPL is ₹ 100,000 divided into 10,000 equity shares having a face value of ₹ 10 each and its issued and paid up equity share capital is ₹ 100,000 divided into 10,000 equity shares having a face value of ₹ 10 each.

Shareholding

The shareholding pattern of CAPL as on date of this Draft 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 (%)
CMR Green Technologies Limited	9,999	99.99
Raghav Agarwal	1	0.01
Total	**10,000**	**100.00**

B. Joint Ventures

The details of our Joint Ventures are disclosed hereunder:

1. CMR-Chiho Recycling Technologies Private Limited

Corporate Information

CMR-Chiho Recycling Technologies Private Limited ("**CMRC**") was incorporated as a private limited company on February 1, 2019 under the Companies Act, 2013 with Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi and bears the corporate identification number U27320DL2019PTC345386. Its registered office is situated at W-5/16, (Old F-170b), Western Avenue, Sainik Farm, New Delhi – 110 062, India.

Nature of business

CMRC is engaged in the business of collection, segregation processing, composting, recycling, treatment and disposal of all types of metal waste, including electric motors.

Capital Structure

The authorised share capital of CMRC is ₹ 73,135,000 divided into 7,313,500 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of CMRC is ₹ 73,135,000 divided into 7,313,500 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of CMRC as on the date of this Draft Red Herring Prospectus is as provided below:

Equity share capital

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Chiho Environmental Global Holdings Limited	3,656,750	50.00
CMR Green Technologies Limited	3,656,750	50.00
Total	**7,313,500**	**100.00**

2. CMR Chiho Industries India Private Limited

Corporate Information

CMR Chiho Industries India Private Limited ("**CCIIPL**") was incorporated as a private limited company on December 12, 2019 under the Companies Act, 2013 with Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi and bears the corporate identification number U27300HR2019PTC084126. Its registered office is situated at Unit No. 802-803, SSR Corporate Park, Sector-27B, Faridabad – 121 003, Haryana, India.

Nature of business

CCIIPL is engaged in the business of collection, segregation processing, composting, recycling, treatment and disposal of all types of metal waste, including electric motors.

Capital Structure

The authorised share capital of CCIIPL is ₹ 144,000,000 divided into 14,400,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of CCIIPL is ₹ 144,000,000 divided into 14,400,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of CCIIPL as on the date of this Draft Red Herring Prospectus is as provided below:

Equity share capital

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Chiho Environmental Global Holdings Limited	7,200,000	50.00
CMR Green Technologies Limited	7,200,000	50.00
Total	**14,400,000**	**100.00**

3. Nikkei CMR Aluminium India Private Limited

Corporate Information

Nikkei CMR Aluminium India Private Limited ("**NCMR**") was incorporated as a private limited company on December 3, 2019 under the Companies Act, 2013 with Registrar of Companies, Maharashtra at Mumbai, and bears the corporate identification number U27300PN2019PTC188144. Its registered office is situated at Office No.-208, Regent Plaza, S.NO-5/1A/1, Baner Pashan, Link Road, Pune 411 045, Maharashtra, India.

Nature of business

NCMR is engaged in the business of manufacturing, processing, fabricating, converting, recycling, selling, marketing, distributing, transporting, importing and exporting all type of primary and/or secondary metal including but not limited to aluminium alloys and secondary aluminium alloy and additives for various industrial applications, whether in India or elsewhere.

Capital Structure

The authorised share capital of NCMR is ₹ 200,000,000 divided into 20,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of NCMR is 200,000,000 divided into 20,000,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of NCMR as on the date of this Draft Red Herring Prospectus is as provided below:

Equity share capital

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
CMR Green Technologies Limited	5,200,000	26.00
Nikkei MC Aluminium Co. Ltd.	14,800,000	74.00
Total	**20,000,000**	**100.00**

C. Confirmations

Accumulated Profits or Losses

There are no accumulated profits or losses of any of our Subsidiaries that are not accounted for by our Company in the Restated Financial Information as per applicable accounting standards.

Business interest in our Company

As on the date of this Draft Red Herring Prospectus, none of our Subsidiaries or Joint Ventures hold Equity Shares in our Company. Furthermore, other than as mentioned in this section and "*Related Party Transactions*" on page 512, there are no business interests of our Subsidiaries or Joint Ventures in our Company.

Common pursuits

Except CMRW and CMRK, all our Subsidiaries and Joint Ventures are engaged in business similar to the business of our Company. Our Company would adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

Other confirmations

None of our Subsidiaries are listed on any stock exchange in India or abroad.

Further, neither have any of the securities of our Subsidiaries been refused listing by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad, to the extent applicable.

OUR MANAGEMENT

Board of Directors

The Articles of Association require that our Board shall comprise of not less than three Directors and not more than 15 Directors. As on the date of filing this Draft Red Herring Prospectus, we have eight Directors on our Board, of whom four are Independent Directors, including one woman Director.

Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof, and as required under Regulation 24(1) of the SEBI Listing Regulations, our Company will ensure appointment of an Independent Director on the board of directors of our Material Subsidiary CMRN prior to the filing of the updated Draft Red Herring Prospectus with SEBI.

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

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
Mohan Agarwal *Designation*: Chairman and Managing Director *Date of birth*: July 12, 1963 *Address*: W-5/16, Western Avenue, Sainik Farm, Deoli, New Delhi 110 062, India *Occupation*: Business *Current term*: Five years, with effect from August 12, 2021 *Period of directorship*: Since August 12, 2021 *DIN*: 00595232	58	*Indian Companies* 1. CMR Aluminium Private Limited 2. CMR Chiho Industries India Private Limited 3. CMR-Chiho Recycling Technologies Private Limited 4. CMR-Kataria Recycling Private Limited 5. CMR Nikkei India Private Limited 6. CMR-Toyotsu Aluminium India Private Limited 7. Material Recycling Association of India 8. Nikkei CMR Aluminium India Private Limited *Foreign Companies* Nil
Akshay Agarwal *Designation*: Executive Director *Date of birth*: December 11, 1991 *Address*: W-5/16, Western Avenue, Sainik Farm, Deoli, New Delhi 110 062, India *Occupation*: Service *Current term*: Five years with effect from August 12, 2021, and liable to retire by rotation *Period of directorship*: Since August 12, 2021 *DIN*: 07175149	29	*Indian Companies* 1. CMR-Kataria Recycling Private Limited 2. Nikkei CMR Aluminium India Private Limited *Foreign Companies* Nil

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
Raghav Agarwal *Designation*: Executive Director *Date of birth*: July 21, 1994 *Address*: F-170/B, Western Avenue, Sainik Farm, New Delhi 110 062, India *Occupation*: Service *Current term*: Five years with effect from August 12, 2021, and liable to retire by rotation *Period of directorship*: Since August 12, 2021 *DIN*: 08450843	27	*Indian Companies* 1. CMR Aluminum Private Limited 2. CMR Tech Solutions Private Limited 3. CMR Chiho Industries India Private Limited *Foreign Companies* Nil
Peter Francis Amour *Designation*: Non-Executive Nominee Director# *Date of birth*: February 16, 1959 *Address*: Apt 0783, Tower 15, Hong Kong Parkview, 88 Tai Tam Reservoir Road, Hong Kong *Occupation*: Service *Current term*: Not liable to retire by rotation *Period of directorship*: Since August 20, 2021 *DIN*: 00071314	62	*Indian Companies* 1. CMR Nikkei India Private Limited *Foreign Companies* 1. Able Surge Holdings Limited 2. Adorer Limited 3. AIF Capital Asia III GP Limited 4. AIF Capital Asia IV GP Limited 5. AIF Capital Asia Management IV Limited 6. AIF Capital Asia Management Limited 7. AIF Capital China Limited 8. AIF Capital Development Limited 9. AIF Capital Partners, Limited 10. AIF Capital III Life Science Limited 11. AIF Capital III Designated Limited Partner, Limited 12. AIF Capital Innovations Limited 13. AIF Capital Limited 14. Bolgheri Limited 15. Global Scrap Processors Limited 16. Good View Group Limited 17. Hope Sun Holdings Limited 18. Huy Vietnam Group Limited 19. Keira International Limited 20. LW Capital Investments Limited 21. Ocean Wonder International Limited 22. Rowlings Investments Limited 23. Scenery Sharp Investment Limited 24. Sonic Robust Limited 25. South Bay Investments Pty Limited 26. Spring Day Global Limited 27. Succeed Global Limited 28. Tenda Holding Limited 29. Varina Group Limited 30. X-FIPER New Material Company Limited 31. Zeeman Limited

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
Balvinder Kumar *Designation*: Independent Director *Date of birth*: February 14, 1957 *Address*: 6C, HUDCO Place, New Delhi 110 049, India *Occupation*: Service *Current term*: Five years, with effect from August 17, 2021 *Period of directorship*: Since August 17, 2021 *DIN*: 01647940	64	*Indian Companies* Nil *Foreign Companies* Nil
Gyan Mohan *Designation*: Independent Director *Date of birth*: July 5, 1956 *Address*: 323 A, Patliputra Colony, Patna, Bihar, 800 013, India *Occupation*: Service *Current term*: Five years, with effect from August 17, 2021 *Period of directorship*: Since August 17, 2021 *DIN*: 07816704	65	*Indian Companies* 1. ACFL Home Loan Limited 2. ADI Chitragupta Finance Limited *Foreign Companies* Nil
Rashmi Verma *Designation*: Independent Director *Date of birth*: December 28, 1956 *Address*: B-108, Niti Bagh, New Delhi 110 049, India *Occupation*: Business *Current term*: Five years, with effect from August 17, 2021 *Period of directorship*: Since August 17, 2021 *DIN*: 09268810	64	*Indian Companies* Nil *Foreign Companies* Nil

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
Satpal Kumar Arora *Designation*: Independent Director *Date of birth*: April 1, 1958 *Address:* C-1/401, Ram Prastha Colony, Chander Nagar, Ghaziabad 201 011, Uttar Pradesh, India *Occupation*: Service *Current term*: Five years, with effect from August 17, 2021 *Period of directorship*: Since August 17, 2021 *DIN*: 00061420	63	*Indian Companies* 1. Beacon Trusteeship Limited 2. Globin Infra AMC Services Private Limited 3. Som Distilleries and Breweries Limited 4. Shree Pushkar Chemicals & Fertilisers Limited 5. IFCI Sycamore Capital Advisors Private Limited 6. Dhampur Sugar Mills Limited *Foreign Companies* Nil

**Nominee of Global Scrap Processors Limited, pursuant to the Investment Agreement. For more information, see the section "History and Certain Corporate Matters" on page 181.*

Brief profiles of our Directors

Mohan Agarwal is the Chairman and Managing Director of our Company. He has been associated with our Company since August 12, 2021. He holds a bachelor's degree in commerce from University of Delhi. He has over 27 years of experience in the aluminium alloys recycling industry. He has also been appointed as a director on the board of Material Recycling Association of India.

Akshay Agarwal is an Executive Director of our Company. He has been associated with our Company since August 12, 2021. He holds a bachelor's degree in mechanical engineering from Birla Institute of Technology and Science, Pilani, Goa, and has completed a post graduate programme in management for family business from Indian School of Business, Hyderabad. He has more than six years of experience in the aluminium alloys recycling industry.

Raghav Agarwal is an Executive Director on the Board of our Company. He has been associated with our Company since August 12, 2021. He is an associate member of the Institute of Chartered Accountants of India. He has previously served as the head of the finance department of CMR.

Peter Francis Amour is the nominee of Global Scrap Processors Limited, on the Board of our Company. He holds a bachelor's degree in commerce (accounting, finance and systems) and a bachelor's degree in law, both from the University of New South Wales, Australia. He also holds a master's degree in law from the University of Melbourne, Australia. In addition to his position on our Board, he is also presently the chief executive officer of AIF Capital Limited. Prior to joining AIF Capital Limited, he worked with, C.P Pokphand Company Limited, Hong Kong as vice president.

Balvinder Kumar is an independent Director of our Company. He holds a master's in philosophy in Botany from University of Delhi and a master's in development administration from the University of Birmingham, United Kingdom. He joined the Indian Administrative Service in 1981. He has served the Government of India in sectors ranging from revenue administration, taxation, industrial development, women and child development, housing sector, trade and taxes, among others under various ministries of the Government of India.

Gyan Mohan is an independent Director of our Company. He has a bachelor's degree in arts (Economics) from Patna University and a diploma in financial services management from the University of Bombay. He is a member of the Indian Institute of Bankers. He has multiple years of experience in banking and investment banking and he has in the past been associated with IDBI Capital Markets Services Limited, State Bank of India Limited, Fortune Financial Services (India) Limited and Power Exchange India Limited.

Rashmi Verma is an independent Director of our Company. She has a bachelor's degree in law from the University of Delhi and a master's degree in science from the University of Delhi. She is a member of the Bar

Council of Delhi. She has over 35 years of experience in the legal field and has worked in legal roles with Bharat Heavy Electricals Limited, Punjab National Bank and Allahabad Bank.

Satpal Kumar Arora is an independent Director of our Company. He is an associate member of the Indian Institute of Bankers and a member of the Institute of Cost and Works Accountants of India. He has previously served as an executive director of IFCI Limited and the managing director of Tourism Finance Corporation of India Limited.

Details of directorship in companies suspended or delisted

Except as disclosed below, none of our Directors is or was a director of any listed company, whose shares are or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company:

Name of the Director	Name of the company	Name of the stock exchange	Date of Suspension	Reasons for Suspension	Date of revocation of suspension	Term (along with relevant dates) of Director(s) in the above company:
Mohan Agarwal	Suvridhi Financial Services Limited ("**SFSL**")	The Calcutta Stock Exchange Limited	March 21, 2014	Non-compliance with listing agreement	July 4, 2018	Mohan Agarwal was appointed as a director of SFSL on January 11, 2002. He resigned from the board of directors of SFSL on May 9, 2018.

Further, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Relationships between our Directors and Key Managerial Personnel

Mohan Agarwal is the father of Akshay Agarwal and Raghav Agarwal. Except as stated hereinbefore, none of our Directors are related to each other or to any of our Key Managerial Personnel.

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

Except Peter Francis Amour, who is appointed as a nominee of Global Scrap Processors Limited pursuant to the provisions of the Investment Agreement and our Articles of Association, none of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others. For details regarding the Investment Agreement, see section "*History and Certain Corporate Matters – Details of shareholders' agreements*" on page 184.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

Pursuant to our Articles of Association, the applicable provisions of the Companies Act, 2013, and a resolution passed by our Shareholders at their meeting held on August 13, 2021, our Board is authorised to borrow an aggregate amount of up to ₹ 10,000.00 million (including all interest, costs, charges, expenses or other monies payable by the Company), and create mortgages, charges or hypothecation on all or any of the movable or immovable properties of the Company, as well as whole or part of the undertaking of the Company in favour of banks, financial institutions, body corporates, or other lenders in order to secure such borrowings.

Terms of appointment of our Directors

a) **Terms of employment of our Executive Directors**

Mohan Agarwal, Chairman and Managing Director

Mohan Agarwal was appointed as our Managing Director pursuant to the resolution passed by our Board on September 2, 2021 and our Shareholders on September 4, 2021, for a period of five years with effect from August 12, 2021 and was designated as the Chairman of our Board pursuant to a resolution passed by our Board on September 2, 2021. He receives remuneration from our Company in accordance with the Board resolution dated September 2, 2021 and the resolution of our shareholders approved in their general meeting held on September 4, 2021. The details of the remuneration that Mohan Agarwal is entitled to and the other terms of his employment are enumerated below:

Category	Remuneration
Salary	₹ 16.22 million per annum
Perquisites and other benefits	• *Provident fund:* ₹ 1.95 million per annum • *Car and driver salary:* ₹ 0.04 million per annum • Other employment benefits as per the policies of our Company

Akshay Agarwal, Executive Director

Akshay Agarwal was appointed as an Executive Director of our Company pursuant to the resolution passed by our Board on September 2, 2021 and our Shareholders on September 4, 2021, for a period of five years with effect from August 12, 2021, subject to retirement by rotation. He receives remuneration from our Company in accordance with the Board resolution dated September 2, 2021 and the resolution of our shareholders approved in their general meeting held on September 4, 2021. The details of the remuneration that Akshay Agarwal is entitled to and the other terms of his employment are enumerated below:

Category	Remuneration
Salary	₹ 3.49 million
Perquisites and other benefits	• *Provident fund:* ₹ 0.42 million per annum • *Rent-free accommodation:* ₹ 0.52 million per annum • *Group medical policy:* ₹ 0.04 million per annum • Other employment benefits as per the policies of our Company

Raghav Agarwal, Executive Director

Raghav Agarwal was appointed as an Executive Director of our Company pursuant to the resolution passed by our Board on September 2, 2021 and our Shareholders on September 4, 2021 for a period of five years with effect from August 12, 2021, subject to retirement by rotation. He receives remuneration from our Company in accordance with the Board resolution dated September 2, 2021 and the resolution of our shareholders approved in their general meeting held on September 4, 2021. The details of the remuneration that Raghav Agarwal is entitled to and the other terms of his employment are enumerated below:

Category	Remuneration
Salary	₹ 2.76 million per annum
Perquisites and other benefits	• *Provident fund:* ₹ 0.33 million per annum • *Group medical policy:* ₹ 0.03 million per annum • Other employment benefits as per the policies of our Company

b) **Sitting fees and commission to Non-Executive Directors and Independent Directors**

Pursuant to a resolution of our Board dated September 2, 2021, our Non-Executive Directors and Independent Directors are entitled to receive sitting fees of ₹ 0.1 million and ₹ 0.05 million for attending each meeting of our Board and the committees constituted of the Board respectively, including attendance through video conferencing. Further, our Non-Executive Directors and Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Compensation paid to our Directors

a) **Executive Directors**

As each of our Executive Directors were appointed in Fiscal 2022, no remuneration (including sitting fees, salaries, commission and perquisites), professional fee, consultancy fee was paid to such Directors for the Fiscal 2021.

b) **Non-Executive Directors**

As each of our Non-Executive Directors, including our Independent Directors and our Nominee Director were appointed in Fiscal 2022, no remuneration (including sitting fees and commission) was paid to such Directors for the Fiscal 2021.

Remuneration paid or payable to our Directors from Subsidiaries:

No remuneration has been paid to our Directors by any of our Subsidiaries in Fiscal 2021.

Payments or benefits to Directors

Our Company has not entered into any contract appointing or fixing the remuneration of a Director, Executive Director, or manager in the two years preceding the date of this Draft Red Herring Prospectus.

Our Company has not paid any commission or granted any amount or benefit on an individual basis to any of our Directors in Fiscal 2021.

Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our Directors

Our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Name	No. of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)
Mohan Agarwal	56,265,600	25.43	[•]
Akshay Agarwal	990,540	0.45	[•]
Raghav Agarwal	184,980	0.08	[•]

Interest of Directors

All our Directors may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration, commission and reimbursement of expenses, if any, payable to them by our Company. Mohan Agarwal, Akshay Agarwal and Raghav Agarwal may be deemed to be interested to the extent of remuneration paid to them for services rendered as officers of our Company. For further details, see "*Related Party Transactions*" on page 512.

Our Directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For further details regarding the shareholding of our Directors, see "– *Shareholding of Directors in our Company*" on page 202.

Some of our Directors may hold positions as directors on the board of directors of our Subsidiaries and Group

Companies.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

Except to the extent of amounts received by our Directors for the Equity Shares offered by them pursuant to the Offer for Sale, there is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer.

As on the date of this Draft Red Herring Prospectus, except for Mohan Agarwal, who is a Promoter of our Company, none of our other Directors are interested in the promotion of our Company. For further details, see "*Our Promoters and Promoter Group*" on page 216.

Our Directors do not have any interest in any property acquired or proposed to be acquired of or by our Company.

Further, other than as disclosed in "*Related Party Transactions*" at page 512, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Except as stated in the section "*Related Party Transactions*" on page 512, to the extent of the shareholding of our Directors in the Company and as disclosed below, none of our Directors have any other interest in our business or our Company:

Further, our Promoter and Chairman and Managing Director, Mohan Agarwal is interested to the extent he receives rent from our Company for the premises at Apartment no. CM 804 B, the Camellias, DLF Golf Links, DLF 5, Gurugram, Haryana, India, which is utilised as residence for our Promoter, Gauri Shankar Agarwala. For further details, see "*Our Promoters and Promoter Group*" on page 216.

Other confirmations

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Designation (at the time of appointment / change in designation / cessation)	Date of appointment / change in designation / cessation	Reason
Shelender Kumar Pathak	Non-Executive Director	March 20, 2020	Appointment to our Board
Shelender Kumar Pathak	Non-Executive Director	May 14, 2020	Resignation from our Board
Parveen Kumar Maggu	Non-Executive Director	May 14, 2020	Appointment to our Board
Mohan Agarwal	Non-Executive Director	August 12, 2021	Appointment to our Board
Raghav Agarwal	Non-Executive Director	August 12, 2021	Appointment to our Board
Akshay Agarwal	Non-Executive Director	August 12, 2021	Appointment to our Board
Virender Kumar Shimar	Non-Executive Director	August 16, 2021	Resignation from our Board
Deepak Kumar	Non-Executive Director	August 16, 2021	Resignation from our Board
Parveen Kumar Maggu	Non-Executive Director	August 16, 2021	Resignation from our Board
Balvinder Kumar	Independent Director	August 17, 2021	Appointment to our Board
Rashmi Verma	Independent Director	August 17, 2021	Appointment to our Board
Gyan Mohan	Independent Director	August 17, 2021	Appointment to our Board
Satpal Kumar Arora	Independent Director	August 17, 2021	Appointment to our Board
Peter Francis Amour	Non-Executive Nominee Director	August 20, 2021	Appointment to our Board
Raghav Agarwal	Executive Director	September 4, 2021	Change of designation to Executive Director

Name	Designation (at the time of appointment / change in designation / cessation)	Date of appointment / change in designation / cessation	Reason
Akshay Agarwal	Executive Director	September 4, 2021	Change of designation to Executive Director
Mohan Agarwal	Chairman and Managing Director	September 4, 2021	Change of designation to Chairman and Managing Director

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Draft Red Herring Prospectus, we have eight Directors on our Board, of whom four are Independent Directors, including one woman Director.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board committees:

(a) Audit Committee
(b) Nomination and Remuneration Committee
(c) Stakeholders' Relationship Committee
(d) Corporate Social Responsibility Committee; and
(e) Risk Management Committee.

For purposes of the Offer, our Board has also constituted an IPO Committee.

(a) Audit Committee

The Audit Committee was constituted by a resolution of our Board dated September 2, 2021. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Satpal Kumar Arora	Chairperson	Independent Director
Mohan Agarwal	Member	Chairman and Managing Director
Gyan Mohan	Member	Independent Director

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Its terms of reference are as follows:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference

(2) to seek information from any employee

(3) to obtain outside legal or other professional advice; and

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to Tracxn Technologies Limited (the "**Company**") to ensure that the financial statements are correct, sufficient and credible

(2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors

(4) formulation of a policy on related party transactions, which shall include materiality of related party transactions

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given. Only such members of the Audit Committee as are independent directors shall approve related party transactions.

(6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 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 listing and other legal requirements relating to financial statements

   f. Disclosure of any related party transactions; and

   g. Modified opinion(s) in the draft audit report.

(7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval

(8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter

(9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process

(10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(11) scrutiny of inter-corporate loans and investments

(12) valuation of undertakings or assets of the Company, wherever it is necessary

(13) evaluation of internal financial controls and risk management systems

(14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems

(15) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit

(16) discussion with internal auditors of any significant findings and follow up there on

(17) reviewing the findings of any internal investigations by the internal auditors 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

(18) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

(19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services

(20) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors

(21) reviewing the functioning of the whistle blower mechanism

(22) monitoring the end use of funds raised through public offers and related matters

(23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases

(24) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate

(25) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; and

(26) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time."

Further, the Audit Committee shall mandatorily review the following information:

a) 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 management

c) Management letters / 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 the chief internal auditor

f) Statement of deviations in terms of the SEBI Listing Regulations:

a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and

b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.

g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations.

The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration committee was constituted by a resolution of our Board dated September 2, 2021, and was last re-constituted pursuant to a resolution of our Board dated September 9, 2021. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination and Remuneration committee is as follows:

Name of Director	Position in the Committee	Designation
Balvinder Kumar	Chairperson	Independent Director
Satpal Kumar Arora	Member	Independent Director
Mohan Agarwal	Member	Chairman and Managing Director
Peter Amour	Member	Non-Executive Nominee Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "**Board**" or "**Board of Directors**") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**").

(2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   (i) Use the services of an external agencies, if required
   (ii) Consider candidates from a wide range of backgrounds, having due regard to diversity; and
   (iii) consider the time commitments of the candidates.

(3) The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

   (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully
   (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   (iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(4) Formulation of criteria for evaluation of independent directors and the Board

(5) Devising a policy on Board diversity

(6) 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 their appointment and removal and carrying out evaluation of every director's performance (including independent director)

(7) Analysing, monitoring and reviewing various human resource and compensation matters

(8) Deciding 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) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors

(10) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary

(11) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws

(12) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable

(13) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

    (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
    (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(14) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated September 9, 2021. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders' Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Rashmi Verma	Chairperson	Independent Director
Balvinder Kumar	Member	Independent Director
Raghav Agarwal	Member	Executive Director

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for

refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints

(2) review of measures taken for effective exercise of voting rights by shareholders

(3) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities

(4) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time

(5) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services

(6) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

(7) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

(d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated September 2, 2021. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Gyan Mohan	Chairperson	Independent Director
Rashmi Verma	Member	Independent Director
Akshay Agarwal	Member	Executive Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

(a) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board

(b) identify corporate social responsibility policy partners and corporate social responsibility policy programmes

(c) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company

(d) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities

(e) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(f) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time, and

(g) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

(e) Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board dated September 9, 2021. The current constitution of the Risk Management Committee is as follows:

Name of Director	Position in the Committee	Designation
Mohan Agarwal	Chairperson	Chairman and Managing Director
Balvinder Kumar	Member	Independent Director
Gyan Mohan	Member	Independent Director

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations. Its terms of reference are as follows:

(i) Approve and periodically review the risk management policies of the Corporation 's operations

(ii) Review significant reports from regulatory agencies relating to risk management and compliance issues, and management's responses

(iii) Policies and procedures establishing risk management governance, risk management procedures, and risk control infrastructure for operations

(iv) Review and approve the Corporation's risk appetite statement on an annual basis and approve any material amendment to the risk appetite statement

(v) Review and approve the Contingency Funding Plan contained in the Corporation's Liquidity Policy at least annually, and approve any material revisions to this plan prior to implementation

(vi) Review significant risk exposures and the steps, including policies and procedures, that management has taken to identify, measure, monitor, control, limit and report such exposures, including, without limitation, credit, market fiduciary, liquidity, reputational, operational, fraud, strategic, technology (data-security, information, business-continuity risk, etc.), and risks associated with incentive compensation plans

(vii) Review and evaluate the Corporation's practices with respect to risk assessment and risk management

(viii) Review reports and significant findings of Risk and Compliance and the Internal Audit Department with respect to the risk management and compliance activities of the Corporation, together with management's responses and follow-up to these repolls

(ix) To evaluate various risks of the business and to draw out a risk management plan for the Company

(x) To take steps to identify and mitigate Information Technology and Cyber Security Risks that the Company is or may be exposed to, on a regular basis

(xi) To monitor and review risk management and mitigation plan of the Company

(xii) To inform board on the effectiveness of the risk management framework and process of risk management

(xiii) Evaluate risk exposure and tolerance. Laying down risk assessment and minimization procedures and the procedures to inform Board of the same; and

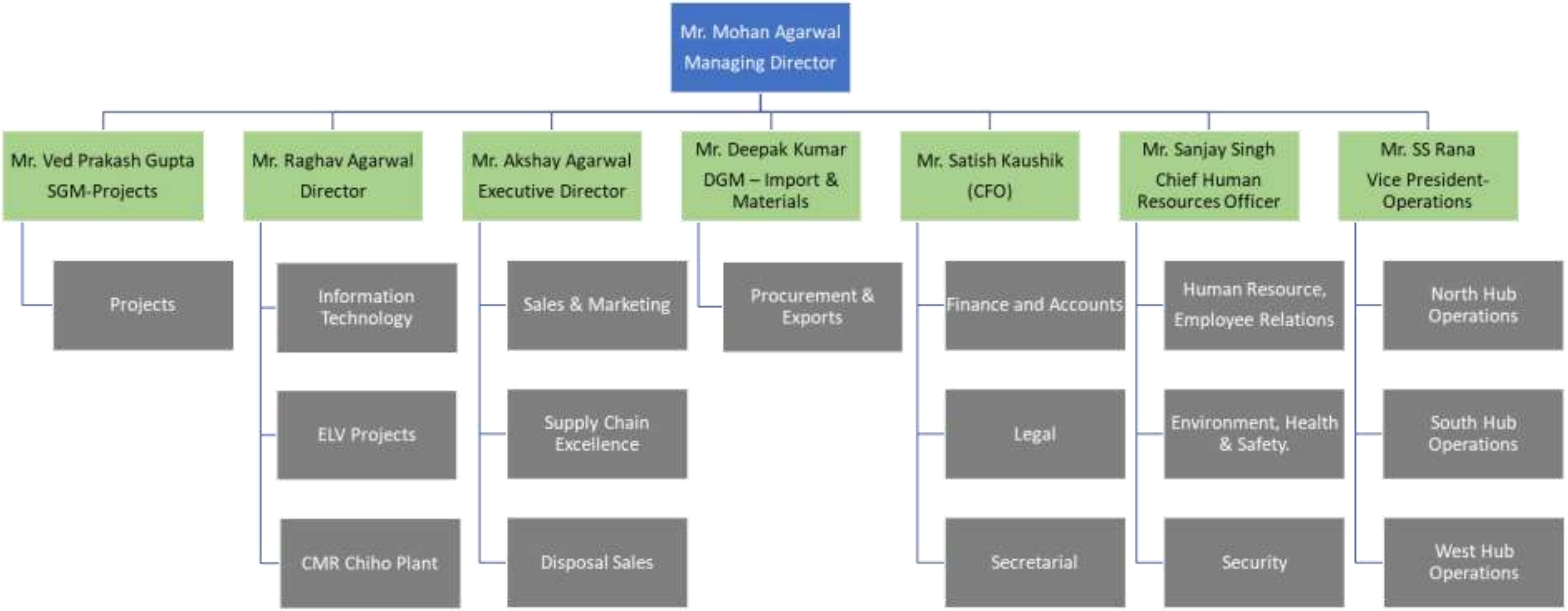
(xiv) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee, including under Schedule II, Part D of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

The quorum of the Risk Management Committee is either two members or one-third of the members of the Risk Management Committee, whichever is higher, including at least one member of the Board of Directors, being in attendance.

The Risk Management Committee is required to meet at least twice in a year and not more than 180 days may elapse between the two meetings.

The Risk Management Committee has powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Management organization chart



Key Managerial Personnel

In addition to Mohan Agarwal, Akshay Agarwal and Raghav Agarwal, Executive Directors of our Company, whose details are provided in "– *Brief profiles of our Directors*" on page 199, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

Satish Kumar Kaushik is the Chief Financial Officer of our Company. He has been associated with CMR since September 30, 2015 and has served as our Chief Financial Officer with effect from August 12, 2021. He handles various financial functions in our Company, *inter alia* including dealing with banks and financial institutions, maintaining budgetary control, handling tax-related compliances and preparing financial accounts, amongst others. He is an associate member of the Institute of Cost Accountants of India. Before his association with our Company, he has previously served as the head of corporate finance with Neuerth General Trading LLC, and has also worked with Century Aluminium Manufacturing Company Limited.

Lohit Chhabra is the Company Secretary and Compliance Officer of our Company. He has been associated with CMR and its affiliates since September 1, 2014 and was appointed as our Company Secretary and Compliance Officer with effect from August 1, 2021, pursuant to a resolution passed by our Board of Directors dated August 12, 2021. He handles the secretarial department of the Company. He holds a bachelor's degree in commerce from University of Delhi and is an associate member of the Institute of Company Secretaries of India. Before his association with our Company, he has worked in secretarial roles with CMRN, SFSL and CCIIPL.

S. S. Rana is the Vice President, Operations of our Company. He has been associated with CMR since June 20, 2011 and has become an employee of our Company pursuant to the Scheme of Arrangement. He has been appointed as our Vice President, Operations with effect from November 1, 2018. In our Company, he handles production and operations of all of the plants of our Company located in the northern, southern and western regions. He has completed a diploma course in electrical engineering, specialising in thermal power plants, from the Government Polytechnic, Uttar Kashi, and has been elected to the Institute of Engineers (India) as a senior technician. Before his association with our Company, he has previously worked with Shriram Honda Power Equipment Limited, Omax Autos Limited, Flex Industries Limited, Shriram Bearings Limited, Eicher Farm Machinery Limited, AEY Key Tank & Vessels Private Limited and the Yamaha motorcycles division of Escorts Limited.

Deepak Kumar is the Deputy General Manager, Imports and Materials and he handles planning and import of raw material from overseas for our Company. He holds a bachelor's degree in commerce from Maharshi Dayanand University, Rohtak. He has been associated with the Company since July 27, 2006.

Ved Prakash Gupta is the Senior General Manager, Operations of CMRN. He holds a bachelor's degree in science from the Birla Institute of Technology and Science, Pilani, Rajasthan. He has a management degree from Institute of Management Technology, Centre for Distant Learning, Ghaziabad. He has completed polytechnic degree in mechanical engineering from Madhya Pradesh Technical Education Board. He joined erstwhile CMR on October 11, 2010 and subsequently took up the position of General Manager, Operations in our Subsidiary, CMRN with effect from October 1, 2012 and currently handles planning and operations of new projects.

Sanjay Kumar Singh is the Chief Human Resource Officer of our Company. He has been associated with CMR since October 17, 2020 and has become an employee of our Company pursuant to the Scheme of Arrangement. He is responsible for the human resource functions of our Company. He holds a post graduate diploma in Industrial Relations and Personnel Management from Bhartiya Vidya Bhavan and a master's degree in arts from the Kashi Vidyapeeth, Varanasi. Before his association with our Company, he has been associated with Hindalco Industries Limited.

None of these persons were our Key Managerial Personnel in Fiscal 2021 and accordingly, no remuneration was paid to them in the last Fiscal.

Relationships among Key Managerial Personnel, and with Directors

Except as set out in "– *Relationships between our Directors and Key Managerial Personnel*" on page 200, none of our Key Managerial Personnel are related to each other or to the Directors of our Company.

Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Changes in the Key Managerial Personnel in last three years

Except as mentioned below, and as specified in "– *Changes to our Board in the last three years*" on page 203, there have been no changes in the Key Managerial Personnel in the last three years:

Name	Designation	Date of change	Reason
S. S. Rana	Vice President, Operations	November 1, 2018*	Appointment as our Vice President, Operations
Sanjay Kumar Singh	Chief Human Resource Officer	October 17, 2020*	Appointment as the Chief Human Resource Officer
Lohit Chhabra	Company Secretary and Compliance Officer	August 12, 2021	Appointment as our Company Secretary and Compliance Officer
Satish Kumar Kaushik	Chief Financial Officer	August 12, 2021	Appointment as our Chief Financial Officer

* *Date of appointment to CMR. Such persons have become employees of our Company pursuant to the provisions of the Scheme of Arrangement.*

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

Status of Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel are permanent employees of our Company.

Retirement and termination benefits

Our Key Managerial Personnel have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

Shareholding of the Key Managerial Personnel

Other than the shareholding of Mohan Agarwal, Akshay Agarwal and Raghav Agarwal in our Company, as disclosed under "– *Shareholding of Directors in our Company*" on page 202, none of our other Key Managerial Personnel hold any Equity Shares in our Company.

Contingent and deferred compensation payable to Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2021, which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel

Certain of our Key Managerial Personnel are entitled to receive variable pay, as a percentage of the profits of our Company. Other than the same, our Company has no profit-sharing plan in which the Key Managerial Personnel participate. Our Company makes bonus payments to our Key Managerial Personnel, in accordance with their terms of appointment.

Interest of Key Managerial Personnel

Our Key Managerial Personnel are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Employee Stock Option Plan

As on the date of this Draft Red Herring Prospectus, our Company does not have any active employee stock option plan.

Payment or Benefit to officers of our Company (non-salary related)

No non-salary related amount or benefit has been paid or given within the two years preceding the date of the Draft Red Herring Prospectus or is intended to be paid or given to any officer of the Company, including our Directors and Key Managerial Personnel.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Gauri Shankar Agarwala, Mohan Agarwal, Kalawati Agarwal and Pratibha Agarwal. As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 181,946,580 Equity Shares, representing 82.23% of the issued, subscribed and paid-up Equity Share capital of our Company. For details, please see "*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in the Company – Build-up of the Promoters' shareholding in our Company*" beginning on page 87.

Details of our Promoters

Gauri Shankar Agarwala

Gauri Shankar Agarwala, aged 81 years, is one of our Promoters. Details of his date of birth and address are as follows:

Date of Birth: July 4, 1940
Address: W-5/16, Western Avenue, Sainik Farm, Deoli, New Delhi 110 062, India

He holds a bachelor's degree in arts and a bachelor's degree in laws from the University of Calcutta. He has substantial experience in various fields, including law, finance and taxation.

His permanent account number is ADEPA0101D and his Aadhaar number is [redacted]. He currently does not hold a valid driver's license as his license bearing number P03022008566688 expired on February 7, 2013.

As on date of this Draft Red Herring Prospectus, Gauri Shankar Agarwala holds 41,192,760 Equity Shares, representing 18.62% of the issued, subscribed and paid-up equity share capital of our Company.

Mohan Agarwal

Mohan Agarwal, aged 58 years, is one of our Promoters and the Chairman and Managing Director of our Company. For the complete profile of Mohan Agarwal, along with details of his date of birth, personal address, educational qualifications, professional experience, position/posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 196.

He holds a driver's license bearing the number DL-0320080478351. His permanent account number is ADEPA0100C and his Aadhaar number is [redacted].

As on date of this Draft Red Herring Prospectus, Mohan Agarwal holds 56,265,600 Equity Shares, representing 25.43% of the issued, subscribed and paid-up equity share capital of our Company.

Pratibha Agarwal

Pratibha Agarwal, aged 53 years, is one of our Promoters. Details of her date of birth and address are as follows:

Date of Birth: July 27, 1968
Address: W-5/16, Western Avenue, Sainik Farm, New Delhi 110 062, India

Other than her association with our Company, she is a home maker.

Her permanent account number is AAHPA4205A and her Aadhaar number is [redacted]. She currently does not hold a valid driver's license as her license bearing number P03022008566685 expired on July 26, 2018.

As on date of this Draft Red Herring Prospectus, Pratibha Agarwal holds 44,349,780 Equity Shares, representing 20.04% of the issued, subscribed and paid-up equity share capital of our Company.

Kalawati Agarwal

Kalawati Agarwal, aged 74 years, is one of our Promoters. Details of her date of birth and address are as follows:

Date of Birth: January 19, 1947
Address: W-5/16, F- 170 B, Western Avenue, Sainik Farm, New Delhi 110 062, India

Kalawati Agarwal has received basic preliminary education and is currently a home-maker. She is not a director of any company and is not involved in any ventures other than our Company.

She does not hold a driver's license. Her permanent account number is AAHPA4204B and her Aadhaar number is [redacted].

As on date of this Draft Red Herring Prospectus, Kalawati Agarwal holds 40,138,440 Equity Shares, representing 18.14% of the issued, subscribed and paid-up equity share capital of our Company.

Our Company confirms that the permanent account numbers, bank account numbers and passport numbers of our Promoters, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Change in control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they are the Promoters of our Company and to the extent of their respective shareholding in our Company, their directorship in our Company and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company or the shareholding of their relatives in our Company. For details of the shareholding of our Promoters in our Company, see "*Capital Structure*" beginning on page 82. For further details of interest of our Promoters in our Company, see "*Related Party Transactions*" beginning on page 512.

Gauri Shankar Agarwala and Mohan Agarwal may also be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, sitting fees and commission payable to him as a Director on our Board. For further details, see "*Our Management*" beginning on page 196.

None of our Promoters have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Further, certain of our Promoters are interested to the extent of rent received by them in lieu of properties taken on lease by us from them for use as residence by our Executive Directors and other Promoters. For instance, our Promoter Pratibha Agarwal is interested to the extent she receives rent from our Company for the premises at ground floor, W 5/16, F- 170 B, Western Avenue, Sainik Farm, New Delhi 110 062, India, which is utilised as residence for our Executive Director, Akshay Agarwal. Our Promoter and Chairman and Managing Director, Mohan Agarwal is interested to the extent he receives rent from our Company for the premises at Apartment no. CM 804 B, the Camellias, DLF Golf Links, DLF 5, Gurugram, Haryana, India, which is utilised as residence for our Promoter, Gauri Shankar Agarwala. Similarly, Kalawati Agarwal is also interested to the extent of rent received by her for leasing out certain premises to our Company. The aggregate amount of rent paid in this regard to these Promoters, as on March 31, 2021 was ₹ 28.50 million.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Except as disclosed below, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company:

Mohan Agarwal is a director of CMR Aluminium Private Limited, CMR Chiho Industries India Private Limited, CMR-Chiho Recycling Technologies Private Limited, CMR-Kataria Recycling Private Limited, CMR Nikkei India Private Limited, CMR-Toyotsu Aluminium India Private Limited and Nikkei CMR Aluminium India Private Limited, which are involved in activities which are similar to those conducted by our Company. Further, Gauri Shankar Agarwala is a director of CMR-Chiho Recycling Technologies Private Limited, CMR Nikkei India Private Limited and CMR-Toyotsu Aluminium India Private Limited, which are involved in activities which are similar to those conducted by our Company.

Companies or firms with which our Promoters have disassociated in the last three years

None of our Promoters have disassociated themselves from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus.

Payment or Benefits to Promoters or Promoter Group

Except as disclosed herein and as stated in "*Related Party Transactions*" at page 512, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Material Guarantees

Other than the guarantees provided by our Promoters as disclosed in "*History and Certain Corporate Matters*" on page 181, our Promoters have not provided any material guarantees to third parties including with respect to the specified securities of our Company.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than our Promoters, are as follows:

Sr No.	Name of Promoter Group Member	Relationship with the Promoter
1.	Akshay Agarwal	Son of Mohan Agarwal and Pratibha Agarwal
2.	Leela Ruia	Sister of Kalawati Agarwal
3.	Nirmal Poddar	Mother of Pratibha Agarwal
4.	Nirmala Tulsyan	Sister of Mohan Agarwal
5.	Pankaj Poddar	Brother of Pratibha Agarwal
6.	Puneet Poddar	Brother of Pratibha Agarwal
7.	Raghav Agarwal	Son of Mohan Agarwal and Pratibha Agarwal
8.	Rajni Bagla	Sister of Mohan Agarwal
9.	Sangeeta Peeti	Sister of Mohan Agarwal
10.	Saraswati Goenka	Sister of Kalawati Agarwal
11.	Shyam Sundar Poddar	Father of Pratibha Agarwal
12.	Triveni Agarwala	Sister of Gauri Shankar Agarwala
13.	Urmila Rungta	Sister of Kalawati Agarwal

Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

Sr No.	Name of Promoter Group Member
1.	Akshay Agarwal Family Private Trust
2.	CMR Tech Solutions Private Limited
3.	Gauri Shankar Agarwala (HUF)
4.	GS Agarwala Family Private Trust
5.	K Agarwal Family Private Trust
6.	Mohan Agarwal (HUF)
7.	Raghav Agarwal Family Private Trust
8.	Sanjivani Metal Trading Private Limited

GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of 'group companies', our Company has considered (i) such companies (other than our Subsidiaries) with which there were related party transactions during the period for which Restated Financial Information have been disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards; and (ii) any other companies which are considered material by our Board.

In respect of point (ii) above, our Board in its meeting held on September 18, 2021, has considered and adopted the Materiality Policy, *inter alia*, for identification of companies that shall be considered material and shall be disclosed as a group company in the Draft Red Herring Prospectus. In terms of the Materiality Policy, if a company (other than the Subsidiaries and the companies covered under the schedule of related party transactions as per the Restated Financial Information) (a) is a member of our Promoter Group; and (b) has entered into one or more transactions with our Company during the most recent Financial Year and any stub period included in the Restated Financial Information, that cumulatively exceed 10% of the revenue from operations of the Company, derived from the Restated Financial Information of the last completed full financial year, it shall be considered material and shall be disclosed as a group company in this Draft Red Herring Prospectus.

Accordingly, set forth below are our Group Companies as on the date of this Draft Red Herring Prospectus:

1. CMR Chiho Industries India Private Limited
2. Nikkei CMR Aluminium India Private Limited
3. Nikkei MC Aluminium Company Limited
4. Toyota Tsusho Corporation
5. Kent Industrial Park Private Limited
6. Toyota Tsusho India Private Limited
7. CMR-Chiho Recycling Technologies Private Limited
8. CMR Tech Solutions Private Limited

Details of our top five Group Companies:

The details of our top five Group Companies, determined based on market capitalisation or turnover in Fiscal 2021, as applicable, are as provided below:

1. **CMR Chiho Industries India Private Limited**

   For a corporate profile of CCIIPL, see "*Our Subsidiaries and Joint Ventures*" on page 190. The details of the reserves (excluding revaluation reserves), sales, profit / (loss) after tax, earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of CMR CCIIPL for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on the website of our Company at https://www.cmr.co.in/index.php/financial-results/.

2. **Nikkei MC Aluminium Company Limited**

   Nikkei MC Aluminium Company Limited was incorporated as a private limited company on April 1, 2007 under the laws of Japan. Its corporate identity number is 7010001108330. Its head office is situated at 1-1-13, Shimbashi, Minato-Ku, Tokyo, 105-8681, Japan.

   An exemption application dated September 26, 2021 under Regulation 300(1)(c) of the SEBI ICDR Regulations has been submitted to SEBI seeking a relaxation from the requirement for Nikkei MC Aluminium Company Limited to upload Financial Disclosures in relation to itself on its websites under the SEBI ICDR Regulations. Accordingly, no financial disclosure shall be uploaded in relation to Nikkei MC Aluminium Company Limited.

3. **Toyota Tsusho Corporation**

   Toyota Tsusho Corporation was incorporated as a public company in 1948 as 'Nisshin Tsusho Kaisha, Limited' under the laws of Japan, and received a certificate of commencement of business on July 1, 1948. In 1987, its name was changed to 'Toyota Tsusho Corporation'. Its corporate identification number is

6180001031731. Its registered office is situated at 9-8, Meieki 4-Chrome, Nakamura-ku, Nagoya 450 8575, Japan.

The details of the reserves (excluding revaluation reserves), sales, profit / (loss) after tax, earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of Toyota Tsusho Corporation for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on its website at https://www.toyota-tsusho.com/english/ir/presentation/earnings-presentations/2021.html.

4. **Toyota Tsusho India Private Limited**

Toyota Tsusho India Private Limited was incorporated as a private limited company on April 1, 1999 under the Companies Act, 1956. Its corporate identity number is U27105KA1999PTC025012. Its registered office is situated at Plot No. 33 & 34, Bidadi Industrial Area, Ramanagara 562 109, Karnataka, India.

An exemption application dated September 26, 2021 under Regulation 300(1)(c) of the SEBI ICDR Regulations has been submitted to SEBI seeking a relaxation from the requirement for Toyota Tsusho India Private Limited to upload Financial Disclosures in relation to itself on its websites under the SEBI ICDR Regulations. Accordingly, no financial disclosure shall be uploaded in relation to Toyota Tsusho India Private Limited.

5. **CMR-Chiho Recycling Technologies Private Limited**

For a corporate profile of CMRC, see "*Our Subsidiaries and Joint Ventures*" on page 190. The details of the reserves (excluding revaluation reserves), sales, profit / (loss) after tax, earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of CCRTPL for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on the website of our Company at https://www.cmr.co.in/index.php/financial-results/.

Details of our other Group Companies

In addition to our top five Group Companies disclosed hereinabove, set forth below are the details of other Group Companies:

6. **Nikkei CMR Aluminium India Private Limited**

For a corporate profile of NCMR, see "*Our Subsidiaries and Joint Ventures*" on page 190.

7. **Kent Industrial Park Private Limited**

Kent Industrial Park Private Limited was incorporated as a private limited company on September 23, 2013. Its corporate identity number is U45203GJ2013PTC076918. Its registered office is situated at 202 S/F, Kataria Arcade, B/S Adani School, Survey No.195to212, TPS-84/B, D.A.B. School, Makarba Ahmedabad, 380 051.

8. **CMR Tech Solutions Private Limited**

CMR Tech Solutions Private Limited was incorporated as a private limited company on May 13, 2019 under the Companies Act, 2013. Its corporate identity number is U72900DL2019PTC349983. Its registered office is situated at W-5/16, Western Avenue, Sainik Farm, New Delhi, 110 062.

Common pursuits among Group Companies

As on the date of this Draft Red Herring Prospectus, except for CMR Chiho Industries India Private Limited, CMR-Chiho Recycling Technologies Private Limited, Nikkei CMR Aluminium India Private Limited, Toyota Tsusho Corporation, none of the Group Companies are pursuing any business activities similar to that of our Company. Our Company would adopt necessary measures and practises as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

Litigation

Our Group Companies are not a party to any pending litigations which will have a material impact on our Company.

Nature and extent of interest of our Group Companies

Interest in the promotion of our Company to provide

None of our Group Companies have any interest in the promotion of our Company.

Interest in the property acquired or proposed to be acquired by the Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

Interest in transactions for acquisition of land, construction of building, or supply of machinery

None of our Group Companies is interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, or any other contract, agreement or arrangement entered into by our Company, and no payments have been made or are proposed to be made in respect of any such contracts, agreements or arrangements, by any of our Group Companies.

Related business transactions and their significance on the financial performance of our Company

Other than the transactions disclosed in the section "*Related Party Transactions*" on page 512, there are no related business transactions between the Group Companies and our Company.

Business interest of our Group Companies in our Company

Except as disclosed in the section "*Related Party Transactions*" on page 512 and as disclosed below, there are no business transactions between our Company and Group Companies which are significant to the financial performance of our Company.

Nikkei MC Aluminium Company Limited holds 26% of the equity shares of CMR Nikkei India Private Limited, which is a Subsidiary of our Company.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder). Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our contractual obligations, applicable legal restrictions, results of operations, financial condition, revenues, profits, over financial condition, capital requirements and business prospects. In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" on page 554. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

Our Company has not paid any dividends during the last three Fiscals, and the period from April 1, 2021 until the date of this Draft Red Herring Prospectus, on the Equity Shares. The past trend in relation to our payment of dividends is not necessarily indicative of our dividend trend or dividend policy, in the future, and there is no guarantee that any dividends will be declared or paid in the future. For details in relation to the risk involved, see "*Risk Factors – Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.*" on page 57. Our Company has adopted a formal dividend policy pursuant to its board resolution dated September 18, 2021.

SECTION VII – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

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Independent Auditors' Examination Report on the Restated Ind AS Consolidated Summary Statements of CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited)

The Board of Directors
CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited)
Unit No 802-803, 8th Floor
SSR Corporate Park, Sector 27B
Faridabad, Haryana-121003
India

Dear Sirs,

1. We S.R. Batliboi & Co. LLP, Chartered Accountants ("we", or "us" or "SRBC") have examined the attached Restated Ind AS Consolidated Summary Statements of CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited) (the "Company") , its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), and its joint ventures, comprising the Restated Ind AS Consolidated Summary Statements of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 the Restated Ind AS Consolidated Summary Statements of Profit and Loss (including other comprehensive income), the Restated Ind AS Consolidated Summary Statement of Change in Equity, the Restated Ind AS Consolidated Summary Statement of Cash Flow, for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the Summary Statement of Significant Accounting Policies, and other explanatory information(collectively, the "Restated Ind AS Consolidated Summary Statements"), as approved by the Board of Directors of the Company at their meeting held on September 23, 2021, for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a) Section 26 of Part 1 of Chapter III of The Companies Act, 2013 (the "Act");

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and

   c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The preparation of Restated Ind AS Consolidated Summary Statements, which are to be included in the DRHP, is the responsibility of the management of the Company, for the purpose set out in paragraph 13 below. The Restated Ind AS Consolidated Summary Statements have been prepared by the Management of the Company on the basis of preparation stated in paragraph 2 of Annexure V to the Restated Ind AS Consolidated

Summary Statements. The responsibility of the management of the companies included in the Group, its joint ventures and of its associates includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Ind AS Consolidated Summary Statements. The management of the companies included in the Group, its joint ventures and of its associates are also responsible for identifying and ensuring that the Group and its joint ventures comply with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Ind AS Consolidated Summary Statements taking into consideration:

   a) the terms of reference and our engagement agreed upon with you vide our engagement letter dated September 20, 2021, requesting us to carry out work on such Restated Ind AS Consolidated Summary Statements, proposed to be included in the DRHP of the Company in connection with the proposed IPO of the Company;

   b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) Concept of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Ind AS Consolidated Summary Statements; and

   d) the requirements of Section 26 of the Act and applicable provisions of the ICDR Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO.

4. These Restated Ind AS Consolidated Summary Statements have been compiled by the management from:

   (a) Audited consolidated financial statements of the Group and its joint ventures as at and for the year ended March 31, 2021, which were prepared in accordance with accounting principles generally accepted in India ("Indian GAAP") as prescribed under Section 133 of the Act read with Companies (Accounts) Rules 2014 (as amended), which have been approved by the Board of Directors at their meeting held on September 02, 2021. These Indian GAAP Financial Statements have been adjusted by the management as described in Annexure VB, to make them compliant with recognition and measurement principles under Ind AS.

(b) Audited consolidated financial statements of the Company and its associate companies as at and for the year ended March 31, 2020, which were prepared in accordance with Indian GAAP at the relevant time which have been approved by the Board of Directors at their meeting held on September 05, 2020. The Restated Ind AS Consolidated Summary Statements includes Proforma Ind AS Consolidated Summary Statements for the year ended March 31, 2020 which have been prepared by the management from the audited consolidated financial statements of the Company and its associate companies as at and for the year ended March 31, 2020; have been adjusted by the management as described in Annexure VB to the Restated Ind AS Consolidated Summary Statements to make them compliant with recognition and measurement principles under Ind AS.

(c) Audited consolidated financial statements of the Company and its associate companies as at and for the year ended March 31, 2019, which were prepared in accordance with Indian GAAP at the relevant time which have been approved by the Board of Directors at their meeting held on September 03, 2019. The Restated Ind AS Consolidated Summary Statements also includes Proforma Ind AS Consolidated Summary Statements for the year ended March 31, 2019 which have been prepared by the management from the audited consolidated financial statements of the Company and its associate companies as at and for the year ended March 31, 2019; have been adjusted by the management as described in Annexure VB to the Restated Ind AS Consolidated Summary Statements to make them compliant with recognition and measurement principles under Ind AS.

5. For the purpose of our examination, we have relied on:

(a) Auditors' Report issued by us dated September 02, 2021, on the Consolidated Financial Statements of the Group and its joint ventures as at March 31, 2021, as referred in Paragraph 4 (a) above.

(b) Auditor's report issued by the previous auditors dated September 05, 2020 and September 03, 2019 on the consolidated financial statements of the Company and its associate companies as at and for the financial years ended March 31, 2020 and March 31, 2019 referred in Paragraph 4 (b) and (c) above.

The audit for the financial years ended March 31, 2020 and March 31, 2019 was conducted by the Company's previous auditors, K N Gutgutia & Co (the "Previous Auditors"), and accordingly reliance has been placed on the independent practitioners' examination report dated September 23, 2021 on the restated consolidated statement of assets and liabilities as at March 31, 2020 and as at March 31, 2019 and the restated consolidated statements of profit and loss (including other comprehensive income), statements of changes in equity and cash flow statements for the years ended March 31, 2020 and March 31, 2019, the Summary Statement of Significant Accounting

Policies, and other explanatory information (collectively, the "2020 & 2019 Restated Consolidated Financial Information") examined by them for the said years.

6. As indicated in our audit reports referred to in paragraph 5 above:

(a) We did not audit the financial statements and other financial information of 5 (five) branches included in the consolidated financial statements of the Company whose financial statements and other financial information reflect total assets of Rs. 4,105.81 million as at March 31, 2021, the total revenues of Rs.8,940.47 million and cash inflows of Rs. 45.5 million for the year ended on that date, as considered in the financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

(b) We did not audit the financial statements of 5 (five) subsidiaries whose financial statements include total assets of Rs 6,853.88 million as at March 31, 2021 and total revenues of Rs 12,506.07 million, net cash (outflows) of Rs 16.37 million for the year ended on that date. These financial statements have been audited by Other Auditors and whose reports have been furnished to us by the Company's management. Our opinion on the consolidated financial statements, in so far as it related to the amounts and disclosures included in respect of these components, was based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements is not modified in respect of above matter.

The auditors of these five branches and five branches above are hereinafter referred to as the Other Auditors.

(c) Our audit report dated September 02, 2021, on the financial statements as at and for the year ended March 31, 2021, also indicated that those financial statements included unaudited financial statements and other unaudited financial information in respect of one of two joint ventures, whose financial statements and other information reflected total assets of Rs 476.54 million as at March 31, 2021, and total revenues of Rs 586.88 million and net cash (outflows) of Rs 1.91 million for the year ended on that date. Those unaudited financial statements and other unaudited financial information had been prepared and furnished to us by the management. Our opinion, in so far as it related to those joint ventures was solely based on such unaudited financial statements and unaudited financial information prepared by the management. In our opinion and according to the information and explanations given to us by the management, those unaudited financial statements and unaudited financial information were not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of above matter.

7. These Other Auditors of the branches and subsidiaries, listed in Annexure 1 attached and as mentioned above, have examined the restated summary statements of respective branches and subsidiaries included in these Restated Ind AS Consolidated Summary Statements and have confirmed that those restated summary statements:

   (i) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in financial years ended March 31, 2020 and March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at March 31, 2021;

   (ii) have been prepared after incorporating proforma adjustments to the audited Indian GAAP financial statements as at and for the years ended March 31, 2021, 2020, and 2019 as described in Annexure VB to the Restated Ind AS Consolidated Summary Statements;

   (iii) does not contain any qualifications requiring adjustments; and

   (iv) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the Other Auditors for the respective years, we report that the Restated Ind AS Consolidated Summary Statements:

   a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2020 and March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2021;

   b) have been prepared after incorporating proforma adjustments as described in Annexure VB to the Restated Ind AS Consolidated Summary Statements to the audited consolidated Indian GAAP financial statements as at and for the years ended March 31, 2021, 2020 and 2019;

c) there are no qualifications in the auditors' reports on the audited consolidated financial statements of the Group and its joint ventures for the year ended March 31, 2021 and in the auditors' reports on the audited consolidated financial statements of the Company and its associate companies for the year ended 2020 and 2019 which require any adjustment to the Restated Consolidated Summary Statements. However, the Emphasis of Matter paragraph included in the auditors report on the Consolidated financial statement of the Group and its joint ventures for the year ended March 31, 2021, which do not require any corrective adjustments in the Restated Ind AS Consolidated Summary Statements is as follows;

   Emphasis of Matter – March 31, 2021
   We draw attention to Note 54 of the consolidated financial statements, which describes the uncertainties and the impact of second wave of Covid-19 pandemic on the Group's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

d) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

9. We have not audited any financial statements of the Group and its joint ventures as of any date or for any period subsequent to March 31, 2021. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group and its joint ventures as of any date or for any period subsequent to March 31, 2021.

10. The Restated Ind AS Consolidated Summary Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Audited Consolidated Financial Statements mentioned in paragraph 5 above.

11. 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, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with SEBI, BSE Limited and National Stock Exchange of India Limited, in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose. 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.

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership No.: 87921
UDIN: 21087921AAAADG4445
New Delhi
September 23, 2021

Annexure 1

List of Branches and Subsidiaries of the Company audited by other auditors as at and for the year ended March 31, 2021:

Name of Component	Component Type	Name of the other auditor
Grand Metal Recycling Private Limited	Branch	K.N. Gutgutia & Co.
Suvridhi Financial Services Limited	Branch	ML Garg & Co.
Sanjivani Non Ferrous Trading	Branch	K.N. Gutgutia & Co.
Ramayana Polymers	Branch	K.N. Gutgutia & Co.
Forever Multimedia	Branch	K.N. Gutgutia & Co.
CMR Nikkei India Private Limited	Subsidiary	Chordiya & Company
CMR Toyotsu Aluminium India Private Limited	Subsidiary	Chordiya & Company
CMR Welfare Foundation	Subsidiary	TAKS & Co
CMR Aluminium Private Limited	Subsidiary	TAKS & Co
CMR Kataria Recycling Private Limited	Subsidiary	S.S. Kothari Mehta & Co

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure I: RESTATED IND AS CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(Rs. in millions)

Particulars	Annexure	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Assets				
Non-current assets				
Property, plant and equipment	VII	2,956.85	-	-
Capital work in progress	VII	428.53	-	-
Investment property	VIII	2.92	-	-
Goodwill	X	12,396.27	-	-
Other Intangible assets	IX	10.24	-	-
Intangible assets under development		0.50	-	-
Right-of-use assets	XXXIX	436.08	-	-
Investments in Joint ventures & Associates	XI	140.24	905.47	335.08
Financial assets				
i. Investments	XI	15.59	310.39	59.41
ii. Loans	XII	35.23	-	-
iii. Other financial assets	XIII	20.28	-	-
Non-current tax assets (net)		171.15	0.32	0.32
Other non-current assets	XIV	352.40	-	-
		16,966.28	**1,216.18**	**394.81**
Current assets				
Inventories	XV	4,237.10	-	-
Financial assets				
i. Trade receivables	XVI	5,311.36	-	-
ii. Cash and cash equivalent	XVII	67.90	0.05	0.06
iii. Bank balances other than (ii) above	XVIII	208.80	-	-
iv. Loans	XII	245.96	-	0.01
v. Other financial assets	XIII	57.51	-	-
Other current assets	XIV	2,151.28	0.42	0.42
		12,279.91	**0.47**	**0.49**
Total assets		**29,246.19**	**1,216.65**	**395.30**
Equity and liabilities				
Equity				
Equity Share capital	XIX	3.27	3.93	3.93
Equity Share capital suspense account	XX	8,702.91	-	-
Other equity		8,046.70	1,140.90	376.79
Equity attributable to equity holders of parent		**16,752.88**	**1,144.83**	**380.72**
Non - Controlling Interest		994.79	-	-
Total Equity		**17,747.67**	**1,144.83**	**380.72**
Liabilities				
Non-current liabilities				
Financial liabilities				
i Borrowings	XXI	505.18	-	-
ii. Lease liabilities	XXXIX	250.75	-	-
iii. Other financial liabilities	XXII	2.82	-	-
Deferred tax liabilities (net)	XXIII	3,276.33	70.72	13.55
Provisions	XXIV	47.77	-	-
		4,082.85	**70.72**	**13.55**
Current liabilities				
Financial liabilities				
i.Borrowings	XXI	3,956.65	0.22	0.11
ii. Lease liabilities	XXXIX	53.14	-	-
iii.Trade payables	XXV			
-Total oustanding due of micro enterprises and small enterprises		-	-	
-Total outstanding dues other than micro enterprises and small enterprises		2,168.05	0.03	0.08
iv. Other financial liabilities	XXII	559.22	0.01	0.01
Current tax liabilities (net)		83.59	-	-
Provisions	XXIV	56.46	-	-
Other current liabilities	XXVI	538.56	0.84	0.83
		7,415.67	**1.10**	**1.03**
Total liabilities		**11,498.52**	**71.82**	**14.58**
Total Equity and liabilities		**29,246.19**	**1,216.65**	**395.30**

Note:
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A

As per our report of even date
For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number - 301003E/E300005

For and on behalf of the Board of Directors
of CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)

per Anil Gupta
Partner
Membership No: 87921

Mohan Agarwal
(Managing Director)

Akshay Agarwal
(Executive Director)

Place : Delhi
Date:

Satish Kaushik
(Chief Financial Officer)

Lohit Chhabra
(Company Secretary)

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure II: RESTATED IND AS CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS

(Rs. in millions)

Particulars	Annexure	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Revenue from operations	XXVII	29,131.90	-	-
Other income	XXVIII	141.06	-	0.07
Total income (I)		**29,272.96**	**-**	**0.07**
Expenses				
Cost of raw materials consumed	XXIX	23,054.97	-	-
Purchase of traded goods	XXX	146.69	-	-
Changes in inventories of finished and traded goods	XXXI	(237.75)	-	-
Employee benefits expenses	XXXII	1,045.21	-	-
Finance costs	XXXIII	365.64	0.01	0.01
Depreciation and amortization expense	XXXIV	338.94	-	-
Other expenses	XXXV	1,757.44	0.09	0.14
Total expenses (II)		**26,471.14**	**0.10**	**0.15**
Profit before tax and share in profit of Associates and Joint ventures		**2,801.82**	**(0.10)**	**(0.08)**
Share in profit of Associates and Joint Ventures (net of tax)		1.99	1.33	0.57
Profit before tax		**2,803.81**	**1.23**	**0.49**
Tax expense:				
- Current tax	XXVI	214.22	-	-
- Income Tax for earlier years (net)		(4.87)	-	-
- Deferred tax charge	XXVI	442.44	-	-
- Deferred tax adjustment for earlier years (net)		1.22	-	-
Total tax expenses		**653.01**	**-**	**-**
Profit before exceptional deferred tax charge on goodwill		**2,150.80**	**1.23**	**0.49**
- Exceptional deferred tax charge on goodwill	XXVI	1,743.51	-	-
Profit for the year		**407.29**	**1.23**	**0.49**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Changes in fair value of investments which are classified at fair value through OCI		-	250.98	22.84
Share of associates		-	569.07	147.68
Re-measurement Gain/ (loss) on defined benefit plan		1.15	-	-
Income tax (loss)/credit relating to items that will not be reclassified to profit or loss		(0.29)	(57.17)	(5.31)
Share of joint venture (net of tax)		0.03	-	-
Other comprehensive Gain/(loss)		**0.89**	**762.88**	**165.21**
Total comprehensive income for the year		**408.18**	**764.11**	**165.70**
Profit before exceptional deferred tax charge for the year attributable to:				
Equity holders of the parent		1,959.68	1.23	0.49
Non - controlling interest		191.12	-	-
Profit for the year attributable to:				
Equity holders of the parent		216.17	1.23	0.49
Non - controlling interest		191.12	-	-
Other Comprehensive Income for the year attributable to:				
Equity holders of the parent		0.78	762.88	165.21
Non - controlling interest		0.11	-	-
Total Comprehensive Income for the year attributable to:				
Equity holders of the parent		216.96	764.11	165.70
Non - controlling interest		191.22	-	-
Earnings per equity share: (nominal value per share of Rs 10 each)	XXXVI	58.00	3.13	1.24
Basic and diluted				

Note:
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A

As per our report of even date
For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number - 301003E/E300005

For and on behalf of the Board of Directors
of CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)

per Anil Gupta
Partner
Membership No: 87921

Mohan Agarwal
(Managing Director)

Akshay Agarwal
(Executive Director)

Place : Delhi
Date:

Satish Kaushik
(Chief Financial Officer)

Lohit Chhabra
(Company Secretary)

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure III: RESTATED IND AS CONSOLIDATED SUMMARY STATEMENT OF CASHFLOWS
(Amount in Rupees Million, unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Cash Flow from Operating Activities			
Profit before tax	2,803.81	1.23	0.49
Adjustments for :			
Share in Profit of Associates	-	(1.33)	(0.57)
Depreciation and amortization expense	338.94	-	-
Loss on disposal of Property, plant and equipment (net)	40.18	-	-
Interest income	(54.71)	-	-
Interest expense	345.84	0.01	0.01
Amortisation of deferred government grant	(39.23)	-	-
Rent Concessions	(10.33)	-	-
Dividend (income)	(0.75)	-	-
Provision for doubtful security deposits written back	(1.74)	-	-
Profit of joint ventures	(1.99)	-	-
Sundry Balances written off	37.31	-	-
Dilution in share of Joint venture	(0.53)	-	-
	652.99	**(1.32)**	**(0.56)**
Operating Profit before adjustments	**3,456.80**	**(0.09)**	**(0.07)**
Adjustments:			
(Increase) in trade receivables	(1,554.12)	-	-
(Increase) in inventories	(1,360.43)	-	-
(Increase) in Loans	(6.84)	-	-
(Increase)/decrease in financial and other assets	(1,531.02)	0.01	(0.08)
Increase/(Decrease) in trade payables	164.36	(0.03)	0.02
Increase in financial and other liabilities	152.23	-	0.01
Increase in provisions	9.57	-	-
Change in the adjustments	**(4,126.25)**	**(0.02)**	**(0.05)**
Direct taxes paid (net of refunds)	(182.01)	-	-
Net cash (used in) operating activities (A)	**(851.46)**	**(0.11)**	**(0.12)**
Cash Flow from Investing Activities			
Purchase of property, plant and equipment, intangible assets including Capital Work in Progress	(629.07)	-	-
Proceeds from disposal of property, plant and equipment, intangible assets and Capital Work in Progress	10.99	-	-
Investments made	(49.50)	-	-
Investments in fixed deposits	(314.42)	-	-
Maturity of fixed deposits	314.66	-	-
Dividend received	0.75	-	-
Loan given to Joint venture	(680.39)	-	-
Loan repaid by Joint venture	443.54	-	-
Interest received	34.33	-	-
Net Cash (Used in) Investing Activities (B)	**(869.11)**	**-**	**-**
Net Cash Flow From Financing Activities:			
Proceeds from short term borrowings (net)	1,409.25	0.10	0.10
Proceeds from long term borrowings	713.76	-	-
Repayment of long term borrowings	(180.06)	-	-
Lease payments made	(38.99)	-	-
Interest on lease payment	(29.28)	-	-
Interest paid	(291.13)	-	-
Net Cash Flow from Financing Activities (C)	**1,583.55**	**0.10**	**0.10**
Net Change in Cash & cash equivalents (A+B+C)	**(137.02)**	**(0.01)**	**(0.02)**
Cash and cash equivalents at the beginning of the year	0.05	0.06	0.08
Add: Cash and cash equivalents acquired pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)	204.87	-	-
Cash and cash equivalents at the end of the year	**67.90**	**0.05**	**0.06**
Cash and cash equivalents comprise of the following			
Cash on hand (Annexure XVII)	1.23	0.03	0.03
On current accounts (Annexure XVII)	64.70	0.02	0.03
Cash credit (Annexure XVII)	1.97	-	-
Balance as per statement of cash flows	**67.90**	**0.05**	**0.06**

Note:

1. The above cash flow statement has been prepared under the "Indirect Method" as stated in Ind AS 7 on Cash Flow Statement specified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

2. The above cash flow statement has been prepared after considering adjustments arising out of scheme of Arrangement which further adjusted to March 31, 2020. The brief summary of cash flow statement for the period from October 1, 2019 to March 31, 2020 has been given in Annexure XXXVIII.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number - 301003E/E300005

per Anil Gupta **Partner** **Membership No: 87921**	**Mohan Agarwal** **(Managing Director)**	**Akshay Agarwal** **(Executive Director)**
Place : Delhi **Date:**	**Satish Kaushik** **(Chief Financial Officer)**	**Lohit Chhabra** **(Company Secretary)**

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure IV: RESTATED IND AS CONSOLIDATED SUMMARY STATEMENT OF CHANGES IN EQUITY

a) Equity share capital

Equity shares of Rs.10 each issued, subscribed and fully paid

Particulars	Numbers	Rs. In million
As at April 01, 2018	**3,92,990**	**3.93**
Issued during the year	-	-
As at March 31, 2019	**3,92,990**	**3.93**
Issued during the year	-	-
As at March 31, 2020	**3,92,990**	**3.93**
Issued during the year	-	
Equity share capital cancelled pursuant to the Scheme of Arrangement (Refer Annexure XXXVIII)	(66,000)	(0.66)
As at March 31, 2021	**3,26,990**	**3.27**

b) Other Equity

(Rs. in millions)

Particulars	Share capital Suspense account	Other equity					Other Comprehensive Income		Non Controlling Interest	Total
	Equity Shares	Retained earnings	Statutory Reserve (pursuant to Section 45 (IC) of RBI Act, 1934)	Capital reserve	Securities premium	Total	Fair Valuation on investments at FVTOCI	Total		
	(Amount)	(Amount)	(Amount)	(Amount)	(Amount)	(Amount)				
As at April 01, 2018	**-**	**196.51**	**-**	**-**	**14.58**	**211.09**	**-**	**211.09**	**-**	**211.09**
Profit for the year	-	0.49	-	-	-	**0.49**	-	**0.49**	-	**0.49**
Other comprehensive income for the year	-	-	-	-	-	-	**165.21**	**165.21**	-	**165.21**
Total comprehensive income for the year	**-**	**0.49**	**-**	**-**	**-**	**0.49**	**165.21**	**165.70**	**-**	**165.70**
As at March 31, 2019	**-**	**197.00**	**-**	**-**	**14.58**	**211.58**	**165.21**	**376.79**	**-**	**376.79**
Profit for the year	-	1.24	-	-	-	1.24	-	**1.24**	-	1.24
Other comprehensive income for the year	-	-	-	-	-	-	762.87	**762.87**	-	762.87
Total comprehensive income for the year	**-**	**1.24**	**-**	**-**	**-**	**1.24**	**762.87**	**764.11**	**-**	**764.11**
As at March 31, 2020	**-**	**198.24**	**-**	**-**	**14.58**	**212.82**	**928.08**	**1,140.90**	**-**	**1,140.90**
Cancellation of inter-company investments on account of scheme of Arrangement (Refer Annexure VB)	-	(187.78)	-	-	-	(187.78)	(928.08)	**(1,115.86)**	-	(1,115.86)
As at April 01, 2020	**-**	**10.46**	**-**	**-**	**14.58**	**25.04**	**-**	**25.04**	**-**	**25.04**
Share capital to be issued (Refer Annexure XX)	34.00	-	-	-	-	**-**	-	**-**	**-**	**34.00**
Securities premium to be recorded (Refer Annexure XX)	8,668.91	-	-	-	-	**-**	-	**-**	**-**	**8,668.91**
Equity share capital cancelled pursuant to the Scheme of Arrangement (Refer Annexure XXXVIII)	-	-	-	-	-	**-**	-	**-**	**-**	-
Adjustment pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)	-	(83.06)	8.44	9,129.81	101.13	**9,156.32**	-	**9,156.32**	**763.52**	**9,919.84**
Adjustements made to opening retained earnings as at the date of transition i.e. April 01, 2020 (Refer Annexure VB)	-	(1,081.37)	-	-	-	**(1,081.37)**	-	**(1,081.37)**		**(1,081.37)**
(Less): (Loss) for the period from October 1, 2019 to March 31, 2020 adjusted with Ind AS adjustments (Refer Annexure VB)	-	(270.27)	-		-	**(270.27)**	-	**(270.27)**	**40.04**	**(230.23)**
Profit for the year	-	216.22	-	-	-	**216.22**	-	**216.22**	**191.12**	**407.34**
Other comprehensive Gain for the year	-	0.76	-	-	-	**0.76**	-	**0.76**	**0.11**	**0.87**
Total comprehensive income for the year	-	216.98	-	-	-	**216.98**	-	**216.98**	**191.23**	**408.21**
As at March 31, 2021	**8,702.91**	**(1,207.26)**	**8.44**	**9,129.81**	**115.71**	**8,046.70**	**-**	**8,046.70**	**994.79**	**17,744.40**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number - 301003E/E300005

For and on behalf of the Board of Directors
of CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)

per Anil Gupta
Partner
Membership No: 87921

Mohan Agarwal
(Managing Director)

Akshay Agarwal
(Executive Director)

Place : Delhi
Date:

Satish Kaushik
(Chief Financial Officer)

Lohit Chhabra
(Company Secretary)

1. Corporate Information

CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited) ('the Parent Company') is a company domiciled and incorporated in India under the provisions of the Companies Act applicable in India.

The consolidated financial statements relate to the Parent company and its subsidiaries (collectively hereinafter referred to as "Group"), its joint ventures and its associates.

The Group (including Transferor companies) is engaged in the business of manufacturing and selling of aluminium based die cast alloys and zinc alloys in India. The Group (including Transferor companies) is also engaged in the business of segregation and sale of metal scrap as a part of manufacturing process (with a specific focus on stainless steel, brass, copper and zinc).

The status of the Parent Company has been changed from Private Limited company to Public Limited company as per the approval received from Registrar of Companies, Delhi on May 28, 2020 and consequently the name of the Parent Company was changed from Grand Metal Industries Private Limited to Grand Metal Industries Limited.

Subsequent to year end, the name of the Parent Company has again changed from Grand Metal Industries Limited to CMR Green Technologies Limited vide approval received from Registrar of Companies dated August 11, 2021.

Schemes of Arrangement

The Board of Directors of the Parent Company has during the year ended March 31, 2021 approved a Scheme of Arrangement ("Scheme") under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and accordingly Grand Metal Recycling Private Limited ("Transferor company 1" or "GMR"), Suvridhi Financial Services Limited ("Transferor company 2" or "SFS"), Sanjivani Non Ferrous Trading Private Limited ("Transferor company 3" or "SNFT"), Ramayana Polymers Private Limited ("Transferor company 4" or "RPL"), Forever Multimedia Private Limited ("Transferor company 5" or "FMPL") and Century Metal Recycling Limited ("Transferor company 6" or "CMR") have been merged with Grand Metal Industries Limited (now, CMR Green Technologies Limited) (Transferee company or "GMI").

The Scheme is segregated into the following parts:

PART A - Definitions and Share Capital.
PART B - Amalgamation of GMR, SFS and SNFT into and with GMI;
PART C - Amalgamation of RPL and FMPL into and with GMI
PART D - Amalgamation of CMR into and with GMI
PART E - General Terms and Conditions.

As per the Scheme filed with the NCLT, the following were the Appointed dates for different Parts of the Scheme:
PART B of the Scheme – Appointed date was October 01, 2019
PART C of the Scheme – Appointed date was November 01, 2019
PART D of the Scheme – Appointed date was January 01, 2020
The Regional Director (Northern Region) of Ministry of Corporate Affairs had filed a report dated April 06, 2021 along with a report of ROC which, among other matters, expressed that three appointed dates specified in the Scheme is not in accordance with provisions of Section 230 of the Companies Act, 2013 and thus the Scheme does not fall under the ambit of Section 232 of the Companies Act, 2013. It was further observed that the change in Appointed dates to a proposed common appointed date i.e. September 30, 2019 requires the exchange ratio clause to be amended in the Scheme and in turn issuance of new share valuation report from a

registered valuer.

The Parent Company together with all transferor companies obtained a confirmation from the registered valuer that change in the Appointed dates to a proposed common Appointed date i.e. September 30, 2019 will not effect the share exchange ratio as defined in the Scheme.
Accordingly, the petitioner companies had filed their reply by stating that they have decided to have a common Appointed date of September 30, 2019.

The said scheme has been approved by the National Company Law Tribunal ("NCLT") on August 31, 2021 and has been filed with the Registrar of Companies ("ROC") on September 01, 2021 (effective date).

Refer Annexure XXXVIII to the restated Ind AS Financial Statements.

These consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Parent Company in their meeting held on September 23, 2021.

2. Basis of preparation

The Restated Ind AS Consolidated Summary Statements of the Group, its joint ventures and associates comprise of the Restated Ind AS Consolidated Summary Statements of Assets and Liabilities as at March 31, 2021, March 31, 2020 (Proforma) and March 31, 2019 (Proforma), the Restated Ind AS Consolidated Summary Statements of Profit and Loss (including other comprehensive income), the Restated Ind AS Consolidated Summary Statement of Change in Equity, the Restated Ind AS Consolidated Summary Statement of Cash Flow for the years ended March 31, 2021, March 31, 2020 (Proforma) and March 31, 2019 (Proforma) and significant accounting policies and explanation notes (collectively, the Restated Ind AS Consolidated Summary Statements' or Statements').
These Statements have been prepared by the Management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, issued by the Securities and Exchange Board of India (SEBI) on 11 September 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 (the "ICDR Regulations") for the purpose of inclusion in the Draft Red Hearing Prospectus (DRHP) in connection with its proposed initial public offering of equity shares of face value of Rs. 2 each of the Company comprising fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the "offer"), prepared by the Company in terms of requirement of:

a) Section 26 of Part 1 of Chapter III of The Companies Act, 2013 (the "Act");
b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and
c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

For all the years upto and including the year ended March 31, 2021, the Group, its joint ventures and associates prepared its audited financial information in accordance with accounting standard notified under Section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules 2014. ('Indian GAAP')
The Group, its joint ventures and associates have elected to present all three years Restated Consolidated Summary Statements as per Ind AS/Proforma Ind AS, instead of Indian GAAP. The Following approach has been used by the Group and its joint ventures for preparation and presentation of Ind AS Consolidated Summary Statements.

(I) The Restated Consolidated Summary Statements as at and for the year ended March 31, 2021

The Company has prepared its financial statements till March 31, 2021 in accordance with the requirements of Indian GAAP. From the accounting year ending March 31, 2022, the Company will prepare its first annual set of financial statements in accordance with Indian Accounting Standards (Ind-AS) and hence the date of transition to Ind AS is April 1, 2020. Accordingly, the Restated Consolidated Summary Statements as at and for the year ended March 31, 2021 are not full set of Ind AS financial statements and has been compiled from the audited financial statements under Indian GAAP as at March 31, 2021 after making the following adjustments:

A. GAAP adjustments between Indian GAAP and the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable for the financial year ending March 31, 2021 and as has been notified till the date of adoption of these Restated Consolidated Summary Statements by the Board of Directors of the Company, as detailed in Annexure - VB.
B. The exceptions applied and exemptions elected by the Company, in respect of accounting policy choices availed as per Ind AS 101 as initially adopted on transition date i.e. April 1, 2020, which have been detailed in Annexure -V on First Time Adoption of Ind AS. The impact there of has been accounted for in the opening equity as at April 1, 2020.
C. The restatement adjustments (both re-measurements and reclassifications) in the accounting heads made to follow accounting policies and accounting policy choices as stated above and more fully described in Annexure VI – Statement of Restatement Adjustments, Annexure VI – Material Regroupings.

Until the first complete Ind AS financial statements are issued, the balances in the Restated Consolidated Summary Statements can change if:

(i) there are any new Ind AS standards issued through March 31, 2022;
(ii) there are any amendments/modifications made to existing Ind AS standards or interpretations there of through March 31, 2022 effecting the Ind AS balances in these financial statements; and
(iii) if the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2020

Whilst the **Restated Consolidated Summary Statements** as at and for the year ended March 31, 2021 are in compliance with recognition and measurement principles as laid down in Ind AS which may become applicable to the Company for the financial year ending March 31, 2022 and as has been notified till the date of adoption of these **Restated Consolidated Summary Statements** by the Board of Directors of the Company, these balances which will be comparative balances in the final Ind AS financial statements when prepared for the year ended March 31, 2022 are subject to adjustments if any of the aforesaid events specified above occur.

(II) The Restated Consolidated Summary Statements as at and for the year ended March 31, 2020 and March 31, 2019

The **Restated Consolidated Summary Statements** as at and for the years ended March 31, 2020 and March 31, 2019 has been compiled by the Company from the then audited consolidated financial statements prepared under the Indian GAAP. The **Restated Consolidated Summary Statements** for the years ended March 31, 2020 and 2019 has been prepared on Proforma basis (i.e. "Proforma Ind AS Summary Statements") in accordance with requirements of SEBI Circular and Guidance note on reports in company prospectuses issued by Institute of Chartered Accountants of India (ICAI). For the purpose of Proforma Ind AS **Summary Statements** for the years ended March 31, 2020 and 2019, the Company has followed the same accounting policies and accounting policy choices, including the mandatory exceptions and optional exemptions, as initially adopted on transition date i.e. April 1, 2020 which are subject to changes, if any, as stated in para I above. Accordingly, suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads are made to the Proforma Ind AS Summary Statement as of and for the years ended March 31, 2021 and 2020 following accounting policies and accounting policy choices consistent with that used at the date of transition to Ind AS (i.e. April 1, 2020) which are subject to changes, if any, as stated in para I above.

Further, the equity balance computed under Proforma Ind AS Summary statements as at March 31, 2020 and equity balance computed in opening Ind AS Balance sheet as at transition date (i.e. April 1, 2020), differs due to restatement adjustments made as at April 1, 2018 and 2019. Accordingly, as specified in the Guidance Note, the closing equity balance as at March 31, 2020 of the Proforma Ind AS Summary statements has not been carried forward to opening Ind AS Balance sheet as at transition date already adopted for reporting under Companies Act, 2013. The reconciliation of the two is provided in Annexure - VB

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard and applicable SEBI circular, the Company has presented a reconciliation from the presentation of Restated Financial Information under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (Indian GAAP) to Ind AS of Restated Shareholders' equity as at March 31, 2021, 2020 and 2019 and of the Restated Summary Statement of Profit and Loss for the year ended March 31, 2021, 2020 and 2019. (Refer Annexure XXXVIII)

These Restated Consolidated Summary Statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles.

The Restated Consolidated Summary Statements is presented in Indian Rupees (INR) and all values are rounded to the nearest millions, expect where otherwise indicated.

The preparation of these consolidated financial statements requires the use of certain significant accounting estimates and judgements. It also requires the management to exercise judgement in applying the Group's accounting policies. The areas where estimates are significant to the consolidated financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 4 and 5.

These consolidated financial statements have been prepared on accrual basis and under the historical cost convention except for certain financial assets and financial liabilities which have been measured at fair value as per the requirements of the Ind AS, certain subsidy income and interest on delayed payment from customers which are accounted when the right to receive subsidy from the Government and when there is no significant uncertainty regarding the ultimate collection of the relevant subsidy and such interest from customers (refer 3.5 & 3.6 below).

2.2 Basis for Consolidation

These consolidated financial statements comprise the financial statements of the Parent Company, its subsidiaries, associates and joint ventures.
Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the group i.e. March 31, 2021

b) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

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) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment in joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

3. Summary of significant accounting policies and Changes in Accounting policies & disclosures

The accounting policies, as set out below, have been consistently applied, by the Group, to all the years presented in the consolidated financial statements except as mentioned in note 3.1 below:

3.1 New and amended standards and interpretations

The Ministry of Corporate Affairs ("MCA") has carried out amendments to the following accounting standards. The effect on adoption of following mentioned amendments had no impact on the consolidated Ind AS financial statements. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

(i) Ind AS 116: Covid-19-Related Rent Concessions :

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the April 01, 2020. The Group has applied the practical expedient with effect from April 01, 2020. The Group has accounted the unconditional rent concessions of Rs. 10.33 millions during the year ended March 31, 2021 in the schedule of "other income" in the statement of profit and loss.

(ii) Ind AS 103: Business Combinations
(iii) Ind AS 1 and Ind AS 8: Definition of Material
(iv) Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

MCA issued notification dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by a Group in its consolidated financial statements. These amendments are effective for financial years starting on or after April 01, 2021.

Ministry of Corporate Affairs (MCA) has amended Section 135 of the Companies Act 2013 vide The Companies (Amendment) Act 2020, wherein sub-Section (5) of Section 135 of the Act has been amended by Companies (Amendment) Act, 2019 whereby, any amount remaining unspent under sub-section (5), pursuant to an activity other than any ongoing project as per section 135(6) has to transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Accordingly, the Group made a provision for CSR amount to be deposited in fund of Rs. 22.43 million and presented the same as other financial liability in the consolidated Ind AS financial statements.

3.2 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle
ii) Held primarily for the purpose of trading
iii) Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:
i) It is expected to be settled in normal operating cycle
ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

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.

3.3 Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.4 Fair value measurements

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable..
Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

3.5 Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

Sale of products

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Group collects Goods & Service Tax (GST)/ on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue.

Variable consideration includes trade discounts, volume rebates and incentives, etc. The Group estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Group adjusts estimate of revenue at the earlier of when the most likely amount of consideration expected to receive changes or when the consideration becomes fixed.

Sale of services
Revenue from job work in process is recognised by reference to the stage of completion. Stage of completion is measured by reference to job work in process at the year end and is recognized at measured value of conversion charges. The Group collects service tax/ GST on job work on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Interest income
Interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

Interest income on delayed payment from customers is recognised when there is no significant uncertainty regarding the ultimate collection of such interest from customers.

Rental income
Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms.

Export incentive
Export entitlements in the form of Duty Drawback and MEIS (Merchandise Exports from India Scheme) are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

3.6 Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income on a systematic basis.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government Subsidies in respect of Halol Plant related to Industrial Promotion policy, is recognized when there is no significant uncertainty regarding the ultimate collection of the relevant subsidy

3.7 Income Taxes

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

Current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the income tax returns with respect to situations in which applicable tax regulations are subject to interpretations and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(b) In respect of taxable temporary differences associated with investments in subsidiaries and joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, if any. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

(a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
(b) In respect of deductible temporary differences associated with investments in subsidiaries and joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets and MAT credit entitlement is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in ‘OCI’ or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

3.8 Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating decision maker reviews business performance at an overall Group level as one segment "Aluminium ingots and zinc ingots”.

3.9 Property, plant and equipment (‘PPE’)

An item of PPE is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably.

Capital work in progress and PPE are initially recognised at cost net of accumulated depreciation, if any. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes and excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, freehold land is carried at historical cost and other items of PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts are required to be replaced at regular intervals, the Group recognises such parts as separate component of assets and depreciates separately based on their specific useful life. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised.

The expenditures those are incurred after the item of PPE is available for use, such as repairs and maintenance, are charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where such expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on PPE is provided on straight line basis using the rates as specified in Part C of Schedule II of the Companies Act, 2013, as set out below except for certain components of plant and machinery useful lives of which have been taken as 8-9 years based on independent assessment of professionals undertaken by Group's management.

Asset	**Useful life**
Roads	05-10 years
Office and non-factory Building	60 years
Factory Buildings	30 years
Plant and equipment	05-25 years
Office equipment	05 years
Computers	03 years
Servers	06 years
Furniture and fixtures	10 years
Vehicles	08 years

The assets acquired pursuant to Scheme of Arrangements are being depreciated over their balance useful live on straight line basis after considering the rate specified in Part C of schedule II of the Companies Act 2013.

Lease hold improvements are depreciated on a straight line basis over the useful life of asset or the unexpired lease period ranging from 2.5 to 10 years, whichever is lower.

Individual items of property, plant and equipment costing up to Rs. 10,000/- is charged to the statement of profit and loss in the year in which it is purchased or acquired.

The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of principal asset.

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at each reporting date. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted for prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised at April 01, 2020 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and capital work-in-progress.

The cost of capital work-in-progress is presented separately in the balance sheet.

3.10 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the annexures.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

3.11 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Software is capitalised at the amounts paid to acquire the respective license for use and is amortised over the period of license not exceeding six years from the date when the asset is available for use.

The amortisation expense on intangible assets is recognised in the statement of profit and loss on straight line basis over the estimated useful lives of intangible assets from the date they are available for use. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each balance sheet date. If expected useful life is significant different from previous assessment, the change in useful life is made on a prospective basis.
Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Transition to Ind AS
On transition to Ind AS, the Group has elected to continue with the carrying value of all its intangible assets recognised at April 01, 2020 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

3.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.13 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses, if any, are recognized in Statement of Profit and Loss as a component of depreciation and amortisation expense.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the statement of profit and loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

Goodwill acquired pursuant to Scheme of Arrangement is recognised in accordance with Part D of Scheme of Arrangement .

3.14 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets:

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Particulars	**Life in years As at March 31,**

	2021
Offices	3.50 to 4.00 years
Factory land and building	5.50 to 9.00 years
Guest Houses/Residential Building	6.00 to 7.00 years
Leasehold Land	90 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies 3.13 on Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease or date of transition to Ind AS, whichever is earlier, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed separately in the balance sheet (see Annexure XXXIX).

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases except in case of lease contracts with related parties since there exist economic incentive for the Group to continue using the leased premises for a period longer than the 11 months and considering the contract is with the related parties, it does not foresee non-renewal of the lease term for future periods, thus basis the substance and economics of the arrangements, management believes that under Ind AS 116, the lease terms in the arrangements with related parties have been determined considering the period for which management has an economic incentive to use the leased asset (i.e. reasonable certain to use the asset for the said period of economic incentive). Such assessment of incremental period is based on management assessment of various factors including the remaining useful life of the asset as on the date of transition. The management has assessed period of arrangements with related parties as 5 to 6 years as at April 01, 2020. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor
Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Contingent rents are recognised as revenue in the period in which they are earned.

3.15 Inventories

Inventories are valued at the lower of cost and net realisable value.

Raw materials, traded goods and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, traded goods and stores and spares is determined on First in first Out (FIFO) basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.16 Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

3.17 Contingent Liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are disclosed in the consolidated financial statements only when an inflow of economic benefits is probable.

3.18 Employee benefits

The Group’s employee benefits mainly include wages, salaries, bonuses, contribution to plans, defined benefit plans and compensated absences. The employee benefits are recognised in the year in which the associated services are rendered by the Group’s employees.

i) Defined contribution plans – Provident fund

Provident fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards provident fund which are defined contribution plans. The Group has no obligation, other than the contribution payable to the funds. The Group recognises contribution payable to the fund scheme in the statement of profit and loss, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

ii) Defined benefit plans - Gratuity

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; this benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Group's obligation under this plan is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements comprising of actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Curtailment gains and losses are accounted for as past service costs.

iii) Other employee benefits

The employees can carry forward a portion of the unutilized accrued compensated absences and utilise it in future service periods or receive cash compensation during termination of employment.

Compensated absence, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats compensated absences expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss.

The Group presents the leave liability as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

3.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

i) Financial assets carried at amortized cost (debt instrument)

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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 outstanding. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

ii) Financial assets at fair value through other comprehensive income (debt instrument)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates that are solely payments of principal and interest on principal amount outstanding. Further in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments the subsequent changes in fair value are recognized in other comprehensive income.

There are no financial instruments in the Group measured at fair value through other comprehensive income.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair value through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method or at fair value through profit or loss. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss if the criteria under Ind AS 109 are satisfied. All other financial liabilities are subsequently measured at amortised cost.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

a) Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

b) Borrowings

On initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability (or a part of the financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Group follows "simplified approach for recognition of impairment loss. The application of simplified approach does not require the group to track changes in credit risk.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

3.20 Derivatives

The Group uses derivative financial instruments such as forward exchange contracts and forward commodity contracts to hedge risks associated with foreign currency fluctuations and commodity price risks. The Group also holds commodity future contracts to mitigate the risk of changes in price of commodity.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

3.21 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group’s cash management.

3.22 Cash dividend

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.23 Earning per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Group (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year plus weighted average number of equity shares that would be issued in accordance with the Scheme of Arrangement. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the year plus weighted average number of equity shares that would be issued in accordance with the Scheme of Arrangement, are adjusted for the effects of all dilutive potential equity shares.

3.25 Research and Development

Research and Development expenses of the revenue nature are charged to the statement of profit and loss and of capital nature are shown as additions to respective property, plant and equipment.

3.26 Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group had elected to apply Ind AS accounting for business combinations prospectively from the date of transition to Ind AS i.e. April 1, 2020. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward to Ind AS financial statements on the transition date.

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

4. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements
In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

b) Revenue recognition and presentation

The Group assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The Group has concluded that they are operating on a principal to principal basis in all its revenue arrangements.

In case of sales of products under provisional rate basis, the differential amount between final rate and provisional rate is accounted for once the rates are finalised.

Subsidy and interest income on delayed payment from customers is accounted for when right to receive credit as per the terms of Scheme is established in respect of subsidy from the Government and when there is no significant uncertainty regarding the ultimate collection of the relevant subsidy and such interest from customers.

5. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

b) Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

c) Allowance for uncollectible trade receivables

Trade receivables generally do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

d) Property, plant and equipment

Refer note 3.9 for the estimated useful life of property, plant and equipment. The carrying value of property, plant and equipment has been disclosed in Annexure VII.

e) Intangible assets

Refer note 3.11 for the estimated useful life of intangible assets. The carrying value of intangible assets has been disclosed in Annexure IX.

f) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

g) **Leases - Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

h) **Leases - Estimating the period of lease contracts with related parties**

In case of lease contracts with related parties, there exist economic incentive for the Group to continue using the leased premises for a period longer than the 11 months. The period of expected lease in these cases is a matter of estimation by the management. The estimate of lease period impacts the recognition of ROU asset, lease liability and its impact of statement of profit and loss. The lease terms in the arrangements with related parties have been determined considering the period for which management has an economic incentive to use the leased asset (i.e. reasonably certain to use the asset for the said period of economic incentive). Such assessment of incremental period is based on management assessment of various factors including the remaining useful life of the asset as on the date of transition. The management has assessed period of arrangements with related parties as 5 to 6 years as at April 01, 2020.

i) **Determining the lease term of contracts with renewal and termination options – Group as lessee**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

CMR GREEN TECHNOLOGIES LIMITED (FORMERLY KNOWN AS GRAND METAL INDUSTRIES LIMITED)
Annexure VB : CONSOLIDATED IND AS STATEMENT OF RECONCILATIONS AS PER PREVIOUS GAAP AND IND AS

I Reconciliation of total equity as per previous GAAP and total equity as per Ind AS as at March 31, 2021, March 31, 2020 and March 31, 2019:

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Equity (including share capital) as per previous GAAP	18,039.06	28.97	27.74
Adjustments :-			
Change in Other Comprehensive Income of associates for the year (Refer note 1 below)	-	876.94	307.87
Fair valuation gain on investments carried at FVTOCI accounted in OCI under Other Equity as at the date of transition i.e. April 01, 2018 (Refer note 2 below)	-	27.58	27.58
Fair valuation gain on investments carried at FVTOCI for the year (Refer note 2 below)	-	211.34	17.53
Depreciation on EPCG over useful life (Refer note 3 below)	(1.45)	-	-
Deferred government grant obligation debited to retained earnings (Refer note 3 below)	(14.32)	-	-
Deferred government grant fulfilled related to EPCG (Refer note 3 below)	27.12	-	-
Depreciation on Leased Assets (Refer note 4 below)	(94.51)	-	-
Interest on Leased Liability (Refer note 4 below)	(45.47)	-	-
Rent Paid booked as expenses under Ind AS (Refer note 4 below)	114.82	-	-
Reversal of Rent Equalisation (Refer note 5 below)	15.29	-	-
Interest on unwinding of interest free loan (Refer note 6 below)	(12.43)	-	-
Amortisation of deferred government grant related to interest free loan (Refer note 6 below)	13.05	-	-
Reversal of amortisation of Goodwill (Refer note 7 below)	1,847.33	-	-
Change in profit of subsidiary companies due to GAAP differences (Refer note 8 below)	2.10		
Change in profit of a joint venture due to GAAP differences (Refer note 8 below)	(6.29)	-	-
Other adjustments	1.34	-	-
Tax effects on adjustments (Refer note 9 below)	(3,132.76)	-	-
Restated Equity as per Ind AS	**16,752.88**	**1,144.83**	**380.72**

II Reconciliation of profit after tax as previously reported under IGAAP to Ind AS for the year ended March 31, 2021, March 31, 2020 and March 31, 2019:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Net Profit after tax as per previous GAAP	419.85	1.23	0.49
Share of associates accounted in Other Comprehensive Income (Refer note 1 below)	-	569.07	147.68
Changes in fair value of investments which are classified at fair value through Other Comprehensive Income (Refer note 2 below)	-	250.98	22.84
Income tax (loss)/credit on changes in fair value of investments which are classified at fair value through Other Comprehensive Income (Refer note 2 below)	-	(57.17)	(5.31)
Depreciation on EPCG over useful life (Refer note 3 below)	(1.43)	-	-
Deferred government grant fulfilled related to EPCG (Refer note 3 below)	26.58	-	-
Depreciation on Leased Assets (Refer note 4 below)	(63.01)	-	-
Interest on Leased Liability (Refer note 4 below)	(29.28)	-	-
Rent Paid booked as expenses under Ind AS (Refer note 4 below)	76.77	-	-
Reversal of Rent Equalisation (Refer note 5 below)	3.85	-	-
Interest on unwinding of interest free loan (Refer note 6 below)	(8.44)	-	-
Amortisation of deferred government grant related to interest free loan (Refer note 6 below)	8.70	-	-
Reversal of amortisation of Goodwill (Refer note 7 below)	1,847.33	-	-
Change in profit of a joint venture due to GAAP differences (Refer note 8 below)	(6.29)	-	-
Other adjustments	0.35	-	-
Tax effects on adjustments (Refer note 9 below)	(2,058.02)	-	-
Total comprehensive Income as per Ind AS	**216.96**	**764.11**	**165.70**

III Reconciliation of profit after tax as previously reported under IGAAP to Ind AS for the period from October 01, 2019 to March 31, 2020 included in the financial statements for the year ended March 31, 2021:

Particulars	For the period from October 01, 2019 to March 31, 2020
Loss for the period from October 01, 2019 to March 31 2020 as per previous GAAP	(268.34)
Depreciation on EPCG over useful life (Refer note 3)	(0.02)
Deferred government grant fulfilled related to EPCG (Refer note 3)	0.54
Depreciation on Leased Assets (Refer note 4)	(31.50)
Interest on Leased Liability (Refer note 4)	(16.19)
Rent Paid booked as expenses under Ind AS (Refer note 4)	38.06
Reversal of Rent Equalisation (Refer note 5)	1.85
Interest on unwinding of interest free loan (Refer note 6)	(4.00)
Amortisation of deferred government grant related to interest free loan (Refer note 6)	4.35
Change in profit of a joint venture due to GAAP differences (Refer note 8)	0.86
Others	(0.38)
Tax effects on adjustments (Refer note 9)	4.50
Loss for the period from October 01, 2019 to March 31 2020 as per Ind AS	**(270.27)**

IV Adjustements made to opening retained earnings as at the date of transition i.e. April 01, 2020

Particulars	Changes in Equity as at March 31, 2021 (Refer Table I above)-A	Changes in profit for the year ended March 31, 2021 (Refer Table II above)-B	Changes in profit for the six months period from October 01, 2019 to March 31, 2020 (Refer Table III above)-C	Adjustements made to opening retained earnings as at the date of transition i.e. April 01, 2020 (A-B-C)
Depreciation on EPCG over useful life (Refer note 3 below)	(1.45)	(1.43)	(0.02)	-
Deferred government grant obligation debited to retained earnings (Refer note 3 below)	(14.32)	-	-	(14.32)
Deferred government grant fulfilled related to EPCG (Refer note 3 below)	27.12	26.58	0.54	-
Depreciation on Leased Assets (Refer note 4 below)	(94.51)	(63.01)	(31.50)	-
Interest on Leased Liability (Refer note 4 below)	(45.47)	(29.28)	(16.19)	-
Rent Paid booked as expenses under Ind AS (Refer note 4 below)	114.82	76.77	38.06	-
Reversal of Rent Equalisation (Refer note 5 below)	15.29	3.85	1.85	9.58
Interest on unwinding of interest free loan (Refer note 6 below)	(12.43)	(8.44)	(4.00)	-
Amortisation of deferred government grant related to interest free loan (Refer note 6 below)	13.05	8.70	4.35	-
Reversal of amortisation of Goodwill (Refer note 7 below)	1,847.33	1,847.33		-
Change in profit of subsidiary companies due to GAAP differences (Refer note 8 below)	2.10	-		2.10
Change in profit of a joint venture due to GAAP differences (Refer note 8 below)	(6.29)	(6.29)	0.86	(0.86)
Other adjustments	1.34	0.35	(0.38)	1.37
Tax effects on adjustments (Refer note 9 below)	(3,132.76)	(2,058.02)	4.50	(1,079.24)
Total	**(1,286.19)**	**(202.90)**	**(1.93)**	**(1,081.37)**

V Reconcilition of Non Controlling interest as per previous GAAP and total equity as per Ind AS as at March 31, 2021:

Particulars	As at March 31, 2021
Non controlling interest as per previous GAAP	991.95
Due to change in current year profit on account of GAAP differences (Refer note 8)	2.45
Change in opening retained earnings	0.39
Non controlling interest as per IND AS	**994.79**

Notes:

1 The Group has carried its investments in associates at cost as its deemed costs as at April 01, 2018. Since, these financial statements have been prepared under Ind AS, the associate companies have also prepared their financial statements under Ind AS. Accordingly, those associate companies have valued their investments at FVTOCI and therefore accounted gain in their proforma Ind AS financial Statements for the year ended March 31, 2020 and March 31, 2019 on fair valuation of its investments through OCI.

As at March 31, 2018, the Group has accounted for a share in increased net worth in associates by an amount of Rs 160.19 million in the opening Retained Earnings under Other Equity. Further, the Group has accounted for increased share of profit/OCI in those associates by an amount of Rs. 569.07 million and Rs. 147.68 million for the years ended March 31, 2020 and March 31, 2019 respectively.

2 Under previous GAAP, investments are carried at cost. Under Ind AS the Group has elected to carry its investments in equity shares at Fair Value Through Other Comprehensive Income.

Accordingly, the Group has accounted fair valuation gain of Rs. 27.58 million (net of deferred taxes of Rs. 8.14 million) as at April 01, 2018 in the opening Retained Earnings under Other Equity. Further, the Company has accounted for a fair valuation gain of Rs. 17.53 million (net of deferred tax of Rs. 5.31 million) and Rs. 193.81 million (net of deferred tax of Rs. 57.17 million) during the year ended March 31, 2019 and March 31, 2020 respectively under Other Comprehensive Income.

3 Deferred government grants and Property plant and equipment

Under the previous GAAP, Government grant related to specific Property Plant and Equipment in the nature of capital contribution has been netted off from the relevant asset. Under Ind AS, Government grants related to assets, including non-monetary grants at fair value, are required to be presented in the balance sheet by setting up the grant as deferred income in the liability side of balance sheet. The grant set up as deferred income is recognised in profit or loss on a systematic basis. However, the Parent Company has acquired its property, plant and equipment at fair value and accordingly no adjustments has been made on account of unamortised Government grant till the Appointed date. Accordingly, unamortised Government grants being EPCG till the Appointed date is recognized as expense in Retained Earnings of Rs. 14.32 million and will be taken to income on fulfilment of export obligation.

Further, the Group charged a depreciation expense of Rs. 0.02 million and Rs. 1.43 million during the period from October 01, 2019 to March 31, 2020 and year ended March 31, 2021 respectively on account of the capitalisation of customs duty saved on utilisation of EPCG and its depreciation.

The Group has accounted income of Rs. 0.54 million and Rs. 26.58 million during the period from October 01, 2019 to March 31, 2020 and year ended March 31, 2021 respectively on fulfilment of exports obligation.

4 IND AS 116

As on transition date i.e April 1, 2020, Right-of use assets of Rs. 500.86 million were recognised including reclassification of leasehold land from Property, plant and equipment of Rs. 157.28 million and presented separately in the balance sheet. Lease liabilities of Rs. 353.21 million were recognised and presented separately in the balance sheet. Refer ANNEXURE - XXXIX for details of movements in Right of use assets and lease liabilities.

The Group has adjusted loss during the period from October 01, 2019 to March 31, 2020 by (a) An amount of Rs. 31.50 million being depreciation on Right of Use Assets, (b) Accretion of interest for the period of Rs. 16.19 million and reversal of rent expenses by Rs. 38.06 million.

Further, the Group has adjusted (a) An amount of Rs. 63.01 million being depreciation on Right of Use Assets, (b) Accretion of interest for the period of Rs. 29.28 million, (c) reversal of rent expenses by Rs. 66.44 million and (d) Rent concession accounted amounting to Rs. 10.33 million.

5 Rent Equalisation Reserve

As per the previous GAAP, lease agreement with periodic increase in lease rentals were required to be straight lined and charged equally into the statement of profit and loss. Under Ind AS, the Group has followed Ind AS 116 – Leases and accordingly the Group has credited to the Retained earnings, an amount of Rs. 9.58 million as at April 01, 2020, Rs. 1.86 million in the loss for the period from October 01, 2019 to March 31, 2020 and Rs. 3.85 million in the profit for the current year being lease equalisation reserve under the previous GAAP.

6 Borrowings

The Group has received interest free loan from Government of Haryana in the form of grant. Under previous GAAP , the same is recognised at its transaction value. However, Ind AS requires such financial liabilities to be recognised on initial recognition at its fair value.

The Group has recognised amortisation of Rs. 4.35 million for the period from October 01, 2019 to March 31, 2020 and correspondingly, the Group has recognised interest expense of Rs. 4.00 million for the period from October 01, 2019 to March 31, 2020.

During the year ended March 31, 2021, there is an increase of Rs. 8.70 million on account of accounting of income on amortisation of the deferred Government grant related to interest free loan and decrease of Rs. 8.44 million on account of interest cost on unwinding of interest free Government Loan.

7 Amortisation of Acquired Goodwill

As per the Scheme of Arrangement (Refer ANNEXURE - XXXVIII), the intangible assets (if any) recorded / arising on Amalgamation, as aforesaid, shall be tested for impairment and/or amortized in the books of Transferee Company over the useful life, as per the applicable accounting standard time to time. Under the previous GAAP, the Goodwill on Amalgamation is required to be amortised over a period of 5 years however under Ind AS, Goodwill is required to be tested for impairment only. Accordingly, the Group has reversed amortisation of Goodwill amounting to Rs. 1,847.33 million during the current year.

8 Change in profit/(losses) of Joint Ventures and subsidiaries

The Group has accounted additional losses of Joint Ventures on account of changes in profits and losses reported by Joint Ventures on account of GAAP differences mainly on account of Ind AS 116 "Leases).

9 Deferred Taxes

Previous GAAP requires deferred tax accounting using the profit and loss account approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences relating to various transition adjustments which are recognised in correlation to the underlying transaction either in retained earnings as a separate component in equity. Following adjustments have been made in respect of deferred taxes:

Deferred tax note in Equity Reconciliation:				**Rs. in millions**
Particulars	**As at April 01, 2020**	**For the period from October 01, 2019 to March 31, 2020**	**For the year ended March 31, 2021**	**As at March 31, 2021**
On Fair valuation of Property, plant and equipment including land (Refer note (a) below)	27.47	(2.76)	(3.93)	20.78
On liability on rent equalisation reserve reversed under Ind AS and other adjustments	2.41	0.47	1.10	3.98
On Goodwill acquired pursuant to Scheme of Arrangement (Refer note (b) below)	-	-	2,092.21	2,092.21
On fair valuation of investments (Refer note (c) below)	1,052.96	-	(33.30)	1,019.66
On deferred government grant related to EPCG	(3.60)	0.13	5.78	2.31
On Fair valuation of interest free loan	-	0.09	0.07	0.16
On Lease liabilities	-	(2.42)	(3.90)	(6.32)
Total change in the statement of profit and loss/retained earnings	**1,079.24**	**(4.50)**	**2,058.02**	**3,132.76**
Upto date change in equity as at March 31, 2020 and March 31, 2021		**1,074.74**		

(a) As at the transition date, the Company has recognised deferred tax liabilities amounting to Rs. 24.71 million (net of reversal of deferred tax liabilities amounting to Rs. 2.76 million for the period from October 01, 2019 to March 31, 2020) on assets acquired at fair value as at the Appointed date.

Further, during the year ended March 31, 2021, there is reversal of deferred tax liabilities amounting to Rs. 3.93 million on account of change in capital gain index and depreciation charge in the books.

(b) During the current year, the Company has recognised deferred tax liability of Rs. 2,092.21 million (Rs. 1,743.51 million included as exceptional deferred tax charge and balance amount of Rs. 348.70 million included in deferred tax charge for the year) on the amount of Goodwill acquired pursuant to Scheme of Arrangement. The said deferred tax is on account of the difference between book basis and tax basis of goodwill consequent upon enactment of new tax provision discontinuing the amortization of goodwill for tax purposes w.e.f. 1 April 2020.

(c) As at the transition date, the Company has recognised deferred tax liabilities amounting to Rs. 1,052.96 million on fair valuation gain on investments in subsidiaries acquired pursuant to Scheme of Arrangement. During the current year, there is a reversal of deferred tax liabilities amounting to Rs. 33.30 million on account of benefit of indexation.

VI Reconciliation of Equity as at March 31, 2020 prepared on proforma basis and equity as at April 01, 2020 (transition date)

Particulars	**Amount**
Equity as at March 31, 2020 (Proforma)	1,140.90
Cancellation of inter-company investments on account of scheme of Arrangement (Refer Note below)	(1,115.86)
Equity as at April 01, 2020	**25.04**

Note:
As per the audited financial statements for the years ended March 31, 2019 and March 31, 2020, the Group held investments in three associates and other investment in equity shares of one company which have been accounted as per the principles of Ind AS. However, these associates and the company in which equity shares were held have been amalgamated with the Parent Compnay as per the scheme of arrangement approved by NCLT (Refer Annexure XXXVIII). Accordingly, the fair valuation gain accounted in the proforma financial statements for the years ended March 31, 2019 and March 31, 2020 has been reversed.

VB Adoption of Ind AS

The Group has prepared its financial statements till March 31, 2021 in accordance with accounting standard notified under Section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules 2014 ('Indian GAAP'). From the accounting year ending March 31, 2022, the Group will prepare its first annual set of financial statements in accordance with Indian Accounting Standards (Ind-AS) and hence the date of transition to Ind AS is April 1, 2020. Accordingly, these Financial Statements as at and for the year ended March 31, 2021 are not full set of Ind AS financial statements and has been prepared for the purpose of preparation of Restated Consolidated Financial Statements based on the audited financial statements under Indian GAAP as at March 31, 2021 after making the following adjustments:

(a) GAAP adjustments between Indian GAAP and the recognition and measurement principles of Ind AS prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable for the financial year ended March 31, 2021 and as has been notified till the date of adoption of these Special Purpose Financial Statements by the Board of Directors of the Parent Company.

(b) The exceptions applied and exemptions elected by the Group, in respect of accounting policy choices availed as per Ind AS 101 as initially adopted on transition date i.e. April 1, 2020. The impact there of has been accounted for in the opening equity as at April 1, 2020.

Exemptions applied:

1. Mandatory exceptions:

a) Estimates

The estimates at April 01, 2020 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies)

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at April 01, 2020, the date of transition to Ind AS and as of March 31, 2021.

Ind AS 101 treats the information received after the date of transition to Ind ASs as non-adjusting events. The entity shall not reflect that new information in its opening Ind AS Balance Sheet (unless the estimates need adjustment for any differences in accounting policies or there is objective evidence that the estimates were in error).

b) De-recognition of financial assets:

The Group has applied the de-recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and measurement of financial assets:

i. Financial Instruments: (Security deposits received and security deposits paid):

Financial assets like security deposits received and security deposits paid, has been classified and measured at amortised cost on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Since, it is impracticable for the Group to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial asset or the financial liability at the date of transition to Ind AS by applying amortised cost method, has been considered as the new gross carrying amount of that financial asset or the financial liability at the date of transition to Ind AS.

d) Impairment of financial assets: (Trade receivables and other financial assets)

At the date of transition to Ind AS, the Group has determined that there is no increase in credit risk since the initial recognition of a financial instrument.

e) Government loan at below market rate of interest - Government grant

Ind AS 101 requires a first-time adopter to apply the requirements of Ind AS 109, Financial instruments and Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans at below market rate of interest obtained after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the requirements of Ind AS retrospectively to any government loan originated before the date of transition to Ind AS provided that the information needed to do so had been obtained at the time of initially accounting for that loan. Consequently, if the Group did not under its previous GAAP recognise and measure the government loan at below market rate of interest on a basis consistent with Ind AS requirements, it shall use its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS balance sheet. The Group has applied the above requirement on the loans outstanding as at the date of transition and prospectively for all such loans.

f) EPCG – Deferred government grant

Under the previous GAAP, government grant related to EPCG license has been regarded as a capital grant .Under Ind AS, the grant is considered to be in the nature of income grant and to be recognized over the period when export obligations under EPCG scheme are met. Accordingly, as on transition, the export obligations have not been fulfilled and the same has been adjusted in Retained earnings. The Parent Company has acquired its property, plant and equipment at fair value.

g) Other comprehensive income

Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income

h) Statement of cash flows

The transition from previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

2.Optional Exemptions;

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

a) Property, plant and equipment and Intangibles (including Goodwill)

Freehold land, plant and equipment, leasehold improvement, office equipment, computers, furniture and fixtures, intangible assets (including Goodwill) were carried in the balance sheet prepared in accordance with Previous GAAP on the basis of its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The Group has elected to regard those values of assets as deemed cost at the transition date.The Group has elected to carry the previous GAAP value as deemed cost for the Property, plant and equipment and intangible assets except accounting for Government grant.

b) Investments in Joint Ventures

The Group has decided to apply previous GAAP carrying amount of its investment in Joint Ventures and associates as deemed cost as on the date of transition to Ind AS.

c) Consolidation of subsidiaries and Joint Ventures

In terms of exemption number D17 of Ind AS 101, if an entity becomes a first-time adopter later than its subsidiary (or associate or joint venture) the entity shall, in its consolidated financial statements, measure the assets and liabilities of the subsidiary (or associate or joint venture) at the same carrying amounts as in the financial statements of the subsidiary (or associate or joint venture), after adjusting for consolidation and equity accounting adjustments and for the effects of the business combination in which the entity acquired the subsidiary.

Accordingly, the Group has applied the said exemption and measured the assets and liabilities of the subsidiary (or associate or joint venture) at the same carrying amounts as in the financial statements of the subsidiary (or associate or joint venture), after adjusting for consolidation.

CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited)
Annexure VI-PART A : STATEMENT OF RESTATEMENT ADJUSTMENTS TO AUDITED CONSOLIDATED FINANCIAL STATEMENTS
(Amount in Rupees million, unless otherwise stated)

There are no adjustments made in the audited consolidated financial statements on account of Restatements to any of the years presented in these consolidated Summary Statements.

Annexure VI-PART B : NON ADJUSTING ITEMS
Emphasis of Matter included in the Auditor's Report and Other audit qualifications included in the Annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act , on the financial statements for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 which do not require any corrective adjustment in the Restated Ind AS Consolidated Summary Statements are as follows:

As at and for the year ended March 31, 2021:
CMR Green Technologies Limited (formerly known Grand Metal Industries Limited)
The auditor's report on the financial statements for the year ended March 31, 2021, included the following Emphasis of Matter paragraph, which does not require any adjustment in the Restated Ind AS Consolidated Summary Statements :

We draw attention to Note 50 of the consolidated financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Other audit qualifications included in the Annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act , on the standalone Ind AS financial statements:

As at and for the year ended March 31, 2021:
Clause (i) (c)
According to the information and explanations given by the management, the title deeds of immovable properties transferred under the Scheme of Arrangement by the Transferor companies are either in the process of being transferred/ or have since been transferred in the name of the Company, (Refer Anexure VII to the Financial Statements).

Clause (vii) (a)
Undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, Goods and Service tax (GST), duty of custom, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

Clause (vii) (c)

According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, Goods and Service tax (GST), customs duty, value added tax and cess on account of any dispute, are as follows:

Name of the Statue	Nature of Dues	Amount (Rs. in Million)	Period to which the amount relates	Forum where dispute is pending
Custom Act, 1962	Demand for custom duty and penalty thereon on mis-classification of goods (excluding interest)	4.35	2012-13	Commissioner of Customs, New Delhi
Central Excise Act, 1944	Disallowance of Cenvat credit and demand of Interest and Penalty on wrong availement of Cenvat credit	11.05	2012-13	Custom Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Imposition of Excise Duty, Interest, Penalty and Fine on goods and wrong availment and utilization of Cenvat credit	12.09	2008-09	Custom Excise & Service Tax Appellate Tribunal
The Haryana Value Added Tax Act, 2003	Credit of VAT on DEPB license purchased denied by department	17.10	2007-08 and 2008-09	High Court of Punjab and Haryana
Central Excise Act, 1944	Non-payment / short payment of service tax on services on reverse charge basis and wrong availment of Cenvat Credit on negligible inputs and input services	27.96	2011-12 & 2012-13	Custom Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Demand for short reversal of central excise duty as such clearance and availment and utilisation of Cenvat credit based on improper documents	181.21	Nov 14 to Sep 15	High Court of Rajasthan
Central Excise Act, 1944	Demand for non reversal of Cenvat credit on sales of segregated items on the ground that segregated items does not constitute a manufacturing activity.	33.03	August 2015 to June 2017	High Court of Rajasthan
Central Excise Act, 1944	Demand raised for disallowance of Cenvat credit alleging that Cenvat credit on shredded aluminium scrap has been taken basis improper Excise challans	138.26	October 2015 to June, 2017	High Court of Rajasthan
Central Excise Act, 1944	Wrong availment and utilisation of Cenvat Credit on inadmissible inputs and input services	3.22	2013-14	Custom Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Wrong availment and utilisation of Cenvat Credit on inadmissible inputs and input services	0.16	2012-14	Assistant Commissioner, New Delhi
Central Excise Act, 1944	Cenvat reversed in respect of debit Note issued to transporter for short receipt of inputs	0.07	2011-12	Deputy Commissioner, Gurgaon
Central Excise Act, 1944	Non-payment / short payment of service tax on services on reverse charge basis and wrong availment of Cenvat Credit on negligible inputs and input services	1.11	2014 – 2015 and April 2015 to October 2015	Additional Commissioner, Faridabad-II
Central Excise Act, 1944	Wrong availment and utilisation of Cenvat Credit on inadmissible inputs and input services	0.29	April 2014 to November, 2015	Assistant Commissioner, Excise, Gurgaon
Central Excise Act, 1944	Demand of Central Excise duty on VAT subsidy	1.90	January 2016 to March 2017	Assistant Commissioner Division-D, Bhiwadi
Income Tax Act, 1961	Demand (including interest) on disallowance of amount claimed under Section 43B of the Income Tax Act, 1961	101.93	2017-18	Commissioner Income Tax (Appeal), Delhi
The Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Demand of Entry Tax on Forklifts	0.21	2014-15	Appellate Authority of Commercial Tax, Alwar
Haryana Value Added Tax Act, 2003	Demand on roadside checking	0.20	2016-17	High Court of Punjab and Haryana

Annexure VI-PART C : MATERIAL REGROUPING

There are no material regroupings made in the audited consolidated financial statements on account of Restatements to any of the years presented in these consolidated Summary Statements.

Annexure VII: RESTATED IND AS CONSOLIDATED STATEMENT OF PROPERTY, PLANT AND EQUIPMENT

(Rs. in millions)

Particulars	Freehold land	Leasehold land	Plant and equipment	Buildings including roads	Leasehold Improvements	Vehicles	Furnitures & Fixtures	Office Equipment	Computers including servers	Total	Capital work in progress #
As at 1st April, 2018	-	-	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2019 (Proforma)	-	-	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2020 (Proforma)	-	-	-	-	-	-	-	-	-	-	-
As at 1st April, 2020 (Transition date)	-	-	-	-	-	-	-	-	-	-	-
Acquisition pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)	-	-	-	-	-	13.07	0.01	0.00	0.00	**13.08**	-
Acquisition pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)	239.66	63.11	399.95	199.55	11.17	35.16	16.34	7.05	4.62	**976.61**	92.97
Acquisition of subsidiaries pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)	116.51	95.08	650.40	565.61	-	13.75	3.88	5.37	2.18	**1,452.78**	127.94
Additions for the period from October 01, 2019 to March 31, 2020	12.19	-	511.01	304.68	-	9.43	0.55	2.33	3.24	**843.43**	-
Disposals for the period from October 01, 2019 to March 31, 2020	-	-	18.64	-	-	1.01	0.00	0.09	(0.06)	**19.68**	-
Additions during the year	63.65	-	173.41	18.98	-	37.90	1.34	3.69	2.61	**301.58**	207.62
Adjustment during the year*	-	(158.19)	(0.00)	(3.22)	-	-	0.14	(0.14)	0.00	**(161.41)**	-
Disposals during the year	-	-	72.34	0.32	0.01	1.16	0.97	1.12	0.88	**76.80**	-
At March 31, 2021	**432.01**	**-**	**1,643.79**	**1,085.28**	**11.16**	**107.14**	**21.29**	**17.09**	**11.83**	**3,329.59**	**428.53**
Depreciation											
As at 1st April, 2018	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-	-	-
Disposals for the year	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2019 (Proforma)	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-	-	-
Disposals for the year	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2020 (Proforma)	-	-	-	-	-	-	-	-	-	-	-
As at 1st April, 2020 (Transition date)	-	-	-	-	-	-	-	-	-	-	-
Acquisition pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)	-	-	-	-	-	3.65	0.01	0.00	0.00	3.66	-
Charge for the period from October 01, 2019 to March 31, 2020	-	-	99.03	19.12	1.44	5.61	1.42	1.83	1.75	130.20	-
Disposals for the period from October 01, 2019 to March 31, 2020	-	-	3.23	-	-	0.10	-	(0.02)	(0.00)	3.31	-
Charge for the year	-	-	199.95	42.10	2.87	12.35	2.88	3.82	3.63	267.60	-
Adjustment for the year *	-	-	(0.00)	(0.30)	-	-	0.13	(0.13)	0.00	(0.30)	-
Disposals for the year	-	-	23.25	0.05	-	0.46	0.27	0.75	0.33	25.11	-
At March 31, 2021	**-**	**-**	**272.50**	**60.87**	**4.31**	**21.05**	**4.17**	**4.79**	**5.05**	**372.74**	**-**
Net block											
As at 1st April, 2018	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2019 (Proforma)	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2020 (Proforma)	-	-	-	-	-	-	-	-	-	-	
As at 1st April, 2020 (Transition date)	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2021	**432.01**	**-**	**1,371.29**	**1,024.41**	**6.85**	**86.09**	**17.12**	**12.30**	**6.78**	**2,956.85**	**428.53**

* Adjustment to Leasehold land represents reclassification of leasehold land to Right of use assets on adoption of Ind AS 116. Also, Refer Annexure XXXIX.

*Adjustments to Buildings including road during the current year, the Parent Company has leased out one of its buidling situated at Hemkunt Tower, Nehru Palace, New Delhi w.e. f. March 01, 2021 and accordingly the gross block and accumulated depreciation has been reclassified to investment property.

The numbers reported are net (additions - deletions).

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure VII: RESTATED IND AS CONSOLIDATED STATEMENT OF PROPERTY, PLANT AND EQUIPMENT

Notes:-

1) Additions during the period from October 01, 2019 to March 31, 2020 to freehold land includes an amount of Rs 4.30 million represented conversion charges paid on account of conversion of Agricultural land to Industrial land.

2) The Group had, during the period from October 01, 2019 to March 31, 2020, capitalised a new manufacturing plant having an installed capacity of 22,000 MT at Kambola, Vadodra (Gujarat) (known as Halol Plant). The commercial production at the said plant was started on October 04, 2019.

3) Pursuant to Scheme of Arrangement, the title deeds of immovable properties/vehicles are required to be transferred in the name of the Parent Company. Out of all the immovable properties:
(a)Immovable properties having gross block of Rs. 101.14 million have since been registered in the name of the Parent Company.
(b)Immovable properties having a gross block of Rs. 210.45 million are in the process of being transferred in the name of the Parent Company.
(c)Vehicles acquired pursuant to Scheme of Arrangement are in the process of being transferred in the name of the Parent Company.

4) Indian Rupee Term Loan from HDFC Bank Ltd. is secured by first pari-passu charge with SBI on entire movable fixed assets of one of the Transferor company, namely Century Metal Recycling Limited (CMR or Transferor company) (both present and future, except those financed by other financial institutions and loans taken against specific vehicle) at Tatarpur, Bhiwadi and Manesar. It is further secured by first pari passu charge with SBI (both present and future) by Land and Building located at Tatarpur (Refer Annexure XXI).

5) The Vehicle Loans of the Parent Company are secured by way of first charge over specific vehicle (refer Annexure XXI).

6) Term Loan from SBI and Short term borrowings including working capital demand loans, Buyer's Credit, Cash Credit , Bills Discounting and vendor financing facilities are secured by second pari passu charge on entire fixed assets (excluding Land and Building) of one of the Transferor company, namely Century Metal Recycling Limited (CMR or Transferor company) (both present and future), excluding movable fixed assets at Haridwar and Gurgaon plant. It is further secured by equitable mortgage under second pari passu charge over Land and Building located at Tatarpur (Refer Annexure XXI).

7) Term Loan from SBI in one of the subsidiary company namely CMR Nikkei India Private Limited is collatorally secured by first pari-passu charge over the entire fixed assets except vehicles specifically hypothecated against vehicle loans of the said subsidiary company, present & future, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana (excluding charge of Shinhan Bank for its term loan of Rs 280.00 million on the fixed assets at the Gujarat Plant of the said subsidiary company). (Refer Annexure XXI).

(8) Term loan from Sinhan Bank in one of the subsidiary company namely CMR Nikkei India Private Limited is secured by hypothecation of Plant & Machinery installed in the factory building at Survey No. 676 & 677 village Vanod Taluka Dasada, District Surender Nagar, Gujarat - 382750 and by way of Simple/Registered mortgage of Land and building situated at Survey No. 676 & 677 village Vanod Taluka Dasada, District Surender nagar Gujarat - 382750.

(9) Term loan from SBI in one of the subsidiary company namely CMR Toyotsu Aluminum India Private Limited is collatorally secured by second pari-passu charge over the entire fixed assets of the said subsidiary company, present and future including Equitable Mortgage of factory land and building at Plot No A-4 & A-5 Sipcot Industrial Park, Pillaipakkam, Chennai, and factory land and building at G 108 Pt SIPCOT Industrial Park, Vallam - Vadagal, Chennai.

(10) Term loan from HDFC in one of the subsidiary company namely CMR Toyotsu Aluminum India Private Limited is secured by first pari-passu charge over the entire fixed assets of the said subsidiary company, present and future including Equitable Mortgage of factory land and building at Plot No A-4 & A-5 Sipcot Industrial Park, Pillaipakkam, Chennai, Vallam and factory land at G-108 Pt. SIPCOT Industrial Park, Vallam - Vadagal, Chennai.

11) Cash credit from HDFC bank and working capital loan from SBI of one of the subsidiary Company name CMR Nikkei India Private Limited is secured by way of extension of charge over the fixed assets except vehicles specifically hypothecated against vehicle loans of Bawal plant of CMR Nikkei India Private Limited, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana.

12) Cash credit from SBI and RBL and working capital Credit facility from SBI and HDFC of one of the subsidiary Company namely CMR Toyotsu Aluminium India Private Limited is secured by way of second pari-passu charge over the fixed assets of CMR Toyotsu Aluminium India Private Limited, including Equitable mortgage of factory land & building at Plot No. A-4, A-5 SIPCOT Industrial Park at Pillaipakkam, Sriperumpudur, District Kanchipuram, Chennai and equitable mortgage of factory and land and building at G-108/2, Sipcot Industrial Park, Vallam-Vadagal, Chennai.

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure VIII: RESTATED IND AS CONSOLIDATED STATEMENT OF INVESTMENT PROPERTY

(Rs. in millions)

Particulars	Building	Total
Gross Block		
As at April 01, 2018	-	-
Additions	-	-
As at March 31, 2019	-	-
Additions	-	-
As at March 31, 2020	-	-
Adjustment*	**3.22**	**3.22**
As at March 31, 2021	**3.22**	**3.22**
Accumulated Depreciation		
As at April 01, 2018	-	-
Change for the year	-	-
As at March 31, 2019	-	-
Change for the year	-	-
As at March 31, 2020	-	-
Adjustment*	**0.30**	**0.30**
Change for the year	-	-
As at March 31, 2021	**0.30**	**0.30**
Net Block		
As at April 01, 2018	-	-
As at March 31, 2019	-	-
As at March 31, 2020	-	-
As at March 31, 2021	**2.92**	**2.92**

Information regarding income and expenditure of Investment property	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Rental income derived from investment properties	0.04	37.32	-
Direct operating expenses (including repairs and maintenance) generating rental income	0.25	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-	-
Profit arising from investment properties before indirect expenses	**0.29**	**37.32**	-

*During the current year, the Group has leased out one of its buidling situated at Hemkunt Tower, Nehru Palace, New Delhi w.e. f. March 01, 2021 and accordingly the gross block and accumulated depreciation has been reclassified from Property, plant and equipment (Refer Annexure-VII). The said building has been acquired at fair value pursuant to scheme of arrangement and fair value as on the closing date in the opinion of management is higher than the carrying value.
The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. The said investment property is pending for transfer in the name of the Group.

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure IX: RESTATED CONSOLIDATED STATEMENT OF OTHER INTANGIBLE ASSETS

(Rs. in millions)

Particulars	Computer Software
Gross block	
As at 1st April, 2018 (Transition date)	**-**
Additions during the year	-
Disposals during the year	-
At March 31, 2019 (Proforma)	**-**
Additions during the year	-
Disposals during the year	-
At March 31, 2020 (Proforma)	**-**
At April 1, 2020 (Transition date)	-
Acquisition pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)	13.19
Acquisition on account of consolidation	10.59
Additions for the period from October 01, 2019 to March 31, 2020	1.04
Disposals for the period from October 01, 2019 to March 31, 2020	-
Additions during the year	1.30
Disposals during the year	0.09
At March 31, 2021	**26.03**
Amortisation	
As at 1st April, 2018	**-**
Additions during the year	-
Disposals during the year	-
At March 31, 2019 (Proforma)	-
Additions during the year	-
Disposals during the year	-
At March 31, 2020 (Proforma)	-
At April 1, 2020 (Transition date)	**-**
Acquisition on account of consolidation	5.47
Charge for the period from 1st October 2019 to 31st March 2020	3.85
Disposals for the period from 1st October 2019 to 31st March 2020	**-**
Charge for the year	6.56
Disposals for the year	0.09
At March 31, 2021	**15.79**
Net block	
At April 1, 2020 (Transition date)	**-**
At March 31, 2021	**10.24**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure X: RESTATED CONSOLIDATED STATEMENT OF GOODWILL

(Rs. in millions)

Particulars	Acquired Goodwill	Goodwill on consolidation	Total
Gross block			
As at 1st April, 2018	-	-	-
Additions during the year	-	-	-
Disposals during the year	-	-	-
At March 31, 2019 (Proforma)	-	-	-
Additions during the year	-	-	-
Disposals during the year	-	-	-
At March 31, 2020 (Proforma)	-	-	-
At March 31, 2020	-		
Acquisition pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)*	9,236.63		9,236.63
Goodwill On Consolidation (Refer Annexure XXXVIII)*		4,083.30	4,083.30
Additions	-		
Disposals	-		
At March 31, 2021	**9,236.63**	**4,083.30**	**13,319.93**
Amortisation			
As at 1st April, 2018	-	-	-
Charge for the year	-	-	-
Disposals for the year	-	-	-
At March 31, 2019 (Proforma)	-	-	-
Charge for the year	-	-	-
Disposals for the year	-	-	-
At March 31, 2020	-		
Charge for the period from October 01, 2019 to March 31, 2020	923.66	-	923.66
Charge for the year	-	-	-
Disposals for the year	-	-	-
At March 31, 2021	**923.66**	**-**	**923.66**
Net block			
At March 31, 2020	-		
At March 31, 2021	**8,312.97**	**4,083.30**	**12,396.27**

* Goodwill represents goodwill acquired pursuant to "Part D" of Scheme of Arrangement (Refer Annexure XXXVIII)

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

Impairment testing of goodwill
The carrying amount of Goodwill of Rs. 12,396.27 million acquired pursuant to Scheme of Arrangement has been allocated to Cash Generating Unit (CGU) for impairment testing.

The Group performs annual impairment test for carrying value of goodwill. The Group considers the relationship between its market capitalisation based on other comparable companies and its book value, among other factors, when reviewing for indicators of impairment.

The recoverable amount has been considered based on the fair value less cost of disposal or value in use, whichever is higher as required to be assessed under Ind-AS 36.

The recoverable amount of the Business Unit (CGU) has been determined based on a value in use calculation using cash flow projections approved by senior management of the Company, which are part of overall business plan covering a five-year period. The discount rate applied to cash flow projections for impairment testing during the current year is 16.15% and cash flows beyond the five-year period are extrapolated using a 6.00% growth rate which is consistent with the industry forecasts. As a result of the analysis, management did not identify any impairment for this CGU and accordingly, there is no impairment for goodwill amount.

The management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Key assumptions used for value in use calculations
The calculation of value in use for the CGU is most sensitive to the following assumptions:

EBITDA margins
EBITDA margins are estimated based on the trend of actual EBITDA for past 1 year preceding the beginning of the budget period.

Discount Rate

Discount rates represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and the CGU and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings the Company is obliged to service. CGU specific risk is incorporated by applying individual beta factor. The beta factor is evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

Growth rates used to extrapolate cash flows beyond the forecast period

The Company has considered growth rate of 6% to extrapolate cash flows beyond the forecast period which is in line with the industry forecasts.

Sensitivity to changes in assumptions

The implications of the key assumptions for the recoverable amount are discussed below:

Growth rate assumptions - A reduction to 2.52% in the long-term growth rate would result in value in use being lower than carrying amount of the assets.

Discount rates - A rise in discount rate to 18.12% would result in value in use being lower than the carrying amount of the assets.

EBITDA margins - decreased demand can lead to a decline in EBITDA. decrease in EBITDA to 7.75% would result in Value in use being lower than carrying amount of the assets.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XI: RESTATED IND AS CONSOLIDATED STATEMENT OF NON-CURRENT INVESTMENTS

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
	Non-Current	Non-Current	Non-Current
Investment in Joint Venture (unquoted) (acquired at fair value)			
CMR - Chiho Recycling Technologies Private Limited (acquired at fair value)			
- 3,656,750 (March 31, 2020 : Nil, March 31, 2019: Nil) equity shares of Rs 10/- each (fully paid up)	37.00	-	-
(Less): Share in (losses) for the period from October 01, 2019 to March 31, 2020	(8.03)	-	-
Add: Share in profit for current year	9.38	-	-
	38.35	**-**	**-**
Nikkei CMR Aluminium India Private Limited (acquired at fair value)*			
- 52,00,000 (March 31, 2020 : Nil, March 31, 2019: Nil) equity shares of Rs 10/- each (fully paid up)	52.00	-	-
(Less): Share in (losses) for the period from December 03, 2019 to March 31, 2020	(0.16)	-	-
(Less): Share in (losses) for current year	(0.94)	-	-
Add: Change in reserves on account of dilution in stake	0.53	-	-
	51.43	**-**	**-**
CMR - Chiho Industries India Private Limited (acquired at fair value)**			
- 7,200,000 (March 31, 2020 : Nil, March 31, 2019: Nil) equity shares of Rs 10/- each (fully paid up)	72.00	-	-
(Less): Share in (losses) for the period from December 12, 2019 to March 31, 2020	(19.00)	-	-
(Less): Share in (losses) for current year	(6.42)	-	-
- Equity portion of corporate guarantee	3.88	-	-
	50.46	**-**	**-**
Total Investment in Joint Venture (unquoted) (A)	**140.24**	**-**	**-**
Investment in Associates (unquoted)			
Sanjivani Non-Ferrous Trading Private Limited (at cost)			
-Nil (March 31, 2020: 1,51,212, March 31, 2019: 1,51,212) equity shares of Rs.10/- each (fully paid up)			
Cost of Investment	-	26.03	26.03
Add: Share in opening acculmulated profits	-	0.61	-
Add: Share in opening accumulated Other Comprehensive Income	-	152.51	77.01
Add: Share in profit during the year	-	1.36	0.61
Add: Share of Other Comprehensive Income during the year	-	262.38	75.50
	-	**442.89**	**179.15**
Forever Multimedia Private Limited (at cost)			
- Nil (March 31, 2020: 30,000, March 31, 2019: 30,000) equity shares of Rs.10/- each (fully paid up)			
Cost of Investment	-	0.37	0.37
Add: Share in opening acculmulated profits/(losses)	-	(0.01)	-
Add: Share in opening accumulated Other Comprehensive Income	-	85.41	45.79
Add: Share in profit/(losses) during the year	-	0.00	(0.01)
Add: Share of Other Comprehensive Income during the year	-	171.15	39.62
	-	**256.92**	**85.77**
Ramayana Polymers Private Limited (at cost)			
- Nil (March 31, 2020: 25,000, March 31, 2019: 25,000) equity shares of Rs.10/- each (fully paid up)			
Cost of Investment	-	0.24	0.24
Add: Share in opening acculmulated profits/(losses)	-	(0.04)	-
Add: Share in opening accumulated Other Comprehensive Income	-	69.95	37.39
Add: Share in profit/(losses) during the year	-	(0.02)	(0.04)
Add: Share of Other Comprehensive Income during the year	-	135.53	32.57
	-	**205.66**	**70.16**
Total Investment in Associates (unquoted) (B)	**-**	**905.47**	**335.08**
Total Investments in Joint ventures & Associates (A+B)	**140.24**	**905.47**	**335.08**
Investment in equity instruments others (unquoted)			
At fair value through profit or loss			
Grand Metal Recycling Private Limited (at cost)			
- Nil (March 31, 2020: 75,000, March 31, 2019: 75,000) equity shares of Rs.10/- each (fully paid up)	-	310.39	59.41
Rico Investment Limited (at cost)			
15,00,000 (March 31, 2020: Nil, March 31, 2019: Nil) equity shares of Rs 10/- each (fully paid up)	15.51	-	-
Others (at cost)			
53,896 equity shares (March 31, 2020: Nil, March 31, 2019: Nil)***	0.08	-	-
Aggregate amount of unquoted investments	**15.59**	**310.39**	**59.41**

* One of the Transferor company, namely Century Metal Recycling Limited ("CMR") had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with Nikkei MC Aluminium Company Limited ("NMA"), Japan. Pursuant to the said agreement, CMR and NMA had subscribed 250,000 equity shares each in the equity share capital of Nikkei CMR Aluminium India Private Limited and shares were alloted on 3rd December, 2020. During the current year, the Parent Company has further subscribed to 49,50,000 equity shares and NMA has further subscribed to 1,45,50,000 equity shares which werealloted on March 08, 2021.

** One of the Transferor company, namely Century Metal Recycling Limited ("CMR") had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, CMR and CEG had subscribed 72,00,000 equity shares each in the equity share capital of CMR - Chiho Industries India Private Limited and 2,50,000 equity shares were issued December 12, 2020 and balance 69,50,000 equity shares were issued on February 5, 2020.

***The above investments are in listed companies. However, the quoted price of the shares of these companies are not available as they are not being traded. Accordingly, these investments have been considered as unquoted investments.

The Parent Company is in the process of transferring investments acquired pursuant to the Scheme of Arrangement in its name.

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XII : RESTATED IND AS CONSOLIDATED STATEMENT OF LOANS (AT AMORTISED COST)

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(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
	Non-current	**Non-current**	**Non-current**	**Current**	**Current**	**Current**
Unsecured and considered good						
Security deposits	34.01	-	-	4.18	-	0.01
Loan to related parties (Refer Annexure XXXX)	-	-	-	236.86	-	-
Loans/Advances to employees						
- Related parties (Refer Annexure XXXX)	-	-	-	0.30	-	-
- Others	1.22	-	-	4.62	-	-
Total	**35.23**	**-**	**-**	**245.96**	**-**	**0.01**

Entire loans of the Group have been hypothecated/ mortgaged to secure borrowings of the Group (Refer Annexure XXI).

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XIII : RESTATED IND AS CONSOLIDATED STATEMENT OF OTHER FINANCIAL ASSETS AT AMORTISED COST

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
	Non-current	Non-current	Non-current	Current	Current	Current
Unsecured, considered good						
Deposits with bank having maturity for more than 12 months (refer Annexure XVIII)	17.26	-	-	-	-	-
Interest recoverable from related parties (Refer Annexure XXXX)	-	-	-	17.82	-	-
Interest accrued on fixed deposits and others	3.02	-	-	7.90	-	-
Corporate guarantee commission receivable	-	-	-	10.15	-	-
Technical fees Receivable (Refer Annexure XXXX)	-	-	-	8.02	-	-
Manpower services Receivable (Refer Annexure XXXX)	-	-	-	10.65	-	-
Bank Charges/Discount receivable, etc.	-	-	-	2.97	-	-
	20.28	**-**	**-**	**57.51**	**-**	**-**

Note:-

Entire other financial assets of the Group have been hypothecated/mortgaged to secure borrowings of the Group (Refer Annexure XXI).

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XIV: RESTATED IND AS CONSOLIDATED STATEMENT OF OTHER ASSETS

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
	Non-current	Non-current	Non-current	Current	Current	Current
Unsecured and considered good						
Capital advances	191.37	-	-	-	-	-
Prepaid expenses	6.98	-	-	25.93	-	-
Balance with Statutory/ Government Authorities	154.05	-	-	803.94	0.42	0.42
Export incentive receivable	-	-	-	13.05	-	-
Advance to suppliers	-	-	-	801.46	-	-
Unbilled Revenue	-	-	-	506.90	-	-
Total	**352.40**	**-**	**-**	**2,151.28**	**0.42**	**0.42**

Note:-
Entire other assets of the Group have been hypothecated/mortgaged to secure borrowings of the Group (Refer Annexure XXI).

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XV: RESTATED IND AS CONSOLIDATED STATEMENT OF INVENTORIES

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Raw materials {Including Rs. 1,391.52 million (March 31, 2020: Nil, March 31, 2019: Nil) in transit}	3,608.21	-	-
Traded goods (March 31, 2020: Nil, March 31, 2019: Nil) in transit}	0.57	-	-
Finished goods {Including Rs. 118.01 million (March 31, 2020: Nil, March 31, 2019: Nil) in transit}	541.91	-	-
Stores and Spares {Including Rs. 1.12 million (March 31, 2020: Nil, March 31, 2019: Nil) in transit}	86.41	-	-
Total	**4,237.10**	**-**	**-**

Note:-

All type of stocks lying in the Group's factories, godowns, elsewhere (including GIT) have been hypothecated/mortgaged to secure borrowings of the Group (refer Annexure XXI).

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)

Annexure XVI: RESTATED IND AS CONSOLIDATED STATEMENT OF TRADE RECEIVABLES

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Unsecured and considered good			
Receivables from related parties (Refer Annexure XXXX)	19.02	-	-
Receivables from others	5,292.34	-	-
	5,311.36	**-**	**-**

Notes:-

1. For terms and conditions relating to related party receivables, Refer Annexure XXXX.
2. The Group charges interest on overdue trade receivables and are generally on terms of 0 to 90 days for customers other than related parties. In case of related party, the Group charges interest from day one.
3. Entire trade receivables of the Group have been hypothecated/mortgaged to secure borrowings of the Group (refer Annexure XXI).
4. Trade receivables include bill discounting and supply chain financing aggregating to Rs 686.90 million (March 31, 2020: Nil and March 31, 2019: Nil).

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XVII: RESTATED IND AS CONSOLIDATED STATEMENT OF CASH AND CASH EQUIVALENTS
(Amount in Rupees Million, unless otherwise stated)

(Rs. in millions)

Particulars	**As at March 31, 2021**	**As at March 31, 2020 (Proforma)**	**As at March 31, 2019 (Proforma)**
Cash and Cash Equivalents			
Cash on hand	1.23	0.03	0.03
Balances with banks:			
- Current accounts	64.70	0.02	0.03
- Cash credit accounts	1.97	-	
Total	**67.90**	**0.05**	**0.06**

Entire cash and cash equivalents with banks of the Group have been hypothecated/mortgaged to secure the borrowings and to secure the bank guarnatees and letter of credit of the Group (Refer Annexure XXI)

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XVIII: RESTATED IND AS CONSOLIDATED STATEMENT OF OTHER BANK BALANCES

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Deposits with banks			
Deposits with remaining maturity of more than 3 months and less than 12 months*	208.80	-	-
Deposits with remaining maturity of more than 12 months*	17.26	-	-
	226.06	**-**	**-**
Less : Disclosed under			
Other bank balances (refer Annexure XVIII)	208.80	-	-
Other non financial assets (refer Annexure XIII)	17.26	-	-
	226.06	**-**	**-**

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Deposits with banks	208.80	-	
	208.80	**-**	**-**

* Deposits Rs. 210.21 millions (March 31, 2020: Nil) are pledged with banks against bank guarantees, letter of credit and margin money for availing Buyer's credit and loan from Government of Haryana.

Note:-
Entire deposits with banks of the Group have been hypothecated/mortgaged to secure borrowings and to secure bank guarantees and letter of credit of the Group (Refer Annexure XXI) .

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Cash on hand	1.23	0.03	0.03
On current accounts	64.70	0.02	0.03
Cash credit	1.97	-	-
Total	**67.90**	**0.05**	**0.06**

Changes in liabilities arising from financing activities (Rs. in millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
	Current	**Current**	**Current**	**Non-Current**	**Non-Current**	**Non-Current**
Opening balance of borrowings	-	0.11	-	-	-	-
Acquired pursuant to Scheme of Arrangement adjusted for movements from October 1, 2019 to March 31, 2020	2,547.38	-	-	313.00	-	-
Cash flows	1,409.46	2.06	-	533.70	-	-
Changes in fair values	-	-	-	8.43	-	-
Closing Balance of borrowings	**3,956.84**	**2.17**	**-**	**855.13**	**-**	**-**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XIX: RESTATED IND AS CONSOLIDATED STATEMENT OF EQUITY SHARE CAPITAL

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Authorised shares			
10,00,000 equity shares of Rs.10/- each (March 31, 2020 : 10,00,000, March 31, 2019: 10,00,000) equity shares of Rs.10/- each)*	10.00	10.00	10.00
Total Authorised Share Capital	**10.00**	**10.00**	**10.00**

* The increase in authorised equity share capital and preference share capital of the Parent Company by Rs. 522.93 millions and Rs. 0.50 million respectively pursuant to the Scheme of Arrangement will be reflected in subsequent year i.e 2021-2022 since the Parent Company has filed the relevant forms for increase in authorised share capital with ROC on September 01, 2021 (Refer Annexure XXXVIII).

(Rs. in millions)

Issued shares, subscribed and fully paid-up shares	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
3,26,990 equity shares of Rs.10/- each (March 31, 2020 : 3,92,990, March 31, 2019: 3,92,990) of Rs 10/- each fully paid up)	3.27	3.93	3.93
Total Subscribed & paid-up equity share capital	**3.27**	**3.93**	**3.93**

A. Reconciliation of no. of equity shares and amounts in Rs in millions

	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Equity shares	**No of shares**	**No of shares**	**No of shares**	**Rs. in millions**	**Rs. in millions**	**Rs. in millions**
At the beginning of the year	3,92,990	3,92,990	3,92,990	3.93	3.93	3.93
Issued during the year	-	-	-	-	-	-
Equity share capital cancelled pursuant to the Scheme of Arrangement (Refer Annexure XXXVIII)	66,000	-	-	0.66	-	-
At the end of the year	**3,26,990**	**3,92,990**	**3,92,990**	**3.27**	**3.93**	**3.93**

B. Terms/Rights attached to equity shares

The Parent Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees.
In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C. Details of shareholders holdings more than 5% shares

Name of Shareholder	As at March 31, 2021		As at March 31, 2020 (Proforma)		As at March 31, 2019 (Proforma)	
	Number of shares held	**Percentage of Holding**	**Number of shares held**	**Percentage of Holding**	**Number of shares held**	**Percentage of Holding**
Equity shares of Rs. 10 each fully paid						
(i) Shri Gauri Shankar Agarwala	70,000	21.41%	70,000	17.81%	70,000	17.81%
(ii) Smt. Kalawati Agarwal	62,500	19.11%	62,500	15.90%	62,500	15.90%
(iii) Shri Mohan Agarwal	71,990	22.02%	71,990	18.32%	71,990	18.32%
(iv) Smt. Pratibha Agarwal	72,500	22.17%	72,500	18.45%	72,500	18.45%
(v) Forever Multimedia Private Limited	-	-	30,000	7.63%	30,000	7.63%
(vi) Ramayana Polymers Private Limited	-	-	25,000	6.36%	25,000	6.36%
(vii) Gauri Shankar Agarwala (HUF)	35,000	10.70%	35,000	8.91%	35,000	8.91%

Annexure XX: RESTATED IND AS CONSOLIDATED STATEMENT OF EQUITY SHARE CAPITAL SUSPENSE ACCOUNT

Equity Share capital suspense account** :	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Comprising of :			
Share capital to be issued	34.00	-	-
Securities premium to be recorded	8,668.91	-	-
Closing balance	**8,702.91**	**-**	**-**

** Pursuant to the Scheme of Arrangement referred in the Annexure XXXVIII, 15,92,813 equity shares at face value of Rs 10 per equity shares have since been issued to the existing share holders of Part B and Part C Transferor companies.

Further, 18,07,167 equity shares of Rs. 10 each at a premium of Rs. 4,796.97 have since been issued to the existing share holders of Part D Transferor company. (Refer Annexure XXXVIII)

Therefore, the abovesaid equity shares have since been issued to the shareholders, the said amounts including securities premium are shown as "Share capital suspense account"

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXI: RESTATED IND AS CONSOLIDATED STATEMENT OF BORROWINGS

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
	Non-Current	**Non-Current**	**Non-Current**	**Current**	**Current**	**Current**
From banks						
Term loans (Secured)	745.13	-	-	-	-	-
Vehicle loans (Secured)	24.88	-	-	-	-	-
Buyers credit (Secured)	-	-	-	836.34	-	-
Cash credit (Secured)	-	-	-	93.72	-	-
Vendor financing (Secured)	-	-	-	399.05	-	-
Commercial Card (Unsecured)	-	-	-	49.90	-	-
Working capital demand loans (Secured)	-	-	-	1,832.16	-	-
Bill discounting (Unsecured)	-	-	-	649.89	-	-
From financial institution						
Supply Chain Financing (Unsecured)	-	-	-	37.02	-	-
From Others						
Interest free Indian rupees loan from Haryana Government (Unsecured)	85.12	-	-	-	-	-
Loan from related parties (Unsecured)	-	-	-	57.23	0.22	0.11
Loan from others (Unsecured)	-	-	-	1.34	-	-
	855.13	**-**	**-**	**3,956.65**	**0.22**	**0.11**
The above amount includes						
Secured borrowings	505.18	-		3,426.10	-	
Unsecured borrowings	-	-		880.49	-	
	-					
Less :Current Maturities of non-current borrowings and disclosed under the head 'Other current financial liabilities' (Refer Annexure XXII)	(349.95)	-		-	-	
Net amount	**505.18**	**-**	**-**	**3,956.65**	**0.22**	**0.11**
Notes:						
(1) Details of borrowings and Unamortised Interest cost:-						
a) Interest free Indian rupees loan (Unsecured)	-	-	-	93.91	-	-
Less: Adjustment on account of fair value of interest free loan shown under deferred government grant	-	-	-	(8.79)	-	-
Carrying value of interest free Indian Rupees loan from Haryana Government	-	-	-	**85.12**	**-**	**-**
b) Other Term loans (Secured)	489.13	-	-	256.63	-	-
Less: Unamortised interest cost	(0.21)	-	-	(0.40)	-	-
Carrying value of Term loans	**488.92**	**-**	**-**	**256.23**	**-**	**-**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

(2) The maturity profile, security and rate of interest of the term loans from banks/ financial institution/others are as given below:

Loan	Loan Amount (Rs in millions)	Rate of Interest	Repayment Terms	Security
Indian rupee term loan from:				
State Bank of India	21.59 (March 31, 2020: Nil, March 31, 2019: Nil)	7.40%	18 monthly instalment of Rs 1.20 million commencing November 27, 2020.	Refer Note (a) below
Shinhan Bank	157.75 (March 31, 2020: Nil, March 31, 2019: Nil)	MCLR+0.35%	Loan repayable in 16 quarterly installments started from 20th September 2019. Installment amount is proportionate to disbursement of Loan, currently Rs 16.18 million per quarter.	Refer Note (b) below
State Bank Of India	26.65 (March 31, 2020: Nil, March 31, 2019: Nil)	7.40%	The COVID loan is repayable in equal quarterly installment of Rs.2.06 million each starting from 27th November'20	Refer Note (c) below
HDFC Bank	142.5 (March 31, 2020: Nil, March 31, 2019: Nil)	6M MCLR+ 20 basis point	The term loan is repayable in equal quarterly instalment of Rs.8.91 million starting from 26th June'2022	Refer Note (d) below
State Bank of India	68.5 (March 31, 2020: Nil, March 31, 2019: Nil)	7.40%	17 monthly equated instalments of Rs. 5.30 million starting from Nov., 2020 and last instalment of Rs.4.90 million.	Refer Note (e) below

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXI: RESTATED IND AS CONSOLIDATED STATEMENT OF BORROWINGS

HDFC Bank	328.76 (March 31, 2020: Nil, March 31, 2019: Nil)	3 month MCLR+65bps	20 quartelry equated instalments of Rs.19.34 million starting from Aug 2020.	Refer Note (f) below
Vehicle loans :				
HDFC bank	0.15 (March 31, 2020: Nil, March 31, 2019: Nil)	8.45%	LCV loan with EMI of Rs.0.03 million.	Refer Note (g) below
HDFC bank	2.41 (March 31, 2020: Nil, March 31, 2019: Nil)	8.25%	60 equated monthly instalments of Rs.0.11 million.	Refer Note (g) below
HDFC bank	21.45 (March 31, 2020: Nil, March 31, 2019: Nil)	7.25%	39 equated monthly instalments of Rs.0.65 million.	Refer Note (g) below
HDFC bank	0.86 (March 31, 2020: Nil, March 31, 2019: Nil)	7.90%	48 equated monthly instalments of Rs.0.29 million.	Refer Note (g) below
Term Loan from Government of Haryana:				
Government of Haryana (Interest free loan)	93.91 (March 31, 2020: Nil, March 31, 2019: Nil)	(Interest free loan)	Payable immediately after 5 years from the date of disbursement i.e. Jan'17 and Mar'17.	Refer Note (h) below

(a) CMR Nikkei India Private Limited, a subsidiary company has taken a loan in Financial year 2020-21. This loan is secured by first pari-passu charge on current assets of the company and collatorally secured by first pari-passu charge over the entire fixed assets except vehicles specifically hypothecated against vehicle loans of the said subsidiary company, present & future, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana (excluding charge of Shinhan Bank for its term loan of Rs 280.00 million on the fixed assets at the Gujarat Plant of the said subsidiary company). Further, these loans are secured by corporate guarantee of Nikkei MC Aluminium Co. Ltd.

(b) CMR Nikkei India Private Limited, a subsidiary company has taken a term loan which is secured by hypothecation of Plant & Machinery installed in the factory building at Survey No. 676 & 677 village Vanod Taluka Dasada, District Surender Nagar, Gujarat - 382750 and by way of Simple/Registered mortgage of Land and building situated at Survey No. 676 & 677 village Vanod Taluka Dasada, District Surender nagar Gujarat - 382750. Further it is secured by Corporate Guarantee of Group.
Out of the total sanctioned amount of Rs 280.00 million and Rs 256.90 million have been disbursed till date. Further, Mr.Mohan Agarwal & Mr.Gauri Shankar Agarwal, directors of the said subsidary company have given a personal gurantee.

(c) CMR Toyotsu Aluminum India Private Limited, a subsidiary company has taken a COVID loan in finanical year 2020-21. This loan is secured by first pari-passu charge on current assets of the said subsidiary company and collatorally secured by second pari-passu charge over the entire fixed assets of the said subsidiary company, present and future including Equitable Mortgage of factory land and building at Plot No A-4 & A-5 Sipcot Industrial Park, Pillaipakkam, Chennai, and factory land and building at G 108 Pt SIPCOT Industrial Park, Vallam - Vadagal, Chennai.

(d) CMR Toyotsu Aluminum India Private Limited, a subsidiary company had taken a Term loan in the finanical year 2020-21. This loan is secured by first pari-passu charge over the entire fixed assets of the said subsidiary company, present and future including Equitable Mortgage of factory land and building at Plot No A-4 & A-5 Sipcot Industrial Park, Pillaipakkam, Chennai, Vallam and factory land at G-108 Pt. SIPCOT Industrial Park, Vallam - Vadagal, Chennai and collaterally secured by extension of second pari-passu charge charge over current assets of the said subsidiary company.

(e) Indian Rupee Demand Loan from State Bank of India is secured by first pari-passu charge on entire current assets both present and future of one of the Transferor company, namely Century Metal Recycling Limited (CMR or Transferor company) and collatorally secured by second pari-passu charge on the entire movable fixed assets of CMR (both present and future, except those financed by other financial institutions and loans taken against specific vehicles) at Tatarpur, Bhiwadi, Manesar and Halol including equitable mortgage over land and building located at Tatarpur.
It is further secured by first pari passu charge on below immovable properties :
- Commercial property at Millennium Plaza Limited, 001B and 001C, Tower"A", Ground Floor, Sector 27,Gurgaon measuring 1994.67 sq. ft. owned by Sh. Gauri Shankar Agarwala and Sh. Mohan Agarwal, promoter directors of CMR.
- Property owned by Sh. Mohan Agarwal at Nav Shakti Co-operative Group Housing Society B-43, Plot No.5, Sector - 9, Rohini, New Delhi measuring 1245 sq.ft.

(f) Indian rupee term loan from HDFC Bank is secured by first pari-passu charge on entire movable fixed assets of one of the Transferor company, namely Century Metal Recycling Limited (CMR or Transferor company) (both present and future, except those financed by other financial institutions and loans taken against specific vehicles) at Tatarpur, Bhiwadi and Manesar and second pari passu charge on entire current assets of CMR.
It is further secured by first pari passu charge with SBI and other member bank of consortium (appearing under short term borrowings) (both present and future) by below immovable properties :
- Land and Building located at Tatarpur.
- Commercial property at Millennium Plaza Limited, 001B and 001C, Tower"A", Ground Floor, Sector 27,Gurgaon measuring 1994.67 sq. ft. owned by Sh. Gauri Shankar Agarwala and Sh. Mohan Agarwal, promoter directors of CMR.
- Property owned by Sh. Mohan Agarwal at Nav Shakti Co-operative Group Housing Society B-43, Plot No.5, Sector - 9, Rohini, New Delhi measuring 1245 sq.ft.

'(g) Vehicle loans are secured by way of first charge over specific vehicle and the same are repayable as per terms of agreement.
(h) The Transferee Company i.e. Century Metal Recycling Limited has furnished bank guarantees of Rs 93.91 million to Government of Haryana against interest free Indian rupee loan taken from them.

The security and rate of interest of the short term borrowings are as given below:

Loan	Loan Amount (Rs in millions)	Rate of Interest during the year	Repayment terms	Security
Cash credit (secured)				
HDFC Bank	2.52 (March 31, 2020: Nil, March 31, 2019: Nil)	7.75%-8.65%	Repayable on demand	Refer Note (a) below
HDFC Bank	33.02 (March 31, 2020: Nil, March 31, 2019: Nil)	7.75% to 9.25%	Repayable on demand	Refer Note (b) below
State Bank Of India	2.07 (March 31, 2020: Nil, March 31, 2019: Nil)	7.70%- 9.25%	Repayable on demand	Refer Note (c) below
RBL Bank	53.65 (March 31, 2020: Nil, March 31, 2019: Nil)	8.45%- 11.00%	Repayable on demand	Refer Note (c) below
State Bank Of India	1.51 (March 31, 2020: Nil, March 31, 2019: Nil)	7.70%-9.00%	Repayable on demand	Refer Note (a) below

Axis Bank	0.77 (March 31, 2020: Nil, March 31, 2019: Nil)	8.40%-8.85%	Repayable on demand	Refer Note (a) below
HSBC Bank	0.19 (March 31, 2020: Nil, March 31, 2019: Nil)	7.50%	Repayable on demand	Refer Note (a) below
Working capital demand loans-Indian Rupees (secured)				
State Bank Of India	200.00 (March 31, 2020: Nil, March 31, 2019: Nil)	7.45%-8.65%	For a period not exceeding 3 months from drawdown date	Refer Note (a) below
HDFC Bank	352.71 (March 31, 2020: Nil, March 31, 2019: Nil)	6.00%-9.25%	For a period not exceeding 3 months from drawdown date	Refer Note (a) below
Axis Bank	29.45 (March 31, 2020: Nil, March 31, 2019: Nil)	7.35%-9.00%	For a period not exceeding 3 months from drawdown date	Refer Note (a) below
HSBC Bank	400.00 (March 31, 2020: Nil, March 31, 2019: Nil)	5.75%	For a period not exceeding 3 months from drawdown date	Refer Note (a) below
State Bank Of India	250.00 (March 31, 2020: Nil, March 31, 2019: Nil)	7.50%	For a period not exceeding 3 months from drawdown date	Refer Note (b) below
RBL Bank	200.00 (March 31, 2020: Nil, March 31, 2019: Nil)	6.86%- 7.70%	For a period not exceeding 3 months from drawdown date	Refer Note (c) below
HDFC Bank	150.00 (March 31, 2020: Nil, March 31, 2019: Nil)	6.50%	For a period not exceeding 3 months from drawdown date	Refer Note (c) below
State Bank Of India	250.00 (March 31, 2020: Nil, March 31, 2019: Nil)	7.50%	For a period not exceeding 3 months from drawdown date	Refer Note (c) below
Bill discounting from banks (unsecured)				
Chinatrust Commercial Bank	204.74 (March 31, 2020: Nil, March 31, 2019: Nil)	6.90%-8.03%	For a period not exceeding 3 months from drawdown date	Unsecured
Axis Bank	2,96.64 (March 31, 2020: Nil, March 31, 2019: Nil)	7.85%	For a period not exceeding 3 months from drawdown date	Unsecured
CTBC	148.50 (March 31, 2020: Nil, March 31, 2019: Nil)	7.00%	For a period not exceeding 3 months from drawdown date	Unsecured,Refer Note (e) below
Vendor Financing (secured)				
State Bank Of India	3,99.05 (March 31, 2020: Nil, March 31, 2019: Nil)	6.90%-7.95%	For a period not exceeding 3 months from drawdown date.	Refer Note (a) below
Buyers Credit (secured)				
HDFC Bank	403.20 (March 31, 2020: Nil, March 31, 2019: Nil)	Libor+100bps to 175bps	For a period not exceeding 200 days from drawdown date.	Refer Note (a) below
Axis Bank	433.14 (March 31, 2020: Nil, March 31, 2019: Nil)	Libor+39bps to 195bps	For a period not exceeding 150 days from drawdown date.	Refer Note (a) below
Commercial cards (unsecured)				
Axis Bank	49.90 (March 31,2020 : Nil, March 31, 2019: Nil)	1.10%	For a period not exceeding 3 months from drawdown date	Unsecured
Supply Chain Financing				
UGRO Capital Limited	37.02 (March 31, 2020 : Nil, March 31, 2019: Nil)	12.80%-13.00%	For a period not exceeding 3 months from drawdown date	Unsecured and Refer Note (d) below

Loan from related parties (unsecured) :

Loan	Loan Amount (Rs in millions)	Rate of Interest during the year	Repayment Terms	Security
CMR-Chiho Recycling Technology Private Limited	54.64 (March 31, 2020 : Nil, March 31, 2019: Nil)	9.25%	Repayable on demand	Unsecured
CMR Tech Solutions Private Limited	2.10 (March 31, 2020: Nil, March 31, 2019: Nil)	9.00%	Repayable on demand	Unsecured
Kent Industrial Park Private Limited	0.49 (March 31, 2020: Nil, March 31, 2019: Nil)	8.50%	Repayable on demand	Unsecured
Suvridhi Financial Service Limited	Nil (March 31, 2020: 0.22, March 31, 2019: 0.11)	Nil, March 31, 2020: 9%, March 31, 2019: 12%	Repayable on demand	Unsecured

Loan from other (unsecured) :

Loan	Loan Amount (Rs in millions)	Rate of Interest during the year	Repayment Terms	Security
Shri Gauri Shankar Agarwala	1.34 (March 31, 2020: Nil, March 31, 2019: Nil)	9.00%	Repayable on demand	Unsecured

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXI: RESTATED IND AS CONSOLIDATED STATEMENT OF BORROWINGS

(a) First pari passu charge with other member banks of consortium on all the current assets of one of the Transferor company, namely Century Metal Recycling Limited (CMR or Transferor company) including all type of stocks lying in their factories, godowns, elsewhere (including GIT) and company's book debts/receivables (present and future).
Second pari passu charge on entire fixed assets of CMR (including equitable mortgage on land and building at Tatarpur) (both present and future), excluding movable fixed assets at Haridwar and Gurgaon plant.
It is further secured by way of equitable mortgage under first pari passu charge of the commercial property at Millennium Plaza Limited, 001B and 001C, Tower"A" Ground Floor, Sector 27,Gurgaon measuring 1994.67 sq. ft. owned by Sh. Gauri Shankar Agarwala and Sh. Mohan Agarwal, promoter directors of CMR . Equitable mortgage under first pari passu charge also provided of property owned by Sh. Mohan Agarwal at Nav Shakti Co-operative Group Housing Society B-43, Plot No.5, Sector - 9, Rohini, New Delhi measuring 1245 sq.ft.Further, personal guarantee is also given by Sh. Gauri Shankar Agarwala and Sh. Mohan Agarwal, promoter directors of (CMR or Transferor company).

b) Working capital credit facility is secured by way of first pari-passu charge on entire current assets of CMR Nikkei India Private Limited (both present and future) including hypothecation of all stocks of raw materials, stores, spares, stocks in process, finished goods, etc., lying in factory, go-downs, elsewhere and including goods in transit and receivables / book debts.
It is further secured by way of extension of charge over the fixed assets except vehicles specifically hypothecated against vehicle loans of Bawal plant of CMR Nikkei India Private Limited, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana. It is further secured by corporate guarantee of one of the Transferor company Century Metal Recycling Limited and Nikkei MC Aluminium Co. Limited.

c) Working capital Credit facility is secured by way of first pari -passu charge on entire current assets of CMR Toyotsu Aluminium India Private Limited (both present and future) including hypothecation of all stocks of raw materials, stores, spares, stocks in process, finished goods, etc., lying in factory, go-downs, elsewhere and including goods in transit and receivables / book debts. It is further secured by way of second pari-passu charge over the fixed assets of CMR Toyotsu Aluminium India Private Limited, including Equitable mortgage of factory land & building at Plot No. A-4, A-5 SIPCOT Industrial Park at Pillaipakkam, Sriperumpudur, District Kanchipuram, Chennai and equitable mortgage of factory and land and building at G-108/2, Sipcot Industrial Park, Vallam-Vadagal, Chennai.

(d) UGRO Capital Limited had sanctioned Supply Chain Financing Limit to one of the Transferor Company, namely Century Metal Recycling Limited (CMR or Transferee company) as a sub-limit of Kiran Udyog Private Limited (“Anchor”) Limit.

As at March 31, 2021, the outstanding balance amount of Rs. 37.02 million includes an amount of Rs. 18.42 million which is overdue as at March 31, 2021. However, subsequent to the year end, the Anchor has repaid an amount of Rs. 8.76 million out of the overdue amount of bills outstanding.

As per the terms of Sanction letter, in case the Anchor fails to pay the outstanding amount including interest on due date, the same will be recovered from Anchor by liquidation of security / PDC cheques provided by the Anchor. Further, in case the outstanding is not realisable the recourse will be on that Transferor Company.

(e). Mr.Mohan Agarwal and Mr.Gauri Shankar Agarwala, directors of the subsidary company have provided the personal guranntee.

UGRO Capital Limited (UGRO) has initiated several legal proceedings against one of the transfree company and one of its Directors in relation to the amount outstanding of Rs 34.37 million as aon date. UGRO has initiated arbitration proceedings against that company and its directors before the Centre for Alternate Dispute Resolution Excellence (“CADRE”), seeking an award of a sum of Rs 35.88 million, as well as interest, amongst others. CADRE has appointed a sole arbitrator to preside over the matter, and that company has filed a petition before the High Court of Calcutta, seeking that the mandate of such sole arbitrator be terminated. Further, Ugro has initiated corporate insolvency resolution proceedings against that company before the National Company Law Tribunal, Chandigarh Bench, under Section 7 of the Insolvency and Bankruptcy Code. These matters are currently pending.

Note - The Reserve Bank of India vide its circular dated 27 March 2020 permitted the lenders to allow a moratorium for three months of EMI (Equated Monthly Instalments) including interest, falling due between 31 March 2020 and 31 May 2020 (later extended by an additional three months up to 31 August 2020) for various categories of loans. The Parent Company had availed the permitted moratorium for some of its borrowings and interest thereon. The Parent Company has paid all its due EMI’s within the extended moratorium period.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXII: RESTATED IND AS CONSOLIDATED STATEMENT OF OTHER FINANCIAL LIABILITIES

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
	Non Current	Non Current	Non Current	Current	Current	Current
Other financial liabilities at amortised cost						
Current maturities of long term borrowings (Refer Annexure XXI)	-	-	-	349.95	-	-
Interest accrued but not due on borrowings	-	-	-	15.14	-	-
Payable to related parties (Refer Annexure XXXX)	-	-	-	-	0.01	0.01
Interest payable to related parties (Refer Annexure XXXX)	-	-	-	2.83	-	-
Security deposit from customers/ others	2.82	-	-	24.10	-	-
Employee related liabilities*	-	-	-	80.47	-	-
Financial guarantee #	-	-	-	3.88	-	-
Payable for capital goods	-	-	-	60.42	-	-
	2.82	**-**	**-**	**536.79**	**0.01**	**0.01**
CSR to be deposited in fund (Refer Annexure XXXXII-7)				22.43	-	-
	2.82	**-**	**-**	**559.22**	**0.01**	**0.01**

*Includes Rs. 0.68 million (March 31, 2020: Nil, March 31, 2019: Nil) payable to related parties (Refer Annexure XXXX).

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Guarantee given to HDFC Bank on behalf of			
-CMR Chiho Industries India Private Limited	350.00	-	-
	350.00	**-**	**-**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.
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CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXIII: RESTATED IND AS CONSOLIDATED STATEMENT OF INCOME TAX AND DEFERRED TAX
(Amount in Rupees million, unless otherwise stated)

The major component of income tax expense for the year ended March 31, 2021 and year ended March 31, 2020:

Statement of profit and loss:
Profit or loss section

	March 31, 2021
Current income tax:	
Current income tax charge	214.22
Income tax pertaining to earlier years	(4.87)
Deferred tax:	-
Relating to origination and reversal of temporary differences for current year	442.44
Exceptional deferred tax charge	1,743.51
Relating to origination and reversal of temporary differences for earlier years	1.22
Income tax expense reported in the statement of profit or loss	**2,396.52**

Other Comprehensive Income (OCI) section

	March 31, 2021	March 31, 2020	March 31, 2019
Deferred tax on net (gains)/losses on measurement of defined benefit plans	(0.29)	-	-
Changes in fair value of investments which are classified at fair value through OCI	-	57.17	5.31
Income tax charged to OCI	**(0.29)**	**57.17**	**5.31**

Reconciliation of tax expense and the accounting profit multiplied by the applicable tax rate(s) :

	March 31, 2021	March 31, 2020 (Proforma)	March 31, 2019 (Proforma)
Accounting profit before income tax (including OCI)	2,804.97	250.88	22.76
At India's statutory income tax rate of 25.168%	705.95	87.67	7.95
Non-deductible expenses/(Non taxable income) for tax purposes:			
Deferred tax liability on Goodwill which ceased to be tax amortizable pursuant to amendments in the Finance Act, 2021#	1,743.51	-	-
Deferred tax credit in current year due to change in rate	(18.97)	-	-
Impact on change on indexed cost of acquisition on fair valuation gain of land and investments	(33.92)	-	-
Effect of expenditure not allowable under Income Tax Act, 1961	6.35	-	-
Effect of tax on share of profits in joint ventures	(0.50)		
Effect of deductions allowable under Income Tax Act, 1961	(2.82)	-	-
Others	0.86	-	-
Less: Loss on which Deferred tax asset is not created	-	(0.04)	(0.03)
Less: Benefit of indexation on long term investments	-	(30.46)	(2.62)
Less: Income tax for earlier years	(3.65)	-	-
Less: Income tax reported under Other Comprehensive Income	(0.29)	-	-
At the effective income tax rate	**2,396.52**	**57.17**	**5.31**
Income tax expense reported in the statement of profit and loss	**2,396.52**	**57.17**	**5.31**

Tax expenses include current tax and deferred tax expense. The effective tax rate ("ETR") for the year ended 31 March 2021 has increased mainly due to deferred tax expense of Rs. 1,743.51 million, being the deferred tax liabilities recognized by the Group on the difference between book basis and tax basis of goodwill consequent upon enactment of new tax provision discontinuing the amortization of goodwill for tax purposes w.e.f. 1 April 2020.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXIII: RESTATED IND AS CONSOLIDATED STATEMENT OF INCOME TAX AND DEFERRED TAX
(Amount in Rupees million, unless otherwise stated)

Deferred tax:
Deferred tax relates to the following: **Balance sheet**

	March 31, 2021	March 31, 2020	March 31, 2019
Deferred tax Liabilities:-			
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	176.08	-	-
Liability on rent equalisation reserve reversed under Ind AS	0.82	-	-
On Goodwill acquired pursuant to Scheme of Arrangement*	2,092.21	-	-
43 b Liability	43.53	-	-
On fair valuation of investments	1,019.66	70.72	13.55
On deferred government grant related to EPCG	0.36	-	-
Fair valuation of interest free loan	0.16	-	-
Deferred tax Assets:-			
Provision for Gratuity, Leave encashment and Bonus	(27.50)	-	-
On Lease liability	(6.32)	-	-
Effect of expenditure debited to statement of Profit and Loss in the current/ earlier years but allowable for tax purpose in the following years	(0.30)	-	-
Expenses allowable under Section 35 DD of the Income Tax Act, 1961	(22.37)	-	-
	3,276.33	**70.72**	**13.55**

* Pursuant to a recent tax law amendment in India (enacted on 28 March 2021), the tax amortizable goodwill has become non-tax amortizable from financial year ending 31 March 2021. The amended law states that goodwill of a business or profession will not be considered as a depreciable asset and no depreciation on goodwill will be allowed from 1 April 2020.

Reflected in the balance sheet as follows:

	March 31, 2021	March 31, 2020	March 31, 2019
Deferred tax assets	(56.50)	-	-
Deferred tax liability	3,332.82	70.72	13.55
Deferred Tax Liabilities (Net)	**(3,276.32)**	**(70.72)**	**(13.55)**

Reconciliation of deferred tax liabilities/(assets) (net):

	March 31, 2021	March 31, 2020	March 31, 2019
Opening balance	-	13.55	8.24
Tax (income)/expense during the year recognised in profit or loss	2,187.16	57.17	5.31
Deferred tax liability acquired pursuant to Scheme of Arrangement adjusted to movements from October 01, 2019 to March 31, 2020 (Refer Annexure XXXVIII)	13.31	-	-
Adjusted with opening retained earnings as at the date of transition i.e. April 01, 2020 (Refer Annexure VB)	1,079.24	-	-
Change in MAT credit entitlement	0.83	-	-
Adjusted with (Loss) for the period from October 1, 2019 to March 31, 2020 adjusted with Ind AS adjustments (Refer Annexure VB)	(4.50)	-	-
Tax (income)/expense during the year recognised in OCI	0.29	-	-
Closing balance of deferred tax liabilities (net)	**3,276.33**	**70.72**	**13.55**

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXIV: RESTATED IND AS CONSOLIDATED STATEMENT OF PROVISIONS

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
	Non-Current	**Non-Current**	**Non-Current**	**Current**	**Current**	**Current**
Provision for employee benefits						
Provision for gratuity (Annexure XXXVII)	47.77	-	-	7.87	-	-
Provision for leave benefits	-	-	-	48.59	-	-
Total	**47.77**	**-**	**-**	**56.46**	**-**	**-**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXV: RESTATED IND AS CONSOLIDATED STATEMENT OF TRADE PAYABLES

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020 (Proforma)	As at March 31, 2019 (Proforma)
Trade payables (including acceptances)			
Total oustanding due of micro enterprises and small enterprises	-	-	-
Total outstanding dues other than micro enterprises and small enterprises*	2,168.05	0.03	0.08
TOTAL	**2,168.05**	**0.03**	**0.08**

Terms and conditions of the above financial liabilities:

a) Trade payables are non-interest bearing and are normally settled on 0-60 days terms.

b) For terms and conditions with related parties, refer Annexure XXXX.

c) For explanations on the Group's credit risk management processes, refer Annexure XXXXII-4

* Includes Rs. 5.20 million (March 31,2020 : Nil, March 31, 2019: Nil) payable to related party (Refer Annexure XXXX)

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXVI: RESTATED IND AS CONSOLIDATED STATEMENT OF OTHER LIABILITIES

(Rs. in millions)

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	Current	**Current**	**Current**
Advance from customers:			
- Related party (Refer Annexure XXXX)	-	0.84	0.83
- Others	392.02	-	-
Taxes and other statutory dues	125.48	-	-
Interest on GST payable	-	-	-
Interest on Income Tax	6.16	-	-
Deferred Government grant	14.90	-	-
Total	**538.56**	**0.84**	**0.83**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Assets and Liabilities of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXVII: RESTATED IND AS CONSOLIDATED STATEMENT OF REVENUE FROM OPERATIONS

(Rs. in millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Revenue from contract with customers			
Sale of Products			
Manufactured goods	21,508.18	-	-
Traded goods	157.97	-	-
Other operating revenue:			
Sale of service	72.29	-	-
Sale of scrap and others	7,338.24	-	-
Export Incentives	55.22	-	-
Revenue from operations (gross)	**29,131.90**	**-**	**-**
(a) Timing of revenue recognition			
Products transferred at a point in time	29,004.39	-	-
Services rendered at a point in time	72.29	-	-
Total	**29,076.68**	**-**	**-**
(b) Reconciliation of amount of revenue recognised with contract price			
Revenue as per contracted price	**29,076.68**	**-**	**-**

Performance Obligation

The Company recognises revenue from sale of goods at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. The performance obligation is satisfied upon delivery of the goods and payment is generally due within 0 to 90 days from delivery.

For details of contract balances, refer Annexures XIV, XVI and XXVI.

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Profit and Losses of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXVIII: RESTATED IND AS CONSOLIDATED STATEMENT OF OTHER INCOME

(Rs. in millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Interest on fixed deposits	14.84	-	-
Interest from related parties (Refer Annexure XXXX)	19.26	-	-
Interest from income tax	0.04	-	-
Interest on trade receivables and others	20.57	-	-
Dividend Income	0.75	-	-
Exchange Differences (net)	33.49	-	-
Rental Income	0.14	-	-
Provision for doubtful security deposits written back	1.74	-	-
Amortisation of deferred government grant	8.70	-	-
Corporate guarantee commission	9.81	-	-
Technical support fee from related parties (Refer Annexure XXXX)	8.32	-	-
Dilution in share of joint venture	0.53	-	-
Manpower service fee from related parties (Refer Annexure XXXX)	10.82	-	-
Rent Concessions	10.33	-	-
Other non operating income	1.72	-	0.07
	141.06	**-**	**0.07**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Profit and Losses of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXIX: RESTATED IND AS CONSOLIDATED STATEMENT OF COST OF RAW MATERIALS CONSUMED

(Rs. in millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Cost of raw material consumed			
Inventory at the beginning of the year	-	-	-
Inventory acquired pursuant to Scheme of Arrangement adjusted with inventory movement from October 01, 2019 to March 31, 2020	2,495.70	-	-
Add : Purchases during the year	24,167.48	-	-
	26,663.18	**-**	**-**
Less : Inventory at the end of the year	3,608.21	-	-
	23,054.97	**-**	**-**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Profit and Losses of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXX: RESTATED IND AS CONSOLIDATED STATEMENT OF PURCHASE OF TRADED GOODS

(Rs. in millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Purchase of traded goods	146.69	-	-
	146.69	**-**	**-**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Profit and Losses of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)

Annexure XXXI: RESTATED IND AS CONSOLIDATED STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS AND TRADED GOODS

(Rs. in millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Inventory at the beginning of the year			
-Finished goods	-	-	-
-Traded goods	-	-	-
	-	-	-
Inventory acquired pursuant to Scheme of Arrangement adjusted with inventory movement from October 01, 2019 to March 31, 2020			
-Finished goods	304.73	-	-
	304.73	**-**	**-**
Inventory at the end of the year			
-Finished goods	541.91	-	-
-Traded goods	0.57	-	-
	542.48	**-**	**-**
Total	**(237.75)**	**-**	

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Profit and Losses of the Group.

The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXXII: RESTATED IND AS CONSOLIDATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES

(Rs. in millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Salaries, wages and bonus	950.79	-	-
Contribution to provident and other funds	22.06	-	-
Gratuity expense (refer Annexure XXXVII)	11.91	-	-
Staff welfare expenses	60.45	-	-
	1,045.21	**-**	**-**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Profit and Losses of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXXIII: RESTATED IND AS CONSOLIDATED STATEMENT OF FINANCE COST

(Rs. in millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Interest expense:			
- On income tax	6.16	-	-
- Interest to related parties (Refer Annexure XXXX)	3.27	-	-
- Interest cost on lease liabilities	29.28	-	-
-On borrowings and others	307.12	0.01	0.01
Exchange difference to the extent considered as an adjustment to borrowing cost	12.61	-	-
Lead Bank and annual processing fees, etc.	7.20	-	-
	365.64	**0.01**	**0.01**

Annexure XXXIV: RESTATED IND AS CONSOLIDATED STATEMENT OF DEPRECIATION AND AMORTISATION

(Rs. in millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020 (Proforma)	For the year ended March 31, 2019 (Proforma)
Depreciation of property, plant and equipment (refer Annexure VII)	267.60	-	-
Amortisation of intangible assets (refer Annexure IX)	6.56	-	-
Depreciation of right-of-use assets (refer Annexure XXXIX)	64.78	-	-
	338.94	**-**	**-**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Profit and Losses of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXXV: RESTATED IND AS CONSOLIDATED STATEMENT OF OTHER EXPENSES

(Rs. in millions)

Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020 (Proforma)**	**For the year ended March 31, 2019 (Proforma)**
Consumption of stores and spares	127.76	-	-
Consumption of packing materials	12.23	-	-
Power & fuel	831.61	-	-
Bank charges	33.53	-	-
Repair and maintenance of:			
- Plant and equipment	135.60	-	-
- Buildings	16.22	-	-
- Others	18.79	-	-
Printing & stationery	2.52	-	-
Rent paid	47.44	-	-
Insurance charges	10.47	-	-
Rates and taxes	6.58	0.03	0.05
Advertisement, publicity and sales promotion	1.52	-	-
Travelling and conveyance expenses	10.33	-	-
Vehicle running and maintenance	3.85	-	-
Freight and cartage outward	198.63	-	-
Communication expense	6.31	-	-
Payment to statutory auditor (Refer details below)	4.45	0.04	0.03
Legal and professional expenses	34.29	0.02	0.06
Loss on disposal of property, plant & equipment (net)	40.18	-	-
Charity and donation	1.25	-	-
Security service expenses	10.45	-	-
Commission paid	1.78	-	-
Loss on commodity future contracts (net)	105.85	-	-
Sundry balances written off	37.31	-	-
Corporate Social Responsibility (Refer Annexure XXXXII-7)	31.46	-	-
Procurement commission	0.69	-	-
Sales Commission	4.32	-	-
Miscellaneous expenses	22.02	-	-
	1,757.44	**0.09**	**0.14**

Payment to statutory auditor (including to branch auditors):

Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020 (Proforma)**	**For the year ended March 31, 2019 (Proforma)**
As auditors:			
Audit fee	3.89	0.03	0.03
In other capacity			
Other services (certification etc.)	0.42	0.01	-
Reimbursement of expenses	0.14	-	-
	4.45	**0.04**	**0.03**

The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Profit and Losses of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies-Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
Annexure XXXVI: RESTATED IND AS CONSOLIDATED STATEMENT OF EARNING PER SHARE

Basic and diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity shareholders of the Parent Company by the weighted average number of equity shares outstanding during the year, plus weighted average number of equity shares that would be issued in accordance with Scheme of Amalgamation (Refer Annexure XXXVIII).

Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020 (Proforma)**	**For the year ended March 31, 2019 (Proforma)**
Profit attributable to equity holders (Rs. in millions)	216.17	1.23	0.49
Weighted average number of equity shares in share capital account	3,26,990	3,92,990	3,92,990
Weighted average number of equity shares in share capital suspense account	33,99,980	-	-
Weighted Average number of equity shares used for computing basic and diluted earnings per share	**37,26,970**	**3,92,990**	**3,92,990**
Total number of equity shares outstanding at the end of the year	3,26,990	3,92,990	3,92,990
Equity shares to be issued/alloted (appearing under share capital suspense account)	33,99,980	-	-
Total number of equity shares outstanding/to be issued at the end of the year used for computing basic and diluted EPS	**37,26,970**	**3,92,990**	**3,92,990**
Basic and diluted earnings per share (face value Rs. 10 per share)*	**58.00**	**3.13**	**1.24**

*There are no dilutive shares outstanding during the current as well as previous year.
The figures above disclosed are based on the restated Ind AS Consolidated Summary Statement of Profit and Losses of the Group.
The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Consolidated Financial Statements- Annexure VI-A.

During the current year , the Parent Company has acquired assets and liabilities of Transferor companies under Scheme of Arrangement (Refer Annexure XXXVIII).Current year’s figures are not comparable with the figures for the yeares ended March 31, 2020 and March 31, 2019.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
ANNEXURE XXXVII: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS-EMPLOYEE BENEFITS
(Amount in Rupees Million, unless otherwise stated)

Employee benefits

Defined Contribution Plans - Provident Fund:

The Group makes contribution towards employees' provident fund. The Group has contributed the following amount to:

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Employers contribution to Provident fund (including Employee's Pension Scheme 1995)*	18.84	-	-
Total	**18.84**	**-**	**-**

*net of benefit of Rs 0.05 million (March 31, 2020 : Nil and March 31, 2019: Nil) received under Pradhan Matri Rojgar Protsahan Yojna.

Defined Benefit Plans - Gratuity:

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed at least five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn salary for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Remeasurement gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the gratuity plan:

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
	Gratuity (Unfunded)	**Gratuity (Unfunded)**	**Gratuity (Unfunded)**
Change in benefit obligation			
Present value of obligation as at the beginning of the year	-	-	-
Acquired pursuant to Scheme of Amalgamation (Refer Annexure XXXVIII)	40.12	-	-
Expense recognised for the period October 1, 2019 to March 31, 2020	6.56	-	-
Benefits paid during the period October 1, 2019 to March 31, 2020	(1.14)	-	-
Add: Current service cost	8.86	-	-
Add: Interest cost	3.05	-	-
Add: Actuarial (Gain)/ loss	(1.15)	-	-
Less: Benefits paid	(0.66)	-	-
Liability recognized in the financial statements	**55.64**	**-**	**-**

Amount recognised in Statement of Profit and Loss:

	March 31, 2021	March 31, 2020	March 31, 2019
Current service cost	8.86	-	-
Interest cost on benefit obligation	3.05	-	-
Amount recognised in Statement of Profit and Loss	**11.91**	**-**	**-**

Amount recognised in Other Comprehensive Income:

	March 31, 2021	March 31, 2020	March 31, 2019
Actuarial Loss on arising from change in demographic assumption	-	-	-
Actuarial changes arising from changes in financial assumptions	(0.03)	-	-
Experience adjustments	(1.12)	-	-
Amount of loss recognised in Other Comprehensive Income	**(1.15)**	**-**	**-**

(Amount in Rupees Million, unless otherwise stated)

The principal assumptions used in determining gratuity liability for the Group's plans are shown below:

	March 31, 2021	March 31, 2020	March 31, 2019
Discount rate (%)	6.35 - 6.79	-	-
Future salary increases (%)	5.50 - 11.00		
Retirement Age (Years)	58 - 60	-	-
Withdrawal rate			
Up to 30 years	3%	-	-
From 31 to 44 years	2%	-	-
Above 44 years	1%	-	-
Mortality table	IALM (2012-2014)	-	-
	IALM (2006-2008)		

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:
Gratuity Plan

Assumptions	March 31, 2021		March 31, 2021	
	Discount rate		Future salary increase	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(3.62)	3.95	3.86	(3.58)

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:
Gratuity Plan

	March 31, 2020		March 31, 2020	
Assumptions	Discount rate		Future salary increase	
Discount rate	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	-	-	-	-

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

	March 31, 2019		March 31, 2019	
Assumptions	Discount rate		Future salary increase	
Discount rate	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	-	-	-	-

The sensitivity analyses above has been determined based on the method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.
Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated. Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The maturity profile of defined benefit obligation are as follows:

	March 31, 2021	March 31, 2020	March 31, 2019
	Rs.	Rs.	Rs.
Within the next 12 months (next annual reporting period)	8.10	-	-
Between 1 and 2 years	2.82	-	-
Between 2 and 3 years	1.62	-	-
Between 3 and 4 years	0.94	-	-
Between 4 and 5 years	1.59	-	-
Between 5 and 6 years	1.48	-	-
Beyond 6 years	39.09	-	-
Total expected payments	**55.64**	**-**	**-**

The average duration of the defined benefit plan obligation at the end of the reporting period is 17.57 to 21.28 years (March 31, 2020 Nil, March 31, 2019: Nil).

(i) Accounting and disclosures for Part B - Amalgamation of GMR, SFS and SNFT and Part C – Amalgamation of RPL and FMPL into and with GMI - Amalgamation accounted under Pooling of Interest Method

(a) Upon Scheme becoming effective and with effect from the Appointed Date, all the assets and liabilities and the entire business of GMR, SFS and SNFT (Part B Transferor companies) & RPL and FMPL (Part C Transferor companies) have been transferred to and vest in the Transferee Company, as a going concern, together with all its properties, assets, rights, benefits and interests therein.

The Transferee company has, upon the Scheme becoming effective and with effect from the Appointed Date, recorded the assets and liabilities (including reserves) of the Part B and Part C Transferor companies at their respective book values as appearing in their respective books of accounts on the Appointed Date.

Pursuant to the Scheme, in consideration of the amalgamation of the Part B and Part C Transferor companies, the Transferee company has since issued Equity Shares of Rs. 10/- each to the existing shareholders of the Part B and Part C Transferor companies after cancelling inter-company investments, in the ratio as defined in the Part B and Part C of the Scheme.

The difference between the net assets (assets minus liabilities and reserves) of Part B and Part C Transferor Companies transferred to the Transferee Company and the face value of equity shares will be issued and allotted by the Transferee Company after adjusting cancellation of inter-company investments, has been adjusted from the amounts of capital reserves of the Transferee Company.

The details of equity share capital to be issued and amount of capital reserve recorded by the Transferee company is as follows:

Particulars	**Part B Transferor companies**			**Part C Transferor companies**		
	GMR	**SFS**	**SNFT**	**RPL**	**FMPL**	**Total**
Number of equity shares held by existing shareholders of Transferor company	6,37,500	52,51,800	4,42,678	1,01,680	1,02,150	
Cancellation of inter-company investments	2,05,000	-	2,01,212	75,000	80,000	
Net number of equity shares held by existing shareholders of Transferor company post cancellation of inter-company investments	4,32,500	52,51,800	2,41,488	26,700	22,100	
Number of equity shares to be issued and allotted by the Transferee company in accordance with ratio defined in the Scheme	5,19,000	7,19,500	1,93,174	88,044	73,095	15,92,813
Amount of equity shares to be issued and allotted by the Transferee company in accordance with ratio defined in the Scheme (Rs. in millions) (A)	5.19	7.20	1.93	0.88	0.73	**15.93**
Amount of net assets (assets minus liabilities and reserves) acquired from Transferor companies net of cancellation of inter-company investments (Rs. in millions) (B) – Refer note (b) below	4.33	52.52	2.42	0.27	0.22	**59.75**

Adjustment to Capital Reserve (Rs. in millions) (B-A)	(0.87)	45.32	0.48	(0.61)	(0.51)	**43.82**

(b) The following are the details of amount of net assets (assets minus liabilities and reserves) acquired from Transferor companies net of cancellation of inter-company investments:

Particulars	**Part B Transferor companies**			**Part C Transferor companies**		
	GMR	**SFS**	**SNFT**	**RPL**	**FMPL**	**Total**
Non-current assets acquired at book value	1,065.62	69.49	251.47	7.94	7.66	1,402.17
Current assets acquired at book value	1.77	30.74	447.18	0.70	0.93	481.32
Non-current liabilities acquired at book value	925.00	0.69	29.88	-	-	955.57
Current liabilities acquired at book value	125.70	8.43	678.61	0.50	0.03	813.27
Net Assets Acquired at book value (A)	**16.69**	**91.11**	**(9.84)**	**8.13**	**8.56**	**114.66**
Reserves acquired						
- Statutory Reserve (pursuant to Section 45 (IC) of RBI Act, 1934)*	-	8.44	-	-	-	8.44
- Securities Premium Account*	37.58	-	69.80	8.25	8.29	123.92
- Surplus/(Deficit) in the statement of profit and loss*	(27.26)	30.15	(84.07)	(1.14)	(0.76)	(83.06)
Total reserves acquired (B)	**10.32**	**38.59**	**(14.27)**	**7.12**	**7.54**	**49.30**
Net Assets Acquired at book value C = (A-B)	6.38	52.52	4.43	1.02	1.02	65.36
Cancellation of inter-company investments (D)	2.05	-	2.01	0.75	0.80	5.61
Net Assets Acquired at book value net of Cancellation of inter-company investments (C-D)	4.33	52.52	2.41	0.27	0.22	59.75

*As per the Scheme, the identity of the reserves of Part B and Part C , Transferor companies shall be presented and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appear in financial statements of Part B and Part C, Transferor companies on the appointed date i.e. September 30, 2019.

(c) An amount of Rs. 22.79 millions has been adjusted from securities premium account on account of cancellation of inter-company investment held by the Parent Company in the equity share capital of SNFT.

(d) Equity share capital amounting to Rs 0.66 million of the Parent Company stands cancelled on account of cancellation of inter – company investments.

(e) Upon the Scheme becoming effective and with effect from the Appointed Date, the authorised share capital of Part B and Part C Transferor companies shall stand transferred to and be merged/amalgamated with the authorised share capital of the Transferee Company.

(f) The title deeds for vehicles, licences, agreements, bank accounts, loan documents etc of Part B and Part C Transferor companies are in the process of being transferred in the name of the Group.

(ii) Accounting and disclosures for Part D - Amalgamation of CMR into and with GMI - Amalgamation accounted using Purchase Method

(a) Upon Scheme becoming effective and with effect from the Appointed Date, all the assets and liabilities and the entire business of CMR have been transferred to and vest in the Transferee Company, as a going concern, together with all its properties, assets, rights, benefits and interests therein. The Transferee company has, upon the Scheme becoming effective and with effect from the Appointed Date, recorded the assets (including intangible assets belonging to but not recorded in the books of the CMR) and liabilities of the CMR at their respective fair values as on the Appointed Date.

(b) Pursuant to the Scheme, the Transferee Company has since issued 18,07,167 Equity Shares having a face value of Rs. 10/- each at a premium of Rs. 4,796.97/- each aggregating to Rs. 8,686.98 millions to the existing shareholders of CMR post cancellation of inter-company investments, in the ratio of 13 fully paid up Equity Share having a face value of Rs. 10/- each of the Transferee Company for each 100 equity share having face value of Rs. 10/- each held in CMR.

(c) Any excess of fair value of net assets [“net assets” means difference of fair value of assets (including intangible assets recorded as per note a above] over liabilities of CMR recorded in the books of the Transferee Company over the fair value of equity shares issued and allotted (as detailed in note (b) above) by the Transferee Company after adjusting cancellation of inter-company investment, has been recorded as capital reserve in the books of the Transferee Company.

Accordingly, the Parent Company has recorded following assets and liabilities of CMR and recorded capital reserve (based on valuation carried out by a valuer) in the financial statements of the Group:

Particulars	**As at September 30, 2019 (Rs. in millions)**
Non-current assets	
Property, Plant and Equipment	945.29
Intangible assets	13.19
Capital work-in-progress	510.74
Goodwill	9,236.63
Non-current investments	6,116.40
Loans and advances	56.66
Other non-current assets	20.26
Total non-current assets – A	**16,899.17**
Current Assets	
Inventories	1,463.63
Trade receivables	2,344.67
Cash and bank balances	191.41
Loans and advances	1,277.47

Other current assets	87.21
Total current assets - B	**5,364.38**
Total Assets C = (A+B)	**22,263.56**
Non-current liabilities	
Long-term borrowings	97.18
Deferred tax liabilities (net)	32.02
Other long-term liabilities	1.62
Long-term provisions	30.14
Total non-current liabilities - D	**160.96**
Current liabilities	
Short-term borrowings	2,211.21
Trade payables	521.75
Other current liabilities	203.04
Short-term provisions	226.71
Total current liabilities - E	**3,162.70**
Total Liabilities F = (D+E)	**3,323.66**
Net Assets Acquired at fair value G = (C-F)	**18,939.90**
18,07,167 Equity Shares will be issued having face value of Rs. 10/- each at a premium of Rs. 4,796.97/- each	8,686.98
Capital Reserve (F-G)	**10,252.92**

(d) The Parent Company has adjusted an amount of Rs. 1,163.16 millions from its capital reserve on account of cancellation of inter-company investments held by Part B and Part C Transferor companies in the equity shares of CMR.

(e) Upon the Scheme becoming effective and with effect from the Part D Appointed Date, post giving effect to Part B and Part C of this Scheme, the authorised share capital of CMR shall stand transferred to and be Amalgamated with the authorised share capital of the Transferee Company.

(f) Pursuant to Scheme of Arrangement, the title deeds of immovable properties/vehicles are required to be transferred in the name of the Group. Out of all the immovable properties/ vehicles:

(i) Immovable properties having gross block of Rs. 101.14 millions have since been registered in the name of the Parent Company.
(ii) Immovable properties having a gross block of Rs. 210.45 millions are in the process of being transferred in the name of the Parent Company.*
(iii) Vehicles acquired pursuant to Scheme of Arrangement are in the process of being transferred in the name of the Parent Company.

* includes a leasehold land and its building at Haridwar acquired through scheme of arrangement from one of the transferor Companies namely CMR for which the Company based on a legal opinion is of the view that nominal charges are payable on transfer of title deeds in the name of transferee Company and accordingly no provision has been made in this respect.

Further, in case of flat at Delhi acquired through Scheme of Arrangement from one of the transferor companies, the stamp duty payable amount based on a legal opinion is not material.

(iv) As per the Scheme, during the period between Appointed Date and Effective Date, the Transferor companies have carried out the existing business. All profit or incomes earned and losses and expenses incurred by the transferor companies during such period for all purposes is the profits or income or expenditure or losses of the Group adjusted with profit and losses incurred on pursuant to amalgamation. Accordingly, net losses after tax of Rs. 270.27 million (including stamp duty payable on transfer of the immovable assets at Haryana and issue of share capital pursuant to Scheme of Arrangement amounting to Rs. 75.00 million) incurred by the transferor companies pursuant to Scheme during the period from October 01, 2019 to March 31, 2020 have been shown in the current year's Reserve & Surplus of the Group. Following is the Statement of Profit and Loss for the period from October 1, 2019 to March 31, 2020:

(Rs. in millions)

Particulars	**For the period from October 01, 2019 to March 31, 2020**
Income	
Revenue from operations	13,069.28
Other income	32.68
Total revenue (I)	**13,105.56**
Expenses	
Cost of raw materials consumed	10,565.18
Purchase of traded goods	111.09
Changes in inventories of finished and traded goods	32.21
Employee benefits expenses	513.48
Depreciation and amortization expenses	1,089.35
Finance costs	196.09
Other expenses	788.17
Total expenses (II)	**13,295.58**
Share in profit of Joint Ventures (net of tax)	**(27.19)**
Loss before tax and exceptional item (I-II)	**(217.22)**
Exceptional item (III)	75.00
Loss before tax (I-II-III)	**(292.22)**
Tax expense:	
Current tax	37.83
Adjustment of tax relating to earlier years (net)	-
Deferred tax (credit)	(99.13)
Deferred tax adjustments for earlier years	0.21
Total tax expense	**(61.09)**
Net profit for the year after tax	**(231.13)**

Profit / (loss) attributable to:	
Owners of the parent company	(270.27)
Minority shareholders	39.14
	(231.13)
Earnings per equity share [nominal value of share Rs.10	
Basic and diluted	(130.91)

Note : The impact of subsequent events have been considered for the events which have occurred between the end of the reporting period and the original date on which the financial statements for the year ended March 31, 2020 were approved by their respective Board of Directors except for a sum of Rs.6.28 millions being income tax for earlier years pertaining to two of the transferor companies, namely Sanjivani Non Ferrous Trading Private Limited and Grand Metal Recycling Limited which has been accounted for by these Companies prior to effective date of Scheme of Arrangement.

(iv) The following adjustments have been made on consolidation of subsidiaries and Joint ventures:

(a) The Group has adjusted an amount of Rs. 3.69 millions (including Rs. 1.24 millions) from its capital reserves on account of cancellation of inter-company investments held by the Parent Company in Part B transferor companies. Further, the Group has accounted for a capital reserve of Rs. 0.08 million on consolidation of one of its subsidiary company namely CMR Welfare.

(b) The Group has recognised goodwill on consolidation of Rs. 4,083.30 millions and share of minority shareholders on the Appointed date of Rs. 763.52 millions (including an amount of Rs. 0.90 million being adjustment made on account of GAAP differences of the subsidiary companies) as follows:

(**Rs. in millions)**

Particulars	**CMR Nikkei India Private Limited**	**CMR- Toyotsu Aluminium India Private Limited**	**Total**
Net assets acquired as at the Appointed date at fair values (A)	1,373.56	1,354.64	
Share of shareholders of the Parent Company (B)	74%	70%	
Amount of share in net assets of the shareholders of the Parent Company C = (A*B)	1,016.43	948.25	
Amount of investment held by the Parent Company as at the Appointed date (D)	2,899.50	3,148.48	
Amount of Goodwill on consolidation recorded in these financial statements (D-C)	1,883.07	2,200.23	4,083.30

Share of Minority Shareholders (E)	26%	30%	
Amount of share in net assets of the Minority shareholders (E) = (A*E)	357.13	406.39	763.52
represented by:			
- Share in share capital of subsidiary company	215.73	289.50	505.23
- Share in securities premium of subsidiary company	2.98	Nil	2.98
- Share in net assets as at the Appointed date	138.42	116.89	255.31

(v) Other Additional information in respect of transaction during the period from October 01, 2019 to March 31, 2020 have been disclosed with respective notes to the financial statements.

(vi) Following is the brief summary of cash flow statement for the year period from October 1, 2019 to March 31, 2020 (Rs. in millions):

Net cash flow generated from operating activities	1,462.86
Net cash (used in) investing activities	(300.43)
Net cash generated from financing activities	(1,081.00)

(vii) **Description of general nature of business of the Transferor companies**

(a) Grand Metal Recycling Private Limited ("Transferor Company 1" or "GMR") was a private limited company incorporated under the Companies Act, 1956 on August 23, 2005. GMR was engaged in providing management consultancy and marketing related services. The main objects of GMI inter-alia was prescribed to engage in the business of manufacturers, manipulators, fabricators, re-cyclers, assemblers, designers, processors, buyers, sellers, importers, exporters, factors, brokers, agents, consultants, traders and/or distributors of and dealers in all kind of ferrous and non-ferrous metal products including alloy ingots, castings, automobile components, dies and moulds, art ware, electrical and other engineering or casting goods etc. made of aluminium, zinc, copper, iron and steel, plastic or any other ferrous, non-ferrous, metallic or non-metallic substances.

(b) Suvridhi Financial Services Limited ("Transferor Company 2" or "SFS") was a public limited company incorporated under the Companies Act, 1956 on May 5, 1992. SFS was de-registered by RBI letter dated 29.5.2020 from non-deposit accepting NBFC regime and was a core investment company.

(c) Sanjivani Non Ferrous Trading Private Limited("Transferor Company 3" or "SNFT") was a private company incorporated under the Companies Act, 1956 on September 28, 200. SNFT was engaged in the trading of aluminium scrap and alloys. The main objects of GMI inter-alia prescribed to engage in the business of manufacturers, manipulators, fabricators, assemblers, designers, processors, buyers, sellers, importers, exporters, factors, brokers, agents, consultants, traders and/or distributors of and dealers in all kind of ferrous and non-ferrous metal products including alloy ingots, castings, automobile components, dies and moulds, art ware, electrical and other engineering or casting goods etc. made of aluminium, zinc, copper, iron and steel, plastic or any other ferrous, non-ferrous, metallic or non-metallic substances.

(d) Ramayana Polymers Private Limited("Transferor Company 4" or "RPL") was a private company incorporated under the Companies Act, 1956 on September 9, 2006. RPL was engaged inter-alia in the business of trading of PVC Polymers, PVC Chemicals, PVC Raw Materials, Rubber Chemicals, Plastic Lajures and allied goods.

(e) Forever Multimedia Private Limited ("Transferor Company 5" or "FMPL") was a private company incorporated under the Companies Act, 1956 on September 09, 2006. FMPL was inter-alia engaged in the business of all types of multimedia products film production studios, laboratories, cinemas, picture, places, halls, theatres, concert halls, theatrical companies, touring talkies required for any of the businesses of the company.

(f) Century Metal Recycling Limited ("Transferor Company 6" or "CMR") was a public limited company incorporated under the Companies Act, 1956 on July 25, 1994. CMR was inter-alia engaged in the business of manufacturers, manipulators, fabricators, assemblers, designers, processors, buyers, sellers, importers, exporters, factors, brokers, agents, consultants, traders and/or distributors of and dealers in all kind of ferrous and non-ferrous metal products including alloy ingots, castings, automobile components, dies and moulds, art ware, electrical and other engineering or casting goods etc. made of aluminium, zinc, copper, iron and steel, plastic or any other ferrous, non-ferrous, metallic or non-metallic substances.

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ANNEXURE XXXIX: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS - COMMITMENTS & CONTINGENCIES
(Amount in Rupees Million, unless otherwise stated)

a. Leases as a lessee

Operating lease : Group as lessee
The Group has adopted Ind AS 116 "Leases" effective 1st April 2018, as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standards), Amendment Rules, 2019, using the modified retrospective method. Under this simplified approach, the Group recognised equal amount of right of use asset and lease liability on the transition date, adjusted by the amount of prepayments pertaining to such leases, carried in the Balance Sheet on such transition date. Further, following practical expedients permitted on initial application have been applied by the Group:
The Group has utilised the exemptions provided for short-term leases (less than a year) and leases for low value assets.
The Group has utilised hindsight in determining the lease terms where contracts contained options to extend or terminate the lease.
Initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application.
The weighted average of Group's incremental borrowing rate applied to lease liabilities at the date of initial application was 9.00%.
The Group has entered into operating leases for offices, factory land & buildings and guest houses with lease terms from 11 months to nine years.

The Group also has certain leases of guest houses and certain plant & equipment on lease with lease terms of 12 months or less.

As on transition date i.e April 1, 2020, Right-of use assets of Rs. 500.88 million were recognised including reclassification of leasehold land from Property, plant and equipment of Rs. 157.28 million and presented separately in the balance sheet. Lease liabilities of Rs. 353.21 million were recognised and presented separately in the balance sheet.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Offices	Factory land and building	Residential Buildings	Land - Reclassifcation from Property, plant and equipment	Total
As at October 01, 2019 (Appointed date)	22.82	217.86	134.40	158.20	**533.28**
Depreciation expense for the period from October 01, 2019 to March 31, 2020	3.51	16.66	11.33	0.92	**32.42**
As at March 31, 2020 (Transition date)	19.31	201.20	123.07	157.28	**500.86**
Depreciation expense the year	7.02	33.32	22.66	1.78	**64.78**
As at March 31, 2021	**12.29**	**167.88**	**100.41**	**155.50**	**436.08**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
As at October 01, 2019 (Appointed date)	375.08	-	-
Accretion of interest for the period from October 01, 2019 to March 31, 2020	16.19	-	-
Payments for the period from October 01, 2019 to March 31, 2020	38.06	-	-
As at March 31, 2020 (Transition date)	353.21	-	-
Accretion of interest for the year	29.28	-	-
Payments for the year	68.27	-	-
Rent Concessions for the year	10.33	-	-
Balance as at year end *	**303.89**	-	-
Current lease liabilities	53.14	-	-
Non current lease liabilities	250.75	-	-

Undiscounted lease liabilities as at March 31, 2021 are as follows:

Particulars	**On demand**	**Less than 12 months**	**1-5 years**	**>5 years**	**Total**	**Carrying amount of liabilities**
Lease Liabilities	-	77.84	259.83	40.60	**378.27**	303.89

Considering the lease term of the leases, the effective interest rate for lease liabilities is considered at 9%

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The following are the amounts recognised in statement of profit and loss for the period from October 01, 2019 to March 31, 2020:

Particulars	For the period from October 01, 2019 to March 31, 2020
Depreciation expense of right-of-use assets	32.42
Interest expense on lease liabilities	16.19
Expense relating to short-term leases (included in other expenses)	9.63
Total amount recognised in profit or loss	**58.24**

The following are the amounts recognised in statement of profit and loss for the year :

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Depreciation expense of right-of-use assets	64.78	-	-
Interest expense on lease liabilities	29.28	-	-
Expense relating to short-term leases (included in other expenses)	47.44	-	-
Total amount recognised in profit or loss	**141.50**	**-**	**-**

For maturity analysis of lease liability, refer Annexure XXXXII-4 Financial risk management framework and policies under maturities of financial liabilities.
The Group had total cash outflows for leases of Rs. 126.04 million (March 31, 2020: Nil and March 31, 2019: Nil) (excluding rent concessions due to Covid-19 of Rs 10.33 million) (March 31,2020: Nil, March 31, 2019: Nil). There are no future cash outflows relating to leases that have not yet commenced.

Extension and termination options are included in a number of leases. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Payments associated with short-term leases other than leases from related parties are recognised on a straight-line basis as an expense in statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less.

Lease Rental Income

Operating lease : Group as lessor
The Group has leased out its Building situated at Hemkunt Tower, Nehru Place, New Delhi w.e.f March 01, 2021. The Said lease is for three years with a lock in period of 12 months.

Lease rental income recognised in the statement of profit or loss for the year is Rs.0.14 million (March 31, 2020: Nil, March 31, 2019: Nil) (including rental income from properties appearing in investment property).

(Amount in Rupees Million, unless otherwise stated)

b. Capital and other commitments

a) At March 31, 2021 the estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 228.28 million (net of advances).
Further, proportionate share of the estimated amount of contracts remaining to be executed on capital account and not provided for in case of Joint Ventures is Rs. 0.73 million (net of advances).

b) For lease commitments (Refer Annexure XXXIX)

c. Contingent Liabilities

(a) Demands*

	March 31, 2021	March 31, 2020	March 31, 2019
i) Under Customs Act, 1962			
(a) The Customs Authorities have been increasing the value of imported aluminium scrap for the purpose of levy of customs duty thereon. The Parent Company had paid excess Customs duty for clearing of import consignments and had filed appeals before the Commissioner of Customs (Appeals) against such value enhancement with consequential relief of refund of excess duty.	0.42	0.42	0.42
(b) Demands raised under Customs Act, 1962 under appeals	4.63	-	-
ii) Under Central Excise Act, 1944			
- Demand raised by Commissioner of Central Excise, Alwar disallowing CENVAT credit for the period 13.11.2014 to 30.09.2015 (including penalty) on the ground that Cenvat credit on imported aluminium scrap has been taken on the basis of Excise challans issued by the Dadri Division of one of the Transferor company, namely Century Metal Recycling Limited ("CMR"), are not valid documents for taking Cenvat credit. Further, demand for the period from 2012-13 to 31 July 2015 was raised on the ground that sales of segregated items from aluminium scrap are liable for reversal of Cenvat credit. CMR filed an appeal before the CESTAT, New Delhi and against the said order. CESTAT vide order dated 23/11/2017 set aside the order passed by the Commissioner Central Excise, Alwar and remanded back the case to the Commissioner of Central Excise, Alwar with a direction to allow Cenvat Credit after verification that the goods have been received in the factory of CMR at Bhiwadi and also to reconsider the reversal of Cenvat credit on sales of segregated items on the basis of circular issued by CBEC clarifying that segregation of unusable items from brass scrap amounts to manufacture and the sale of such segregated items is liable to be taxed on the basis of sale value thereof at the rate of duty applicable on the items sold. CMR has also received order in its favour for a similar case. However, the department has preferred an appeal in the High Court of Rajasthan.	181.21	-	-
- Demands (including penalty) raised based on a special audit of one of the Transferor company, namely Century Metal Recycling Limited ("CMR") on account of: (a) Non-payment / short payment of service tax on services received by the Company under reverse charge (b) Non-payment / short payment of service tax on services provided by the Company (c) Non reversal of CENVAT Credit on input removal as such and on capital goods sold after use. (d) Wrong availment of CENVAT Credit of central excise duty on ineligible inputs and input services. CMR has filed an appeal.	29.05	29.05	-

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	March 31, 2021	March 31, 2020	March 31, 2019
- Demand raised by excise authorities for disallowance of CENVAT credit for the period 01.10.2015 to 01.06.2017 (including penalty) alleging that Cenvat credit on shredded aluminium scrap has been taken basis the Excise challans which were issued by CMR, Dadri without registration number and which were subject to different jurisdiction. One of the Transferor Company namely Century Metal Recycling Limited ("CMR") had filed an appeal before CESTAT and had received favourable order in the said matter. However, the department has preferred an appeal in the High Court of Rajasthan.	138.26	-	-
- Demand (including penalty) for the period from August 01, 2015 to June, 2017 was raised on account of non reversal of Cenvat credit on sales of segregated items on the ground that segregated items from aluminium scrap are unsuitable for the manufacture of their finished goods i.e., Aluminium Ingot or molten and does not constitute a manufacturing activity. CMR had filed an appeal before CESTAT and had received favourable order in the said matter. However, the department has preferred an appeal in the High Court of Rajasthan.	33.03	-	-
- Demand (including penalty) raised on the shortages noted during the search conducted by the Excise officers of the factory premises of CMR. CMR had filed an appeal and now the matter has been referred back to the divisional bench	12.29	-	-
-Show cause notice received by the Group appropriating demand of Rs. 2.16 millions along with applicable interest and penalty for Service tax on Procurement commission, Sales Commission, Technical fee and Guarantee Commission for the period from April, 2015 to June, 2017. The Group has submitted a reply.	2.16	-	-
-Show cause notice received by the Group appropriating demand of Rs.7.18 millions along with applicable interest and penalty for wrong availment of cenvat credit on Aluminium Ingot alleging that Aluminium Ingot have not been used in the production process. The Group has submitted a reply.	7.18	-	-
- Other demands raised under Central Excise Act, 1944 under appeals	18.67	-	-
iii) Under Finance Act, 1994 In one of the subsidiary company, ' - Demands (including interest) raised on account of non payment / short payment of service tax under reverse charge and proceedings pending before CESTAT, Haryana	0.14	-	-

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ANNEXURE XXXIX: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS - COMMITMENTS & CONTINGENCIES

(Amount in Rupees Million, unless otherwise stated)

	March 31, 2021	March 31, 2020	March 31, 2019
iv) Under Sales Tax Act/Entry Tax Act under appeal for various years			
- Demand raised (including equal amount of interest) on wrong availment of Input tax credit on against Input tax paid on the purchase of DEPB License CMR is in appeal.	17.10	-	-
- Other demands raised under Sales Tax Act/ Entry Tax Act under appeals	1.27	-	-
- In one of the subsidiary company, demand raised (including interest) under Sale Tax/ VAT subject to genuineness verification of manual C form for A.Y. 15-16 and proceedings pending before The Assistant collector (Excise & Taxation), Rewari, Haryana	6.30	-	-
- In one of the subsidiary company, demand raised (including interest) under Sale Tax/ VAT subject to genuineness verification of manual C form for A.Y. 16-17 and proceedings pending before The JT. Excise & Taxation Commissioner (A), Faridabad, Haryana (CST Rs. 3.24 million+ VAT Rs. 0.20 million)	3.45	-	-
- In one of the subsidiary company, demand raised (including interest) under Sale Tax/ VAT subject to genuineness verification of manual C form for A.Y. 17-18 and proceedings pending before The JT. Excise & Taxation Commissioner (A), Faridabad, Haryana (CST Rs. 0.24 million + VAT Rs.0.17 million)	0.41	-	-
v) Under Goods & Service Tax Act under appeal for various years			
- Other demands/Show Cause notice raised under Goods & Service Tax Act under appeals	1.26	-	-
vi) Under Income Tax Act, 1961			
- Demand raised (including interest) on account of disallowance u/s 43(b) of the Income Tax Act, 1961 for the AY 2018-19.	115.88	-	-
- In one of the subsidiary company, demand raised under Section 69 C of Income Tax Act for A.Y. 2015-16, and the subsidiary company has paid Rs 6.75 million as 20% of the total demand under protest. The subsidiary company is in appeal before CIT Appeals.	33.73	-	-
vii) Other Claims			
In one of the subsidiary company, contingent liability on account of legal case in Madras High court filed by ex-workers of the subsidiary company.	6.14	-	-
In one of the subsidiary company, contingent liability on account of legal case on enhancement of land purchase price by farmers.	13.70	-	-

The Commissioner of Central Excise, Delhi ("CE") passed an order dated 27.10.2011 against Century Metal Recycling Limited "CMR", (one of the Transferor company under Scheme of Arrangement) alleging that, CMR had availed CENVAT Credit, under the Cenvat Credit Rules, 2004, for an aggregate amount of Rs 158.58 million on purchase of aluminium scraps which were utilized in clandestine manner and without proper accounting. Additionally CMR was directed to pay an amount of Rs 41.76 million on account of duty short paid on clearance of alluminium dross in the guise of ash and residue. CMR filed appeal against the said order of CE before Customs, Excise and Service Tax Appellate Tribunal, Principal Bench, New Delhi ("CESTAT") and the CESTAT after careful perusal of the facts and circumstances of the case and appreciation of the evidence available and attending circumstances passed an order dated 04.12.2015 in the favor of CMR by setting aside all the allegations of the CE for the reason same being baseless and uncorroborated. CE filed a prosecution case in the Court of Chief Judicial Magistrate, Faridabad in the year 2016 u/s 9 and 9AA of the Central Excise Act, 1944. Section 9 and 9AA lays down the provision about criminal prosecution, imprisonment and penalty. The amount of penalty referred under Section 9 and 9AA of the Central Excise Act, 1944 cannot be ascertained since this purely depends upon the discretion of the judge, therefore the question of quantification of contingent liability does not arise at this juncture at all. Moreover, in prosecution cases the focus of the courts are more on imprisonment not monetary recovery for which appeal is the right remedy. CMR based on in-house assessment does not expect any liability on account of above .

Amount deposited against the above cases: 27.68 million

*Based on the favourable decisions in similar cases, assessment of in-house legal advisor, discussions with the consultants and legal opinions obtained by the Group in case of (i) to (vii) above , the Group believes that it has good merits on the matters and hence no provision there-against is considered necessary.

(b) Guarantees

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Guarantee given to HDFC Bank on behalf of			
-CMR Chiho Industries India Private Limited	350.00	-	-
Guarantee given to Catalyst Trusteeship Limited on behalf of			
Grand Metal Recycling Private Limited	-	-	1,000.00

(c)There are numerous interpretative issues relating to the Supreme Court (SC) judgment on PF dated 28th February, 2019. As a matter of caution, the Group has prospectively changed the PF policy. The same shall be updated, if required on receiving further clarity on the subject.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
ANNEXURE XXXX: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS - RELATED PARTY DISCLOSURES
(Amount in Rupees Million, unless otherwise stated)

In accordance with the requirements of IND AS -24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances where control exists and with whom transactions have taken place during the year are:

(i) Names of related parties and related party relationship

(a) Key management personnel and their relatives

Mr. Virender Kumar Shimar - Director
Mr. Deepak Kumar Garg - Director
Mr. Praveen Kumar Maggu - Director (w.e.f May 14, 2020)

(b) Subsidiary , Associate and Joint Venture

Forever Multimedia Private Limited (Associate) (till September 29, 2019)**
Ramayana Polymers Private Limited (Associate) (till September 29, 2019)**
Sanjivani Non Ferrous Trading Private Limited (Associate) (till September 29, 2019)**
Joint Venture Partner in CMR-Chiho Recycling Technologies Private Limited : - Chiho Environmental Global Holdings Limited (Joint Venturer) (w.e.f. September 30, 2019)*

Joint Venture Partner in CMR Chiho Industries India Private Limited :- Chiho Environmental Global Holdings Limited - Hongkong (Joint Venturer) (w.e.f December 03, 2019)

Joint Venture Partner in CMR-Nikkei India Private Limited: Nikkei MC Aluminium Company Limited (w.e.f. September 30, 2019)*
Joint Venture Partner in CMR-Toyotsu Aluminium India Private Limited :- Toyota Tshusho Corporation (w.e.f. September 30, 2019)*
Joint Venture Partner in CMR-Kataria Recycling Private Limited :- Kent Industrial Park Private Limited (w.e.f. August 17, 2020)
Joint Venture Partner in Nikkei CMR Aluminium India Private Limited :- Nikkei MC Aluminium Co. Ltd (Joint Venturer) (w.e.f. December 03,
CMR Nikkei India Private Limited (Subsidiary) (w.e.f. September 30, 2019)*
CMR - Toyotsu Aluminium India Private Limited (Subsidiary) (w.e.f. September 30, 2019)*

(c) Subsidiaries of Joint Venture Partners

Toyota Tsusho India Private Limited - Subsidiary company of Toyota Tshusho Corporation (w.e.f September 30, 2019)*

(d) Joint Ventures of the Group

CMR-Chiho Recycling Technologies Private Limited (w.e.f. September 30, 2019)*
CMR Chiho Industries India Private Limited (w.e.f. December 03, 2019)
Nikkei CMR Aluminium India Private Limited (w.e.f. December 03, 2019)

(e) Entities over which Company, or key management personnel or their relatives, exercise significant influence:

Century Metal Recycling Ltd. (till September 29, 2019)**
Suvridhi Financial Services Limited (till September 29, 2019)**
Sanjivani Non Ferrous Trading Pvt. Ltd. (Associate) (till September 29, 2019)**

* Acquired pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)
** These entities have been merged with the Company pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)

(Amount in Rupees Million, unless otherwise stated)

(ii) The following table provides the total value of transactions those have been entered into with related parties for the relevant financial year:

Particulars	**Key management personnel & their relatives**			**Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners**			**Enterprises over which Directors and their relatives have significant influence**		
	March 31, 2021	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Transactions during the year:									
Sale of goods									
CMR-Chiho Industries India Private Limited	-	-	-	3.47	-	-	-	-	-
Nikkei MC Aluminium Company Limited	-	-	-	114.22	-	-	-	-	-
Sale of property,plant and equipment									
CMR-Chiho Industries India Private Limited	-	-	-	0.06	-	-	-	-	-
Sale of store items									
CMR-Chiho Industries India Private Limited	-	-	-	0.46	-	-	-	-	-
Purchase of raw materials and traded goods									
Toyota Tsusho India Private Limited	-	-	-	1,583.37	-	-	-	-	-
CMR-Chiho Industries India Private Limited	-	-	-	76.67	-	-	-	-	-
CMR-Chiho Recycling Technology Private Limited	-	-	-	3.79	-	-	-	-	-
Purchase of property,plant and equipment									
CMR-Chiho Recycling Technology Private Limited	-	-	-	0.08	-	-	-	-	-
Purchase of store items									
CMR-Chiho Industries India Private Limited	-	-	-	0.08	-	-	-	-	-
Commission paid									
Toyota Tsusho India Private Limited	-	-	-	5.00	-	-	-	-	-
Loan given									
CMR-Chiho Industries India Private Limited	-	-	-	680.39	-	-	-	-	-
Mr. Praveen Kumar Maggu	0.30	-	-	-	-	-	-	-	-
Loan received back									
CMR-Chiho Industries India Private Limited	-	-	-	443.90	-	-	-	-	-
Loan taken									
CMR-Chiho Recycling Technologies Private Limited	-	-	-	83.00	-	-	-	-	-
Kent Industrial Park Private Limited	-	-	-	0.49	-	-	-	-	-
Suvridhi Financial Services Limited	-	-	-	-	-	-	-	0.10	0.10
Loan repaid									
CMR-Chiho Recycling Technologies Private Limited	-	-	-	28.36	-		-	-	-
Investment made									
Nikkei-CMR Aluminium Private Limited **	-	-	-	49.50	-	-	-	-	-
Expenses made on behalf of related Party									
Nikkei MC Aluminium Company Limited	-	-	-	0.09	-	-	-	-	-
Nikkei-CMR Aluminium India Private Limited	-	-	-	1.02	-	-	-	-	-
CMR Tech Solutions Private Limited	-	-	-	-	-	-	0.00	-	-
CMR-Chiho Recycling Technologies Private Limited	-	-	-	0.23	-	-	-	-	-
Sanjivani Non Ferrous Trading Private Limited	-	-	-	-	-	-	-	0.02	0.013874

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
ANNEXURE XXXX: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS - RELATED PARTY DISCLOSURES
(Amount in Rupees Million, unless otherwise stated)

Particulars	Key management personnel & their relatives			Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners			Enterprises over which Directors and their relatives have significant influence		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Interest Paid									
CMR-Chiho Recycling Technologies Private Limited	-	-	-	3.06	-	-	-	-	-
CMR Tech Solutions Private Limited	-	-	-	-	-	-	0.18	-	-
Kent Industrial Park Private Limited	-	-	-	0.03	-	-	-	0.12	-
Suvridhi Financial Services Limited	-	-	-	-	-	-	-	0.01	0.01
Remuneration Paid*									
Mr. Deepak Kumar Garg	4.84	-	-	-	-	-	-	-	-
Mr. Virender Kumar Shimar	2.08	-	-	-	-	-	-	-	-
Mr. Praveen Kumar Maggu	1.38	-	-	-	-	-	-	-	-
Interest Received									
CMR-Chiho Industries India Private Limited	-	-	-	19.26	-	-	-	-	-
Investment made in Equity portion of Corporate Guarantee									
CMR Chiho Industries India Private Limited	-	-	-	3.90	-	-	-	-	-
Guarantee Given									
CMR Chiho Industries India Private Limited	-	-	-	350.00	-	-	-	-	-
Manpower Services Received									
CMR-Chiho Industries India Private Limited	-	-	-	10.82	-	-	-	-	-
IT Services Received									
CMR-Chiho Industries India Private Limited	-	-	-	8.32	-	-	-	-	-

* Paid by transferor companies pursuant to Scheme of Arrangement.
** A Transferor company, namely Century Metal Recycling Limited ("CMR") had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with Nikkei MC Aluminium Company Limited ("NMA"), Japan. Pursuant to the said agreement, CMR and NMA had subscribed 250,000 equity shares each in the equity share capital of Nikkei CMR Aluminium India Private Limited and shares were alloted on 3rd December, 2019.
During the current year, CMR has further subscribed to 49,50,000 equity shares and NMA has further subscribed to 1,45,50,000 equity shares which were allotted on March 08, 2021.

(iii) Balances as at the year end

Particulars	Key management personnel & their relatives			Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners			Enterprises over which Directors and their relatives have significant influence		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Trade Receivables									
Nikkei MC Aluminium Company Limited	-	-	-	16.38	-	-	-	-	-
CMR-Chiho Industries India Private Limited	-	-	-	2.63	-	-	-	-	-
Loans									
CMR-Chiho Industries India Private Limited	-	-	-	236.50	-	-	-	-	-
CMR-Chiho Recycling Technologies Private Limited	-	-	-	0.36	-	-	-	-	-
Suvridhi Financial Services Limted	-	-	-	-	-	-	-	0.22	0.11
Interest Recoverable									
CMR-Chiho Industries India Private Limited	-	-	-	17.82	-	-	-	-	-
Manpower Service Receivable									
CMR-Chiho Industries India Private Limited	-	-	-	10.65	-	-	-	-	-
Technical Fees Receivable									
CMR-Chiho Industries India Private Limited	-	-	-	8.02	-	-	-	-	-
Loans/Advances to Employees									

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
ANNEXURE XXXX: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS - RELATED PARTY DISCLOSURES
(Amount in Rupees Million, unless otherwise stated)

Particulars	Key management personnel & their relatives			Associates, Joint Ventures, Fellow Subsidiaries and Joint			Enterprises over which Directors and their relatives have		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Mr. Praveen Kumar Maggu	0.30	-	-	-	-	-	-	-	-
Advance from customer									
Century Metal Recycling Limited	-	-	-	-	-	-	-	0.84	0.83
Borrowings									
CMR Tech Solutions Private Limited	-	-	-	-	-	-	2.10	-	-
CMR-Chiho Recycling Technologies Private Limited	-	-	-	54.64	-	-	-	-	-
Kent Industrial Park Private Limited	-	-	-	0.49	-	-	-	-	-
Trade payables									
Toyota Tsusho India Private Limited	-	-	-	0.67	-	-	-	-	-
Sanjivani Non Ferrous Trading Private Limited	-	-	-	-	-	-	-	0.01	0.01
CMR-Chiho Industries India Private Limited	-	-	-	4.54	-	-	-	-	-
Interest Payable (shown under the head other financial liabilities)									
CMR-Chiho Recycling Technologies Private Limited	-	-	-	2.83	-	-	-	-	-
Employee related liabilities									
Mr. Deepak Kumar Garg	0.43	-	-	-	-	-	-	-	-
Mr. Virender Kumar Shimar	0.15	-	-	-	-	-	-	-	-
Mr. Praveen Kumar Maggu	0.09	-	-	-	-	-	-	-	-
Corporate Guarantee given on behalf of the subsidiary/Joint Venture/Others									
Nikkei MC Aluminium Company Limited	-	-	-	158.50	-	-	-	-	-
CMR-Chiho Industries India Private Limited	-	-	-	350.00	-	-	-	-	-
Other Payables (shown under the head other financial liabilities)									
CMR-Chiho Recycling Technologies Private Limited	-	-	-	0.13	-	-	-	-	-
Kent Industrial Park Private Limited	-	-	-	0.02	-	-	-	-	-

* Paid by transferor companies pursuant to Scheme of Arrangement.

Terms and conditions of transactions with related parties

The sale and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured. For the year ended March 31, 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties except disclosed above. This yearly assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(iv) Opening balances transferred due to amalgamation :

Particulars	Key management personnel & their relatives	Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners	Enterprises over which Directors and their relatives have significant influence
	As on September 30, 2019	As on September 30, 2019	As on September 30, 2019
Trade Receivables			
Nikkei MC Aluminium Company Limited	-	7.57	-
Other Financial Assets			
CMR Tech Solutions Private Limited	-	-	0.00

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
ANNEXURE XXXX: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS - RELATED PARTY DISCLOSURES
(Amount in Rupees Million, unless otherwise stated)

Manpower Service Receivable			
CMR-Chiho Recycling Technologies Private Limited	-	3.00	-
Technical Fees Receivable			
CMR-Chiho Recycling Technologies Private Limited	-	0.75	-
Trade Payables			
Toyota Tsusho India Private Limited	-	44.06	-
Other Financial Liabilities			
Payable against investment			
CMR-Chiho Recycling Technologies Private Limited	-	3.39	-

The following are the details of the transactions and balances eliminated during the year ended March 31, 2021, March 31, 2020 and March 31, 2019.

Particulars	**Key management personnel & their relatives**			**Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners**			**Enterprises over which Directors and their relatives have significant influence**		
	March 31, 2021	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Transactions during the year:									
Sale of goods									
CMR Nikkei India Private Limited #	-	-	-	3,980.49	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	1,953.86	-	-	-	-	-
Sale of property,plant and equipment									
CMR Nikkei India Private Limited #	-	-	-	0.04	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	0.51	-	-	-	-	-
Sale of store items									
CMR Nikkei India Private Limited #	-	-	-	0.46	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	0.24	-	-	-	-	-
Purchase of raw materials and traded goods									
CMR Nikkei India Private Limited #	-	-	-	1,601.09	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	219.77	-	-	-	-	-
Purchase of property,plant and equipment									
CMR Nikkei India Private Limited #	-	-	-	7.54	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	1.00	-	-	-	-	-
Purchase of store items									
CMR Nikkei India Private Limited #	-	-	-	4.09	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	0.11	-	-	-	-	-
Rent received									
CMR Nikkei India Private Limited #	-	-	-	3.83	-	-	-	-	-
CMR-Kataria Recycling Pvt. Ltd #	-	-	-	0.01	-	-	-	-	-
Loan given									
CMR-Kataria Recycling Pvt. Ltd #	-	-	-	0.51	-	-	-	-	-
CMR Aluminium Private Limited #	-	-	-	155.32	-	-	-	-	-
Loan received back									
CMR Aluminium Private Limited #	-	-	-	1.34	-	-	-	-	-
Investment made									
CMR-Kataria Recycling Pvt. Ltd #	-	-	-	0.51	-	-	-	-	-
Expenses made on behalf of related Party									
CMR Nikkei India Private Limited #	-	-	-	2.87	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	3.01	-	-	-	-	-

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
ANNEXURE XXXX: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS - RELATED PARTY DISCLOSURES
(Amount in Rupees Million, unless otherwise stated)

Particulars	Key management personnel & their relatives			Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners			Enterprises over which Directors and their relatives have significant influence		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Interest Received									
CMR Nikkei India Private Limited #				44.80					
CMR - Toyotsu Aluminium India Private Limited #				12.10					
CMR- Kataria Recycling Private Limited #				0.02					
CMR Aluminium Private Limited #				4.36					
Guarantee Given									
CMR-Toyotsu Aluminium India Private Limited #	-	-	-	37.00	-	-	-	-	-
CMR Nikkei India Private Limited #	-	-	-	30.00	-	-	-	-	-
Guarantee Taken									
CMR Nikkei India Private Limited #	-	-	-	64.90	-	-	-	-	-
CMR-Toyotsu Aluminium India Private Limited #	-	-	-	199.60	-	-	-	-	-
Procurement Commission Received									
CMR Nikkei India Private Limited #	-	-	-	59.29	-	-	-	-	-
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	42.84	-	-	-	-	-
Sales Commission Received									
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	11.18	-	-	-	-	-
Corporate Social Responsibility expenditure									
CMR Welfare Foundation (subsidiary)#	-	-	-	1.00	-	-	-	-	-

Balances as at the year end

Particulars	Key management personnel & their relatives			Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners			Enterprises over which Directors and their relatives have significant influence		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Trade Receivables									
CMR Nikkei India Private Limited #	-	-	-	288	-	-	-	-	-
Rent Receivable									
CMR- Kataria Recycling Private Limited #	-	-	-	0.01	-	-	-	-	-
CMR Nikkei India Private Limited #	-	-	-	3.51	-	-	-	-	-
Loans									
CMR- Kataria Recycling Private Limited #	-	-	-	0.51	-	-	-	-	-
CMR Aluminium Private Limited #	-	-	-	153.98	-	-	-	-	-
Interest Recoverable									
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	11.19	-	-	-	-	-
CMR Aluminium Private Limited #	-	-	-	3.73	-	-	-	-	-
CMR- Kataria Recycling Private Limited #	-	-	-	0.02	-	-	-	-	-
CMR Nikkei India Private Limited #	-	-	-	41.44	-	-	-	-	-
Procurement & Sales Commision Receivables									
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	41.49	-	-	-	-	-
CMR Nikkei India Private Limited #	-	-	-	57.07	-	-	-	-	-
Advance from customer									
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	529.52	-	-	-	-	-
Corporate Guarantee given on behalf of the subsidiary/Joint Venture/Others									
CMR - Toyotsu Aluminium India Private Limited #	-	-	-	857.00	-	-	-	-	-
CMR Nikkei India Private Limited #	-	-	-	642.48	-	-	-	-	-

Included as per the regulations

(Amount in Rupees Million, unless otherwise stated)

Additional information of transactions with related parties during the period from October 01, 2019 to March 31, 2020:

(i) The following table provides the total value of transactions those have been entered into with related parties :

Particulars	**Key management personnel & their relatives**	**Subsidiary, Associate and Joint Venture**	**Enterprises over which Directors and their relatives have significant influence**
	Period from October 01, 2019 to March 31, 2020	**Period from October 01, 2019 to March 31, 2020**	**Period from October 01, 2019 to March 31, 2020**
Transactions during the year:			
Sale of goods			
CMR-Chiho Recycling Technologies Private Limited	-	0.14	-
Nikkei MC Aluminium Company Limited	-	5.11	-
Toyota Tsusho Corporation	-	78.51	-
Sale of property,plant and equipment			
CMR-Chiho Recycling Technologies Private Limited	-	0.40	-
Sale of store items			
CMR-Chiho Recycling Technologies Private Limited	-	0.04	-
Purchase of raw materials and traded goods			
Toyota Tsusho India Private Limited (Inclusive of GST)	-	227.32	-
CMR-Chiho Recycling Technologies Private Limited	-	10.42	-
Investment made			
CMR-Chiho Industries India Private Limited*	-	72.00	-
Nikkei-CMR Aluminium Private Limited**	-	2.50	-
Expenses made on behalf of related Party			
CMR-Chiho Industries India Private Limited	-	13.76	-
CMR-Chiho Recycling Technologies Private Limited	-	57.28	-
Nikkei MC Aluminium Company Limited	-	3.15	-
Commission			
Toyota Tsusho India Private Limited	-	2.82	-
Freight			
Toyota Tsusho India Private Limited	-	0.39	-
Service Received			
Nikkei MC Aluminium Company Limited	-	0.13	-
Interest Received			
CMR-Chiho Industries India Private Limited	-	0.07	-
CMR-Chiho Recycling Technologies Private Limited	-	0.82	-

*One of a Transferor company, namely Century Metal Recycling Limited ("CMR") has, during the period, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, CMR and CEG had subscribed 72,00,000 equity shares each in the equity share capital of CMR - Chiho Industries India Private Limited and 2,50,000 equity shares were issued December 12, 2019 and balance 69,50,000 equity shares were issued on February 5, 2020.

**One of a Transferor company, namely Century Metal Recycling Limited ("CMR") had, during the period, entered into a 50:50 Joint Venture agreement ("Agreement") with Nikkei MC Aluminium Company Limited ("NMA"), Japan. Pursuant to the said agreement, CMR and NMA had subscribed 250,000 equity shares each in the equity share capital of Nikkei CMR Aluminium India Private Limited and shares were alloted on 3rd December, 2019.

(Amount in Rupees Million, unless otherwise stated)

(ii) Balances as at and for the year ended March 31, 2020

Particulars	**Key management personnel & their relatives**	**Associates, Joint Ventures, Fellow Subsidiaries and Joint Venture Partners**	**Enterprises over which Directors and their relatives have significant influence**
	As at March 31, 2020	**As at March 31, 2020**	**As at March 31, 2020**
Trade Receivables			
CMR-Chiho Recycling Technologies Private Limited	-	0.16	-
		-	
Other Assets			
CMR-Chiho Industries India Private Limited	-	13.76	-
CMR-Chiho Recycling Technologies Private Limited	-	4.20	-
Nikkei-CMR Aluminium Private Limited	-	0.11	-
Interest Recoverable			
CMR-Chiho Industries India Private Limited	-	0.07	-
CMR-Chiho Recycling Technologies Private Limited	-	0.82	-
Other Recoverable			
CMR-Chiho Recycling Techn. Pvt.Ltd.	-	0.19	-
Nikkei MC Aluminium Company Limited	-	3.15	-
		-	
Advance to Supplier		-	
Toyota Tsusho India Private Limited	-	9.46	-
		-	
Manpower Service Receivable		-	
CMR-Chiho Recycling Technologies Private Limited	-	6.00	-
		-	
Technical Fees Receivable		-	
CMR-Chiho Recycling Technologies Private Limited	-	1.50	-
		-	
		-	
Corporate Guarantee given on behalf of the subsidiary		-	
Nikkei MC Aluminium Company Limited	-	158.50	-

Terms and conditions of transactions with related parties

The sale and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured. For the year ended March 31, 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties except disclosed above. This yearly assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(Amount in Rupees million, unless otherwise stated)

a) Particulars of loans given:

Particulars	CMR-Chiho Industries India Private Limited
As at April 01, 2018	-
Loan Given	-
Loan Repayment	-
As at March 31, 2019	-
Loan Given	-
Loan Repayment	-
As at April 01, 2020	-
Loan Given*	680.39
Loan Repayment	443.90
As at March 31, 2021	**236.49**

*Loans have been given by the Parent Company to fulfill the working capital requirements.

b) Particulars of Corporate Guarantees given as required by section 186(4) of Companies Act 2013

Particulars	CMR Chiho Industries India Private Limited	Grand Metal Recycling Private Limited
As at April 01, 2018		-
Guarantees given	-	1,000.00
Guarantees withdrawn	-	-
As on 31st March 2019	**-**	**1,000.00**
Guarantees given	-	-
Guarantees withdrawn	-	1,000.00
As on 31st March 2020	**-**	-
As at April 01, 2020	-	-
Guarantees given	350.00	-
Guarantees withdrawn	-	-
As on 31st March 2021	**350.00**	-

The Parent Company has given corporate guarantees in respect of Letter of Credit/Bill Discounting facilities taken by the above subsidiary companies, where the Parent Company is jointly and severally liable.

c) Details of Investment made :

Particulars	RICO Investment Ltd	Others*	CMR - Chiho Recycling Technologies Private Limited	Nikkei CMR Aluminium India Private Limited	CMR - Chiho Industries India Private Limited	Sanjivani Non-Ferrous Trading Private Limited	Forever Multimedia Private Limited	Ramayana Polymers Private Limited	Grand Metal Recycling Private Limited	Total
As at April 01, 2018	-	-	-	-	-	26.03	0.37	0.24	59.41	86.05
Add: Share in opening acculmulated profits	-	-	-	-	-	-	-	-	-	-
Add: Share in opening accumulated Other Comprehensive Income	-	-	-	-	-	77.01	45.79	37.39	-	160.19
Add: Share in profit during the year	-	-	-	-	-	0.61	(0.01)	(0.04)	-	0.56
Add: Share of Other Comprehensive Income during the year	-	-	-	-	-	75.50	39.62	32.57	-	147.69
As at March 31, 2019	**-**	**-**	**-**	**-**	**-**	**179.15**	**85.77**	**70.16**	**59.41**	**394.49**
Add: Share in profit during the year	-	-	-	-	-	1.36	0.00	(0.02)	-	1.34
Add: Share of Other Comprehensive Income during the year	-	-	-	-	-	262.38	171.15	135.53	-	569.06
Add: Fair Value gain in Other Comprehensive Income during the year	-	-	-	-	-	-	-	-	250.98	250.98
As at April 01, 2020	**-**	**-**	**-**	**-**	**-**	**442.89**	**256.92**	**205.67**	**310.39**	**1,215.87**
Acquired pursuant to Scheme of Amalgamation (Refer Annexure XXXVIII)	15.51	0.08	37.00	52.00	72.00	-	-	-	-	176.59
Cancellation of inter-company investments on account of scheme of Arrangement	-	-	-	-	-	(442.89)	(256.92)	(205.67)	(310.39)	(1,215.87)
Add: Share in profits/(loss) for the period October 01, 2019 to March 31, 2020	-	-	(8.03)	(0.16)	(19.00)	-	-	-	-	(27.19)
(Less): Share in (losses) for current year	-	-	-	(0.94)	-	-	-	-	-	(0.94)
Add: Change in reserves on account of dilution in stake	-	-	9.38	0.53	(6.42)	-	-	-	-	3.49
Add: Equity Portion of Corporate Guarantee	-	-	-	-	3.89	-	-	-	-	3.89
As at March 31, 2021	**15.51**	**0.08**	**38.35**	**51.43**	**50.47**	**-**	**-**	**-**	**-**	**155.84**

* The above investments are in listed companies. However, the quoted price of the shares of these companies are not available as they are not being traded. Accordingly, these investments have been considered as unquoted investments.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
ANNEXURE XXXXII: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS
(Amount in Rupees Million, unless otherwise stated)

1 **Segment Information**

As per Ind AS 108 identification of segment is based on the manner in which the Companies Chief Operating decision makers' (CODM) reviews the business components regularly to make decisions about allocating resources to segment and in assessing its performance.

The Executive Management Committee is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

The Chief Operating decision maker reviews business performance at an overall Group level as one segment "Aluminium ingots and Zinc ingots"

Business Segment

The Group manufactures and sells aluminium and zinc based alloys and does trading and job work of these products. The products have the same risks and returns which are predominantly governed by market condition i.e. demand and supply position and hence have been considered as representing a single business segment.

Geographical Information

The analysis of geographical information is based on geographical location of its customers. The following table shows the distribution of revenue by Geographical segment.

a) Summary of total revenue by Geographical area for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 is as follows:

Products and services

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue From External Customers			
India	27,769.99	-	-
Outside India	1,361.91	-	-
Total	**29,131.90**	**-**	**-**

b) Summary of non- current assets by geographical location is as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Property plant and equipment			
India	2,956.85	-	-
Outside India	-	-	-
Right-of-use assets			
India	436.08	-	-
Outside India	-	-	-
Intangible assets			
India	10.24	-	-
Outside India	-	-	-
Capital Work-in-progress			
India	428.53	-	-
Outside India	-	-	-
Intangible assets under development			
India	0.50	-	-
Outside India	-	-	-
Goodwill			
India	12,396.27	-	-
Outside India	-	-	-
Other Non current assets and financial assets			
India	415.18	0.32	0.32
Outside India	-	-	-
Total	**16,643.65**	**0.32**	**0.32**

c) Revenue from major customers :

Revenue from major customers with percentage of total Revenue are as below:-

Name of the Customer	For the year ended March 31, 2021		For the year ended March 31, 2020		For the year ended March 31, 2019	
	Revenue	Revenue %	Revenue	Revenue %	Revenue	Revenue %
Jindal Stainless (Hisar) Limited	3,280.75	11.26%	-	-	-	-
Sunbeam Lightweighting Solutions Private Limited	3,170.20	10.88%	-	-	-	-

Additional information of segment information for the period from October 01, 2019 to March 31, 2020:

Particulars	For the period October 01, 2019 to March 31, 2020
Revenue From External Customers	-
India	12,891.29
Outside India	178.00
Total	**13,069.29**

Revenue from major customer

Revenues from major customer of the Group are as follows :

Name of The Customer	For the period October 01, 2019 to March 31, 2020	
	Revenue	Revenue %
Jindal Stainless (Hisar) Limited	1,766.42	13.52%
Sunbeam Lightweighting Solutions Private Limited	1,419.70	10.86%

(Amount in Rupees Million, unless otherwise stated)

2 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:-

	Carrying value			Fair value		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Financial assets						
A. FVPL financial instruments:						
Investment in Other Equity Instruments	15.59	310.39	59.41	15.59	310.39	59.41
	15.59	**310.39**	**59.41**	**15.59**	**310.39**	**59.41**
B. Amortised Cost:						
Loan to employees	1.22	-	-	1.22	-	-
Security deposits	34.01	-	-	34.01	-	-
Interest accrued on fixed deposits	3.02	-	-	3.02	-	-
	38.25	**-**	**-**	**38.25**	**-**	**-**
Total	**53.84**	**310.39**	**59.41**	**53.84**	**310.39**	**59.41**
Financial liabilities						
A. Amortised Cost:						
Borrowings	505.18	-	-	505.18	-	-
Security deposits	2.82	-	-	2.82	-	-
Financial guarantee	3.88	-	-	3.88	-	-
	511.88	**-**	**-**	**511.88**	**-**	**-**

The management assessed that trade receivables, capital creditors, trade payables and other current financial assets and liabilities (except financial guarantees) approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values :-

Financial guarantee -

The fair value of the financial guarantees provided on behalf of the Joint ventures have been estimated using the standard valuation techniques. The valuation requires the management to make certain assumptions about the model inputs , including probability of default and credit risk exposure.

Borrowings:-

The fair values of the Group's interest bearing borrowings are determined by using discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Investment in Other equity instruments, loan to employees, security deposit and Interest accrued on fixed deposits:-

The fair value of investment in other equity instruments, loan to employees, security deposits and interest accrued on fixed deposits approximates the carrying value and hence, the valuation technique and inputs have not been given.

(Amount in Rupees Million, unless otherwise stated)

3 Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021:

			Fair value measurement using		
	Date of valuation	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
I. Assets measured at fair value (Annexure XXXX):					
FVTPL financial instruments:					
Investment in equity shares (unquoted)	March 31, 2021	15.59	-	-	15.59
		15.59	**-**	**-**	**15.59**
B. Amortised Cost:					
Loan to employees	March 31, 2021	1.22	-	-	1.22
Security deposits	March 31, 2021	34.01	-	-	34.01
Interest accrued on fixed deposits	March 31, 2021	3.02	-	-	3.02
		38.25	**-**	**-**	**38.25**
Financial liabilities					
A. Amortised Cost:					
Borrowings	March 31, 2021	505.18	-	-	505.18
Security deposits	March 31, 2021	2.82	-	-	2.82
Financial guarantee	March 31, 2021	3.88	-	-	3.88
		511.88	**-**	**-**	**511.88**

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

			Fair value measurement using		
	Date of valuation	**Total**	**Quoted prices in (Level 1)**	**Significant (Level 2)**	**Significant (Level 3)**
FVTOCI financial instruments:					
Investment in equity shares (unquoted)	March 31, 2020	310.39	-	-	310.39
		310.39	**-**	**-**	**310.39**

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

			Fair value measurement using		
	Date of valuation	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
FVTOCI financial instruments:					
Investment in equity shares (unquoted)	March 31, 2019	59.41	-	-	59.41
		59.41	**-**	**-**	**59.41**

There have been no transfers between Level 1 and Level 3 during the year ended March 31, 2021, March 31, 2020 and March 31, 2019.

The fair value of investment in other equity instruments appearing under Level III approximates the carrying value and hence, the valuation technique and inputs with sensitivity analysis have not been given.

(Amount in Rupees Million, unless otherwise stated)

4 Financial Risk Management Objectives And Policies

The Group’s principal financial liabilities comprise of borrowings, lease liabilities, trade payables, security deposits received, capital creditors and employee related payables. The main purpose of these financial liabilities is to finance the Group’s operations and to provide guarantees to support its operations. The Group’s principal financial assets include trade and other receivables and cash & cash equivalent that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group’s senior management oversees the management of these risks. The Group’s senior management is responsible to ensure that Group’s financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group’s policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group’s policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price. Market risk comprise of interest rate risk, currency risk, credit risk and commodity risk.

The sensitivity analysis in the following sections relate to the position as at March 31, 2021, March 31,2020 and March 31, 2019.

	Increase/decrease in basis points	Effect on profit before tax
March 31, 2021		
USD Borrowings	+0.5	6.24
USD Borrowings	-0.5	(6.24)
March 31, 2020		
USD Borrowings	+0.5	-
USD Borrowings	-0.5	-
March 31, 2019		
USD Borrowings	+0.5	-
USD Borrowings	-0.5	-

The above assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

There were no foreign currency borrowings in the years ended March 31, 2020 and March 31, 2019, hence no figures are appearing in the above table against the respective years.

Fair value sensitivity analysis for fixed rate instruments :-

The Group has not disclosed interest rate risks on any fixed rate financial liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would neither affect profit or loss nor affect equity.

(b) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD and Euro. Foreign exchange risk arises from future commercial transactions and recognised asset and liabilities denominated in a currency that is not the Group's functional currency. The Group imports raw materials which exposes it to foreign currency risk. The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Group’s profit before tax is due to changes in the fair value of monetary assets and liabilities.

(Amount in Rupees Million, unless otherwise stated)

4 Financial Risk Management Objectives And Policies

Below is the Group's exposure to foreign currency risk changes

	Change in USD rate	Effect on profit before tax
		Rs.
March 31, 2021		
USD	+5%	81.28
USD	-5%	(81.28)
Euro	+5%	0.29
Euro	-5%	(0.29)
CNY	+5%	0.52
CNY	-5%	(0.52)
March 31, 2020		
USD	+5%	-
USD	-5%	-
CNY	+5%	-
CNY	-5%	-
March 31, 2019		
USD	+5%	-
USD	-5%	-
CNY	+5%	-
CNY	-5%	-

The above assumed movement in the basis points for the Foreign exchange sensitivity analysis is based on the Foreign risk exposure in the past.
There were no foreign currency borrowings, payables and receivables in the years ended March 31, 2020 and March 31, 2019, hence no figures are appearing in the above table against the respective years.

(c) Commodity price risk

The operating activities of the Group require the ongoing purchase of aluminium and scrap. The purchase price of the aluminium scrap depends on the global metal market. However, Group is not exposed to commodity price risk as any change in the price of commodity is subsequently recovered by the Group from its customers, thus safeguarding itself from any fluctuation in the price of commodity.

(d) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

(i) Trade Receivable

Customer credit risk is managed as per the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major customers. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low on the basis of past default rates of its customers.

The ageing of trade receivables at the reporting date was:

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Less than 180 days	5,295.97	-	-
Above 180 days	15.40	-	-

(Amount in Rupees Million, unless otherwise stated)

4 Financial Risk Management Objectives And Policies

ii) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the Balance Sheet as at March 31, 2021, March 31, 2020 and March 31, 2019 is the carrying amounts as below.

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Security Deposits (Current and Non current)	38.19	-	-
Loan to employees (Current and Non current)	6.14	-	-
Loan to related parties	236.86	-	-
Trade receivables	5,311.36	-	-

Liquidity risk

The Group monitors its risk of a shortage of funds doing a liquidity planning exercise.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short term borrowing facilities like bank overdraft, cash credit facility and buyers credit facility etc. The Group's treasury function reviews the liquidity position on an ongoing basis. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and surplus cash and cash equivalent on the basis of expected cash flow. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payment :

As at March 31, 2021

Particulars	On demand	Less than 12 months	1-5 years	>5 years	Total undiscounted contractual cash flows	Carrying amount of liabilities
Borrowings	93.72	4,212.88	505.18	-	4,811.78	4,811.78
Lease liabilities	-	77.84	259.83	40.60	378.27	303.89
Security deposit from customers/ others*	-	24.10	2.82	-	26.92	26.92
Interest accrued but not due on borrowings	-	15.14	-	-	15.14	15.14
Employee related liabilities	-	80.47	-	-	80.47	80.47
Payable for capital goods	-	60.42	-	-	60.42	60.42
Interest payable to related parties	-	2.83	-	-	2.83	2.83
Trade payables	-	2,168.05	-	-	2,168.05	2,168.05
Financial guarantee	-	350.00	-	-	350.00	350.00
CSR to be deposited in fund	-	22.43	-	-	22.43	22.43
	93.72	**7,014.16**	**767.83**	**40.60**	**7,916.31**	**7,841.93**

As at March 31, 2020

Particulars	On demand	Less than 12	1-5 years	>5 years	Total undiscounted contractual cash flows	Carrying amount of liabilities
Trade payables	-	0.03	-	-	0.03	0.03
	-	**0.03**	**-**	**-**	**0.03**	**0.03**

As at March 31, 2019

Particulars	On demand	Less than 12 months	1-5 years	>5 years	Total undiscounted contractual cash flows	Carrying amount of liabilities
Trade payables	-	0.08	-	-	0.08	0.08
	-	**0.08**	**-**	**-**	**0.08**	**0.08**

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to development affecting a particular industry. The Group is not exposed to excessive concentration since the customers of the Group are not engaged in similar business activities. The Group derives its revenues and corresponding trade receivables from varied number of customers.

(Amount in Rupees Million, unless otherwise stated)

5 Capital Management

The Board's policy maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the level of dividend to shareholders.

For the purpose of the Group's capital management, capital includes issued equity capital general reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Trade payables (Annexure XXV)	2,168.05	0.03	0.08
Lease liabilities	303.89	-	-
Other financial liabilities (Annexure XXII)	212.09	0.01	0.01
Borrowings (Annexure XXI)	4,811.78	0.22	0.11
Less: Cash and cash equivalents (Annexure XVII)	(67.90)	(0.05)	(0.06)
Net debts	**7,427.91**	**0.21**	**0.14**
Total equity	17,747.67	1,144.83	380.72
Capital and Net Debt	**25,175.58**	**1,145.04**	**380.86**
Gearing ratio (%)	**29.50%**	**0.02%**	**0.04%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021, March 31, 2020 & March 31, 2019.

During the current year , the Parent Company has acquired assets and liabilities of Transferor companies under Scheme of Arrangement (Refer Annexure XXXVIII). Hence, current year's figures are not comparable with the figures for the yeares ended March 31, 2020 and March 31, 2019.

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
ANNEXURE XXXXII: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS
(Amount in Rupees Million, unless otherwise stated)

6. List of subsidiaries, step down subsidiary, associate and joint venture with ownership % and place of business :

Name of the investees	Principal Place of Business	Proportion of Ownership as at March 31, 2021	Proportion of Ownership as at March 31, 2020 (Proforma)	Proportion of Ownership as at March 31, 2019 (Proforma)	Method used to account for the investment
Subsidiaries					
CMR Nikkie India Private Limited (Subsidiary)	INDIA	74%	-	-	Deemed cost
CMR Toyotsu Aluminium India Private Limited (Subsidiary)	INDIA	70%	-	-	Deemed cost
CMR Welfare Foundation	INDIA	90%	-	-	Deemed cost
CMR Aluminium Private Limited (Subsidiary)*****	INDIA	100%	-	-	Deemed cost
CMR-Kataria Recycling Private Limited****	INDIA	51%	-	-	At Cost
Joint Venture					
CMR - Chiho Recycling Technologies Private Limited***	INDIA	50%	-	-	Deemed cost
CMR - Chiho Industries India Private Limited*	INDIA	50%	-	-	Deemed cost
Nikkei CMR Aluminium India Private Limited**	INDIA	26%	-	-	Deemed cost
Associates****					
Sanjivani Non-Ferrous Trading Private Limited	INDIA	-	34%	34%	Deemed cost
Forever Multimedia Private Limited	INDIA	-	29%	29%	Deemed cost
Ramayana Polymers Private Limited	INDIA	-	25%	25%	Deemed cost

* One of the Transferor company, namely Century Metal Recycling Limited ("CMR") had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, CMR and CEG had subscribed 72,00,000 equity shares each in the equity share capital of CMR - Chiho Industries India Private Limited and 2,50,000 equity shares were issued December 12, 2020 and balance 69,50,000 equity shares were issued on February 5, 2020.

**One of the Transferor company (under Scheme of Arrangement with the Parent Company), namely Century Metal Recycling Limited ("CMR") had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with Nikkei MC Aluminium Company Limited ("NMA"), Japan. Pursuant to the said agreement, CMR and NMA had subscribed 250,000 equity shares each in the equity share capital of Nikkei CMR Aluminium India Private Limited and shares were alloted on 3rd December, 2019.
During the current year, the Parent Company has further subscribed to 49,50,000 equity shares and NMA has further subscribed to 1,45,50,000 equity shares which were allotted on March 08, 2021. This has resulted into dilution of stake of parent company to 26% in the said Joint Venture.

*** One of the Transferor company (under Scheme of Arrangement with the Parent Company), namely Century Metal Recycling Limited ("CMR") had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, CMR and CEG had subscribed 36,56,750 equity shares each in the equity share capital of CMR-CHIHO Recycling Technologies Private Limited and shares were issued on February 21, 2019.

****The Parent Company has, during the current year, entered into a 51:49 Joint Venture agreement ("Agreement") with Kent Industrial Park Private Limited ("KIPPL"), India. Pursuant to the said agreement, the Parent Company and KIPPL has subscribed 51,000 and 49,000 equity shares respectively in the equity share capital of CMR-Karatia Recycling Private Limited and shares were issued on August 17, 2020.

*****One of the Transferor company (under Scheme of Arrangement with the Parent Company), namely Century Metal Recycling Limited ("CMR") had, during the previous year, invested in 9,999 equity shares of CMR Aluminium Private Limited w.e.f January 15, 2020.

****** Investments cancelled pursuant to scheme of arrangement (Refer Annexure XXXVIII)

7. Expenditure of Corporate Social Responsibility (CSR)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
(a) Gross amount required to be spent	33.07	-	-
(b) Amount spent on:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	10.64	-	-
(iii) Unspent amount yet to be transferred to a specified fund account	22.43	-	-

Ministry of Corporate Affairs (MCA) has amended Section 135 of the Companies Act 2013 vide The Companies (Amendment) Act 2020, wherein a proviso has been added to Sub-Section (5) of Section 135 which states that any amount remaining unspent under section 135 (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
Accordingly, the Group has made provision of unspent amount of Rs 22.43 million.

Additional information in respect of Expenditure of Corporate Social Responsibility (CSR) for the period from October 01, 2019 to March 31, 2020 is as follows:

Particulars	For the period October 01, 2019 to March 31, 2020
(a) Gross amount required to be spent*	13.48
(b) Amount spent on:	-
(i) Construction/acquisition of any asset	-
(ii) On purpose other than (i) above	1.72
(iii) Unspent amount yet to be transferred to a specified fund account	11.76

* The gross amount required to be spent has been disclosed based on the original financial statements of all the Transferor companies and subsidiary companies for the period and Transferee company and includes Rs 1.61 million contributed to CMR Welfare Foundation (Subsidiary of one of the Transferor company namely Century Metal Recycling Limited) who has incurred expenses which have been shown under respective heads of accounts.

8. Department of Scientific and Industrial Research ("DSIR") had recognised in House R&D Units of one of the Transferor company (under Scheme of Arrangement) namely Century Metal Recycling Limited ("CMR") vide approval dated April 10, 2019 w.e.f January 29, 2019 to March 31, 2021.

Research and development expenses incurred by the Company comprises of the following:

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Salary, wages and bonus	18.94	-	-
Contribution to provident and other funds	0.96	-	-
Travelling and Conveyance expenses	0.28	-	-
Consumption of stores and spares	0.04	-	-
Repairs & Maintenance - Plant and equipment	0.04	-	-
Repairs & Maintenance - Buildings	0.00	-	-
Repairs & Maintenance - Others	0.13	-	-
Printing & Stationery	0.00	-	-
Rent paid	0.31	-	-
Miscellaneous expenses	0.20	-	-
Total	**20.90**	**-**	**-**

Additional information for Research and development expenses incurred by the Company for the period from October 01, 2019 to March 31, 2020 is as follows:

Particulars	For the period from October 01, 2019 to March 31, 2020
Capital Expenditure on plant and equipment	4.95
Salary, wages and bonus	9.67
Contribution to provident and other funds	0.51
Travelling and Conveyance expense	0.30
Miscellaneous expenses	0.07
Total*	**15.50**

* Excluding provision for gratuity and leave encashment.

(Amount in Rupees Million, unless otherwise stated)

9. Material Partly owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests

Name	Country of Incorporation and operation	March 31,2021	March 31,2020	March 31,2019
CMR Nikkei India Private Limited*	India	26.00%	0.00%	0.00%
CMR-Toyotsu Aluminium India Private Limited*	India	30.00%	0.00%	0.00%
CMR Welfare Foundation*	India	10.00%	0.00%	0.00%
CMR Aluminium Private Limited	India	0.01%	0.00%	0.00%
CMR-Kataria Recycling Private Limited	India	49.00%	0.00%	0.00%

*Acquired pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)

<u>Information regarding non-controlling interest</u>

Name	March 31,2021	March 31, 2020	March 31, 2019
Accumulated balances of material non-controlling interest			
CMR Nikkei India Private Limited	484.89	-	-
CMR-Toyotsu Aluminium India Private Limited	509.84	-	-
CMR Welfare Foundation	0.05	-	-
CMR Aluminium Private Limited	-	-	-
CMR-Kataria Recycling Private Limited	-	-	-
Total Comprehensive income allocated to material non-controlling interest			
CMR Nikkei India Private Limited	99.25	-	-
CMR-Toyotsu Aluminium India Private Limited	92.44	-	-
CMR Welfare Foundation	0.03	-	-
CMR Aluminium Private Limited	-	-	-
CMR-Kataria Recycling Private Limited	(0.50)	-	-
Share capital introduced by minority shareholders			
CMR-Kataria Recycling Private Limited	0.50	-	-
Profit for the period October 01, 2019 to March 31, 2020			
CMR Nikkei India Private Limited	28.52	-	-
CMR-Toyotsu Aluminium India Private Limited	11.01	-	-
CMR Welfare Foundation	0.01	-	-
Acquired pursuant to Scheme of Arrangement [Refer Annexure XXXVIII]			
CMR Nikkei India Private Limited	357.13	-	-
CMR-Toyotsu Aluminium India Private Limited	406.39	-	-
CMR Welfare Foundation	0.01	-	-
CMR Aluminium Private Limited	-	-	-

(Amount in Rupees Million, unless otherwise stated)

10 The summary of financial information of the subsidiaries are provided below. This information is based on amounts before inter company eliminations

	Particulars	CMR Nikkei India Private Limited*	CMR Nikkei India Private Limited*	CMR Nikkei India Private Limited*	CMR-Toyotsu Aluminium India Private Limited*	CMR-Toyotsu Aluminium India Private Limited*	CMR-Toyotsu Aluminium India Private Limited*	CMR Welfare Foundation*	CMR Welfare Foundation*	CMR Welfare Foundation*	CMR Aluminium Private Limited*	CMR Aluminium Private Limited*	CMR Aluminium Private Limited*	CMR-Kataria Recycling Private Limited*	CMR-Kataria Recycling Private Limited*	CMR-Kataria Recycling Private Limited*
	Accounting period ended	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
(A1)	**Summarised Statement of Profit and Loss**															
A	**REVENUE**															
	Revenue	7,450.12	-	-	5,059.16	-	-	1.61	-	-	-	-	-	1.99	-	-
	Other Income	5.31	-	-	8.14	-	-	-	-	-	-	-	-	-	-	-
	Total Revenue (A)	**7,455.43**	**-**	**-**	**5,067.30**	**-**	**-**	**1.61**	**-**	**-**	**-**	**-**	**-**	**1.99**	**-**	**-**
B	**EXPENSES**															
	Cost of Materials Consumed	6,149.79	-	-	3,840.58	-	-	-	-	-	-	-	-	2.14	-	-
	Purchase of traded goods	106.03	-	-	151.23	-	-	-	-	-	-	-	-	-	-	-
	(Increase)/decrease in inventories of Finished Goods	(26.21)	-	-	(16.03)	-	-	-	-	-	-	-	-	(0.57)	-	-
	Employee Benefits Expenses	159.00	-	-	185.43	-	-	-	-	-	-	-	-	0.26	-	-
	Finance Costs	89.60	-	-	52.95	-	-	-	-	-	-	-	-	0.03	-	-
	Depreciation and amortisation	75.08	-	-	66.53	-	-	-	-	-	-	-	-	0.00	-	-
	Other Expenses	396.02	-	-	404.50	-	-	1.29	-	-	0.11	-	-	1.36	-	-
	Total Expenses (B)	**6,949.31**	**-**	**-**	**4,685.19**	**-**	**-**	**1.29**	**-**	**-**	**0.11**	**-**	**-**	**3.22**	**-**	**-**
C	**Profit/(Loss) before tax**	**506.12**	**-**	**-**	**382.11**	**-**	**-**	**0.32**	**-**	**-**	**(0.11)**	**-**	**-**	**(1.23)**	**-**	**-**
D	**Tax expenses**															
	Current tax	99.32	-	-	95.33	-	-	-	-	-	-	-	-	-	-	-
	MAT Credit entitlement	-	-	-	0.83	-	-	-	-	-	-	-	-	-	-	-
	Adjustment of tax for earlier years	(0.60)	-	-	(3.84)	-	-	-	-	-	-	-	-	-	-	-
	Deferred tax (credit)/charge relating to earlier years	(0.82)	-	-	0.36	-	-	-	-	-	-	-	-	-	-	-
	Deferred tax (credit)/charge	26.59	-	-	(18.43)	-	-	-	-	-	(0.02)	-	-	(0.20)	-	-
	Total Tax expense	**124.49**	**-**	**-**	**74.25**	**-**	**-**	**-**	**-**	**-**	**(0.02)**	**-**	**-**	**(0.20)**	**-**	**-**
E	**Profit/(Loss) After Tax (C-D)**	**381.63**	**-**	**-**	**307.86**	**-**	**-**	**0.32**	**-**	**-**	**(0.09)**	**-**	**-**	**(1.03)**	**-**	**-**
F	**Other Comprehensive Income**															
	Items that will not be reclassified to profit or loss															
	Re-measurement gain/(loss) on defined benefit plans	0.15	-	-	0.35	-	-	-	-	-	-	-	-	-	-	-
	Income tax effect	(0.04)	-	-	(0.09)	-	-	-	-	-	-	-	-	-	-	-
		0.11	**-**	**-**	**0.26**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
G	Total Comprehensive Income for the year (E + F) (Comprising Profit and Other Comprehensive Income for the year)	**381.74**	**-**	**-**	**308.12**	**-**	**-**	**0.32**	**-**	**-**	**(0.09)**	**-**	**-**	**(1.03)**	**-**	**-**

	Particulars	CMR Nikkei India Private Limited*	CMR Nikkei India Private Limited*	CMR Nikkei India Private Limited*	CMR-Toyotsu Aluminium India Private Limited*	CMR-Toyotsu Aluminium India Private Limited*	CMR-Toyotsu Aluminium India Private Limited*	CMR Welfare Foundation*	CMR Welfare Foundation*	CMR Welfare Foundation*	CMR Aluminium Private Limited*	CMR Aluminium Private Limited*	CMR Aluminium Private Limited*	CMR-Kataria Recycling Private Limited*	CMR-Kataria Recycling Private Limited*	CMR-Kataria Recycling Private Limited*
(A2)	**Summarised Balance Sheet as at**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
	Non-current assets	981.75	-	-	989.68	-	-	-	-	-	161.88	-	-	0.87	-	-
	Current assets	2,553.01	-	-	2,196.43	-	-	0.47	-	-	1.00	-	-	1.01	-	-
	Non-current liabilities	202.20	-	-	197.99	-	-	-	-	-	-	-	-	-	-	-
	Current liabilities	1,467.58	-	-	1,288.66	-	-	0.01	-	-	162.88	-	-	1.90	-	-
	Total Equity	**1,864.98**	**-**	**-**	**1,699.46**	**-**	**-**	**0.46**	**-**	**-**	**(0.00)**	**-**	**-**	**(0.02)**	**-**	**-**

	Particulars	CMR Nikkei India Private Limited*	CMR-Toyotsu Aluminium India Private Limited*
(A3)	**Summarised Cash Flows of material subsidiaries**	**March 31, 2021**	**March 31, 2021**
	Cash flow from/(used in) operating activities	124.31	(296.80)
	Cash flow from/(used in) investing activities	(24.90)	(189.99)
	Cash flow from/(used in) financing activities	(97.59)	466.93

*Acquired pursuant to Scheme of Arrangement (Refer Annexure XXXVIII)

CMR Green Technologies Limited (Formerly known as Grand Metal Industries Limited)
ANNEXURE XXXXII: NOTES TO RESTATED IND AS CONSOLIDATED SUMMARY STATEMENTS
(Amount in Rupees Million, unless otherwise stated)

11. Statement containing salient features, pursuant to Schedule III of the Companies Act 2013, of subsidiaries as per Separate financial statements of each entity :

Name of the entity in the group	March 31,2021							
	Net Assets i.e. total assets minus total liabilities		Share in Profit and Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	(Amount in Rs. million)	As % of Consolidated Profit & Loss	(Amount in Rs. million)	As % of Consolidated Other Comprehensive Income	(Amount in Rs. million)	As % of Consolidated Profit & Loss	(Amount in Rs. million)
Parent								
CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited)	91.15%	16,177.66	-68%	(278.14)	55%	0.49	-68.02%	(277.64)
Indian Subsidiaries								
CMR-Nikkei India Private Limited	10.51%	1,864.98	69%	282.41	9%	0.08	69.21%	282.49
CMR-Toyotsu Aluminium India Private Limited	9.58%	1,699.46	53%	215.51	21%	0.18	52.84%	215.69
CMR Welfare Foundation	0.00%	0.45	0%	0.28	0%	-	0.07%	0.29
CMR Aluminium Private Limited	0.00%	0.01	0%	(0.09)	0%	-	-0.02%	(0.09)
CMR-Kataria Recycling Private Limited	0.00%	(0.03)	0%	(0.52)	0%	-	-0.13%	(0.52)
Indian Joint Ventures								
CMR - Chiho Recycling Technologies Private Limited	0.22%	38.35	2%	9.38	0%	-	2.30%	9.38
CMR - Chiho Industries India Private Limited	0.28%	50.46	-2%	(6.45)	3%	0.03	-1.57%	(6.42)
Nikkei CMR Aluminium India Private Limited	0.29%	51.43	0%	(0.94)	0%	-	-0.23%	(0.94)
Minority Interests in subsidiaries								
CMR-Nikkei India Private Limited	2.73%	484.89	24%	99.23	3%	0.03	24.32%	99.25
CMR-Toyotsu Aluminium India Private Limited	2.87%	509.84	23%	92.36	9%	0.08	22.65%	92.44
CMR Welfare Foundation	0.00%	0.05	0%	0.03	0%	-	0.01%	0.03
CMR Aluminium Private Limited	0.00%	-	0%	-	0%	-	0.00%	-
CMR-Kataria Recycling Private Limited	0.00%	-	0%	(0.50)	0%	-	-0.12%	(0.50)
Inter co elimination and adjustments in consolidation	-17.64%	(3,129.88)	-1%	(5.26)	-1%	(0.01)	-1.29%	(5.28)
TOTAL	**100.00%**	**17,747.67**	**100.00%**	**407.29**	**100.00%**	**0.89**	**100.00%**	**408.18**

Name of the entity in the group	March 31,2020							
	Net Assets i.e. total assets minus total liabilities		Share in Profit and Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	(Amount in Rs. million)	As % of Consolidated Profit & Loss	(Amount in Rs. million)	As % of Consolidated Other Comprehensive Income	(Amount in Rs. million)	As % of Consolidated Profit & Loss	(Amount in Rs. million)
Parent								
CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited)	20.91%	239.36	-8.79%	(0.10)	25.41%	193.82	25.35%	193.72
Indian Associates								
Sanjivani Non-Ferrous Trading Private Limited	38.69%	442.89	110.51%	1.35	34.39%	262.38	34.52%	263.73
Forever Multimedia Private Limited	22.44%	256.92	0.13%	0.00	22.43%	171.15	22.40%	171.15
Ramayana Polymers Private Limited	17.96%	205.66	-1.85%	(0.02)	17.77%	135.53	17.73%	135.51
TOTAL	**100.00%**	**1,144.83**	**100.00%**	**1.23**	**100.00%**	**762.88**	**100.00%**	**764.11**

Name of the entity in the group	March 31,2019							
	Net Assets i.e. total assets minus total liabilities		Share in Profit and Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	(Amount in Rs. million)	As % of Consolidated Profit & Loss	(Amount in Rs. million)	As % of Consolidated Other Comprehensive Income	(Amount in Rs. million)	As % of Consolidated Profit & Loss	(Amount in Rs. million)
Parent								
CMR Green Technologies Limited (formerly known as Grand Metal Industries Limited)	11.99%	45.64	-15.67%	(0.08)	10.61%	17.52	10.53%	17.44
Indian Associates								
Sanjivani Non-Ferrous Trading Private Limited	47.06%	179.15	124.66%	0.62	45.70%	75.50	45.93%	76.12
Forever Multimedia Private Limited	22.53%	85.77	-1.68%	(0.01)	23.98%	39.62	23.91%	39.61
Ramayana Polymers Private Limited	18.43%	70.16	-7.31%	(0.04)	19.71%	32.57	19.63%	32.53
TOTAL	**100.00%**	**380.72**	**100.00%**	**0.49**	**100.00%**	**165.21**	**100.00%**	**165.70**

(Amount in Rupees Million, unless otherwise stated)

12 Information in respect of Joint Ventures:

Particulars	CMR - Chiho Recycling Technologies Private Limited	CMR - Chiho Industries India Private Limited	Nikkei CMR Aluminium India Private Limited
	(Unaudited)	(Unaudited)	(Audited)
Proportion of ownership interest	**50%**	**50%**	**26%***
Country on incorporation	India	India	India
Accounting period ended	**March 31, 2021**	**March 31, 2021**	**March 31, 2021**
Balance Sheet			
Current assets	68.69	778.07	76.11
Non-current assets	12.04	344.17	122.61
Current liabilities	4.50	780.66	0.91
Non-current liabilities	0.40	248.42	-
Equity	75.83	93.16	197.81
Statement of Profit and Loss			
Revenue	84.04	1,077.16	-
Other Income	3.66	15.57	0.46
Total Revenue	**87.70**	**1,092.73**	**0.46**
Cost of Materials Consumed	55.96	876.85	-
Change in inventories of Finished Goods, Work in Progress	4.11	(12.18)	-
Employee Benefits Expenses	4.80	61.47	-
Finance Costs	0.00	56.23	-
Depreciation and amortisation	1.24	35.30	-
Other Expenses	1.48	87.82	2.27
Total Expenses	**67.59**	**1,105.49**	**2.27**
Profit/(Loss) before tax	**20.11**	**(12.76)**	**(1.81)**
Tax expenses			
Current tax	0.96	-	-
Deferred tax (credit)/charge	0.40	-	0.07
Total Tax expense	**1.36**	**-**	**0.07**
Profit/(Loss) After Tax	**18.75**	**(12.76)**	**(1.88)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss	-	-	-
Re-measurement gain/(loss) on defined benefit plans	-	(0.07)	-
Income tax effect	-	-	-
	-	**(0.07)**	**-**
Total Comprehensive Income for the year	18.75	(12.83)	(1.88)
Group's share of profit/(loss) for the year	9.37	(6.42)	(0.94)
Contingent Liabilities	-	-	-
Capital Commitment	-	1.45	-

*During the current year , the Parent Company has further subscribed to 49,50,000 equity shares and Nikkei MC Aluminium Company Limited, Japan (Joint Venture Partner) has further subscribed to 1,45,50,000 equity shares on March 08, 2021 thereby reducing the proportion of ownership interest from 50% in previous year to 26%. However , since stake is reduced at the end of the year, profit /(loss) has been accounted at 50%. This has resulted into dilution of stake in the parent company to 26% in the said joint venture.

Additional information for Information in respect of Joint Ventures for the period from October 01, 2019 to March 31, 2020 is as follows:

Particulars	CMR - Chiho Recycling Technologies Private Limited	CMR - Chiho Industries India Private Limited	Nikkei CMR Aluminium India Private Limited
	(Audited)	(Audited)	(Audited)
Proportion of ownership interest	**50%**	**50%**	**50%**
Country on incorporation	India	India	India
Accounting period ended	**For the period from October 1, 2019 to March 31, 2020**	**For the period from October 1, 2019 to March 31, 2020**	**For the period from October 1, 2019 to March 31, 2020**
Balance Sheet			
Current assets	90.31	162.28	5.07
Non-current assets	13.21	292.74	0.07
Current liabilities	46.46	96.83	-
Non-current liabilities	-	252.20	-
Equity	57.06	105.99	5.14
Statement of Profit and Loss			
Revenue	83.55	-	-
Other Income	1.65	0.63	0.01
Total Revenue	**85.20**	**0.63**	**0.01**
Cost of Materials Consumed	82.27	-	-
Purchase of Stock in Trade	-	-	-
Change in inventories of Finished Goods, Work in Progress	(4.11)	-	-
Employee Benefits Expenses	11.67	1.50	-
Finance Costs	1.68	4.73	-
Depreciation and amortisation	0.54	8.18	-
Other Expenses	9.21	24.21	0.39
Total Expenses	**101.26**	**38.62**	**0.39**
Profit/(Loss) before tax	**(16.06)**	**(38.01)**	**(0.38)**
Tax expenses			
Current tax	-	-	-
Deferred tax (credit)/charge	-	-	(0.07)
Total Tax expense	**-**	**-**	**(0.07)**
Profit/(Loss) After Tax	**(16.06)**	**(38.01)**	**(0.31)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss	-	-	-
Re-measurement gain/(loss) on defined benefit plans	-	-	-
Income tax effect	-	-	-
Total	-	-	-
Total Comprehensive Income for the year	**(16.06)**	**(38.01)**	**(0.31)**
Group's share of profit/(loss) for the year	(8.03)	(19.00)	(0.15)
Contingent Liabilities	-	-	-
Capital Commitment	-	167.46	-

(Amount in Rupees Million, unless otherwise stated)

13 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006- Nil (March 31, 2020: Nil, March 31, 2019: Nil)

14 Prudential Norms and other disclosures with respect to one of the Transferor Company namely Suvridhi Financial Services Limited :

SFSL followed the prudential norms prescribed by RBI NBFC prudential norms 1998 for revenue recognition , assets classification and provisioning Master Direction – NBFC – Non Systematically Important non deposit taking Company (Reserve bank) directions , 2016 vide RBI/DBNR /2016-17/44 master direction DNBR .PD.007/03.10.119/2016-17 dated 1 September 2016 and updated on 23 February 2018 issued by RBI in respect of income recognition , income from investment , accounting of investment, asset classification , disclosures in balance sheet and provisioning are followed by the Parent Company, Accounting standard (AS) as notified by the companies Accounting standards specified under Section 133 of the Companies act 2013 read with rule 7 of the companies (accounts) rules 2014 to the extent applicable and guidance notes issued by ICAI.

During the current year, RBI vide order dated 28th May, 2020 has prospectively cancelled the certificate of registration CoR No. B- 14.03014 dated March 16, 2004 issued to SFSL in terms of Section 45-IA(6) of the Reserve Bank of India Act, 1934, accordingly all other disclosures required have not been made in these Financial Statements.

15 The Commissioner of Central Excise, Delhi ("CE") passed an order dated 27.10.2011 against Century Metal Recycling Limited "CMR", (one of the Transferor company under Scheme of Arrangement) alleging that, CMR had availed CENVAT Credit, under the Cenvat Credit Rules, 2004, for an aggregate amount of Rs 158.58 million on purchase of aluminium scraps which were utilized in clandestine manner and without proper accounting. Additionally CMR was directed to pay an amount of Rs 41.76 million on account of duty short paid on clearance of alluminium dross in the guise of ash and residue. CMR filed appeal against the said order of CE before Customs, Excise and Service Tax Appellate Tribunal, Principal Bench, New Delhi ("CESTAT") and the CESTAT after careful perusal of the facts and circumstances of the case and appreciation of the evidence available and attending circumstances passed an order dated 04.12.2015 in the favor of CMR by setting aside all the allegations of the CE for the reason same being baseless and uncorroborated. CE filed a prosecution case in the Court of Chief Judicial Magistrate, Faridabad in the year 2016 u/s 9 and 9AA of the Central Excise Act, 1944. Section 9 and 9AA lays down the provision about criminal prosecution, imprisonment and penalty. The amount of penalty referred under Section 9 and 9AA of the Central Excise Act, 1944 cannot be ascertained since this purely depends upon the discretion of the judge, therefore the question of quantification of contingent liability does not arise at this juncture at all. Moreover, in prosecution cases the focus of the courts are more on imprisonment not monetary recovery for which appeal is the right remedy. CMR based on in-house assessment does not expect any liability on account of above .

16 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

17 The Group's operations, revenue and consequently profit during the year ended March 31, 2021 were impacted due to Covid-19. Further, second wave of Covid-19 pandemic has hit India recently. Currently, the state Governments have implemented regional lockdowns based on situation in individual states/regions. The Group has made detailed assessment of its liquidity position and the recoverability of carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the pandemic in the subsequent period is highly dependent on the situations as they evolve and hence may be different from that estimated as at the date of approval of these consolidated financial statements.

18 The amortization of goodwill arising pursuant to Scheme of Arrangement has been treated as deductible expense during the period from October 01, 2019 to March 31, 2020 under Section 32 of the Income Tax Act, 1961, while computing income tax liability in the accounts for the year ended March 31, 2020 prepared for special purpose tax financial statements on the basis of judicial pronouncements and legal opinion obtained by the Group.

19 The Parent Company has acquired assets and liabilities of Transferor companies under Scheme of Arrangement (Refer Annexure XXXVIII).The Parent Company has prepared special purpose tax financial statements for the year ended March 31, 2020 giving effect to accounting pursuant to Scheme of Arrangement. Those special purpose tax financial statements were audited by predecessor auditors who expressed an unmodified opinion. The Parent Company has brought forward balance of assets and liabilities audited by predecessor auditors which have been audited as on April 1, 2020 and relied upon by the current auditors.

20 Revenue and purchases for the period from January 2021 to March 2021 have been recognized on provisional basis as the rates have not been finalized yet by the customers and vendors. Accordingly, the adjustments to revenue and purchases and its consequential impact on inventories will be made once the rates are finalised.

21 During the current year , the Parent Company has acquired assets and liabilities of Transferor companies under Scheme of Arrangement (Refer Annexure XXXVIII). Hence, current year's figures are not comparable with the figures for the yeares ended March 31, 2020 and March 31, 2019.

As per our report of even date
For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number - 301003E/E300005

per Anil Gupta	**Mohan Agarwal**	**Akshay Agarwal**
Partner	**(Managing Director)**	**(Executive Director)**
Membership No: 87921		
Place : Delhi	**Satish Kaushik**	**Lohit Chhabra**
Date:	**(Chief Financial Officer)**	**(Company Secretary)**

CMR CONSOLIDATED AUDITED FINANCIAL STATEMENTS

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Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"),its associate and its joint venture comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries,associate and joint venture the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate, and joint venture as at March 31, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to

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read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's Report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture of which we are the independent auditors to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of five subsidiaries, whose Ind AS financial statements include total assets of Rs 47,289.34 lacs as at March 31, 2019, and total revenues of Rs 1,16,060.37 lacs and net cash (outflows) of (Rs 1.53 lacs) for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

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(b) The consolidated Ind AS financial statements include the Group's share of net loss of Rs. 2.84 lacs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of an associate and joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of that associate and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate and joint venture, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associate and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

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

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act and of its subsidiary companies, none of the directors of the Group's companies, incorporated in India are disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act. The Holding Company has during the current year, sold share held in an associate company. Further, joint venture company is recently incorporated on February 01, 2019, whose statutory financial year would be for the period from February 01, 2019 to March 31, 2020. Hence, information under this para is not applicable;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding

S.R. BATLIBOI & CO. LLP NEW DELHI

Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries, associate and joint venture, to the extent applicable, incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associate and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer Note 30 (b) to the consolidated Ind AS financial statements;

ii. The Group,its associate and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries,associate and joint venture incorporated in India during the year ended March 31, 2019.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921
Place of Signature: New Delhi
Date: May 25, 2019

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ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CENTURY METAL RECYCLING LIMITED (FORMERLY KNOWN AS CENTURY METAL RECYCLING PRIVATE LIMITED)

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

In conjunction with our audit of the consolidated financial statements of Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited) as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Century Metal Recycling Limited (Formerly known as Century Metal Recycling Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

S.R. BATLIBOI & CO LLP NEW DELHI

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to 3 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E/E300005
Chartered Accountants

per Anil Gupta
Partner
Membership No.: 87921
Place: New Delhi
Date: May 25, 2019

S.R. BATLIBOI & CO. LLP NEW DELHI

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
Consolidated Balance Sheet as at March 31, 2019
(Amount in Rupees lacs, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	20,640.01	18,820.86
Capital work-in-progress	3	5,689.74	349.88
Intangible assets	4	220.86	251.98
Investment in Associate	5(a)	-	26.95
Investment in Joint Venture	5(b)	361.74	-
Financial Assets			
(i) Investments	5(c)	0.24	156.44
(i) Loans	6	212.50	141.40
(iii)Other financial assets	7	443.19	281.20
Deferred tax assets (net)	8	-	307.51
Non-Current Tax Asset		432.56	214.23
Other non current assets	9	1,376.12	925.11
II. Current assets			
Inventories	10	31,815.65	23,023.57
Financial Assets			
(i) Trade receivables	11	29,687.38	27,821.21
(ii) Cash and cash equivalents	12 (a)	44.84	63.60
(iii) Bank balances other than (iii) above	12 (b)	560.73	933.15
(iv) Loans	6	424.87	410.01
(v) Other financial assets	7	3,767.87	767.36
Current Tax Asset		166.15	-
Other Current Assets	9	17,573.37	12,273.73
Total		**1,13,417.82**	**86,768.19**
EQUITY AND LIABILITIES			
III Equity			
Share capital	13	3,061.69	698.65
Other Equity		43,863.16	33,771.86
Equity attributable to equity holders of the parent		46,924.85	**34,470.51**
Non-controlling interests		6,658.85	5,932.55
Total equity		**53,583.70**	**40,403.06**
LIABILITIES			
IV Non Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	2,793.50	2,908.05
(ii) Other financial liabilities	15	78.73	10.70
Long term provisions	16	308.58	249.27
Deferred tax liabilities (net)	8	3,678.39	1,669.67
Other liabilities	17	365.12	291.40
V Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	27,632.79	22,368.86
(ii) Trade payables	18		
-Due to micro small and small enterprises		-	-
-Dues to others		20,158.29	15,170.34
(iii) Other financial liabilities	15	3,804.79	2,192.28
Short term provisions	16	437.02	341.47
Other liabilities	17	537.97	865.55
Current tax liabilities (net)		38.94	297.54
Total		**1,13,417.82**	**86,768.19**

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
Consolidated Statement of Profit and Loss for the year ended March 31,2019
(Amount in Rupees lacs, unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
I	**REVENUE**			
	Revenue from operations	19	2,84,114.59	2,51,499.56
	Other Income	20	908.99	406.08
	Total Revenue (I)		**2,85,023.58**	**2,51,905.64**
II	**EXPENSES**			
	Cost of raw materials consumed	21	2,41,298.11	2,10,322.73
	Purchase of stock in trade	22	345.87	246.90
	(Increase) in inventory of finished goods	23	(2,380.01)	(221.93)
	Excise duty on sale of goods		-	5,627.56
	Employee benefits expenses	24	7,349.53	5,784.68
	Depreciation and amortization expense	25	2,114.49	1,861.11
	Finance costs	26	3,510.48	2,853.37
	Other expenses	27	15,416.18	11,540.46
	Total expenses (II)		**2,67,654.65**	**2,38,014.88**
III	**Profit before share in profit of an associate (I-II)**		**17,368.93**	**13,890.76**
IV	**Share in profits of an associate (net of tax)**		**1.10**	**0.55**
V	**Share in profits/(losses) of joint venture (net of tax)**		**(3.94)**	**-**
VI	**Profit before tax (III+IV+V)**		**17,366.09**	**13,891.31**
VII	**Tax expense:**			
	- Current tax		3,742.13	3,181.21
	- MAT credit entitlement		(1,297.91)	(414.41)
	- MAT credit adjustment for an earlier year (net)		2.15	(6.39)
	- Income tax adjustment related to earlier years (net)		7.66	(3.50)
	- Deferred tax charge		3,543.56	1,502.95
	- Deferred tax adjustment for earlier years (net)		29.48	1.29
			6,027.07	**4,261.15**
VIII	**Profit for the year (V-VI)**		**11,339.02**	**9,630.16**
IX	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains/(losses) on defined benefit plans		(16.66)	9.56
	Income tax effect		5.86	(3.30)
			(10.80)	**6.26**
X	**Total Comprehensive Income for the year (VII+VIII)** **(Comprising Profit and Other Comprehensive Income for the year)**		**11,328.22**	**9,636.42**
	Profit for the year attributable to :		**11,339.02**	**9,630.16**
	Equity holders of the parent		10,394.68	8,397.80
	Non-controlling interests		944.34	1,232.36
	Other comprehensive income for the year attributable to :		**(10.80)**	**6.26**
	Equity holders of the parent		(11.38)	6.22
	Non-controlling interests		0.58	0.04
	Total comprehensive income for the year attributable to :		**11,328.22**	**9,636.42**
	Equity holders of the parent		10,383.31	8,404.02
	Non-controlling interests		944.92	1,232.40
XI	**Earnings per equity share:**	28		
	(1) Basic		36.68	38.48
	(2) Diluted		36.68	35.96

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
Consolidated Statement of changes in equity as at year ended March 31,2019
(Amount in Rupees lacs, unless otherwise stated)

Particulars	Share capital				Equity attributable to equity holders					Non controlling Interest	Total equity
	Equity shares		0.001% compulsorily convertible participatory preference shares (CCPPS)		Retained earnings	Capital Reserve	Securities Premium	General Reserve	Equity attributable to equity holders		
	(No. of Shares)	(Amount)	(No. of Shares)	(Amount)	(Amount)	(Amount)	(Amount)	(Amount)	(Amount)		
As at March 31, 2017	**54,55,695**	**545.57**	**15,30,844**	**153.08**	**15,727.21**	**1,039.35**	**8,562.69**	**-**	**25,329.25**	**3,958.74**	**29,986.64**
Add: Profit for the year	-	-	-	-	8,397.80	-	-	-	8,397.80	1,232.36	9,630.16
Add: Other Comprehensive Income	-	-	-	-	6.22	-	-	-	6.22	0.04	6.26
Total Comprehensive Income	**-**	**-**	**-**	**-**	**8,404.02**	**-**	**-**	**-**	**8,404.02**	**1,232.40**	**9,636.42**
Adjustment on change of shareholding during the year	-	-	-	-	38.59	-	-	-	38.59	(38.59)	-
Add: Share application money received from minority shareholders	-	-	-	-	-	-	-	-	-	780.00	780.00
As at March 31, 2018	**54,55,695**	**545.57**	**15,30,844**	**153.08**	**24,169.82**	**1,039.35**	**8,562.69**	**-**	**33,771.86**	**5,932.55**	**40,403.06**
Add: Profit for the year	-	-	-	-	10,394.68	-	-	-	10,394.68	944.34	11,339.02
Add: Other Comprehensive Income	-	-	-	-	(11.38)	-	-	-	(11.38)	0.58	(10.80)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**10,383.30**	**-**	**-**	**-**	**10,383.30**	**944.92**	**11,328.22**
Add: Share capital received from minority shareholders	-	-	-	-	-	-	-	-		2,145.00	2,145.00
Adjustment on account of adjustment on change of shareholding during the year	-	-	-	-	(216.71)	-	-	-	(216.71)	216.71	-
Bonus shares issued during the year (refer note 13(h))	1,83,70,125	1,837.01	-	-	-	-	(1,837.01)	-	(1,837.01)	-	-
CCPPS converted into equity shares during the year (refer note 13(e))	61,23,376	612.34	(15,30,844)	(153.08)	-	-	(459.26)	-	(459.26)	-	-
Adjustment on account of divestment in subsidiary Company (refer note 49)	6,67,680	66.77	-	-	-	(1,039.35)	952.38	2,307.95	2,220.98	(2,580.33)	(292.58)
As at March 31, 2019	**3,06,16,876**	**3,061.69**	**-**	**-**	**34,336.41**	**-**	**7,218.80**	**2,307.95**	**43,863.16**	**6,658.85**	**53,583.70**

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
Consolidated Statement of Cash Flows for the year ended March 31, 2019
(Amount in Rupees lacs, unless otherwise stated)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A	**Cash Flow from Operating Activities**		
	Profit before tax	17,368.93	13,890.76
	Adjustments for :		
	Depreciation and amortization expense	2,114.49	1,861.11
	Loss on disposal of Property, plant and equipment (net)	23.21	19.63
	Interest income	(409.73)	(203.78)
	Interest expense	3,390.86	2,364.19
	Amortisation of deferred government grant	(76.37)	(85.57)
	Unrealised foreign exchange (gain)/ loss	(41.30)	(84.54)
	Gain on fair valuation of investment	-	(0.69)
	Profit on divestment in a subsidiary company (Refer Note 49)	(83.74)	-
	Profit on sale of investment in associate company	(235.51)	-
	Pre-operative expenses/ CWIP written off	-	98.73
	Allowances for bad and doubtful receivable	-	166.47
		4,681.91	**4,135.55**
	Operating Profit before adjustments	**22,050.84**	**18,026.31**
	Adjustments:		
	(Increase) in trade receivables	(3,295.54)	(7,089.99)
	(Increase) in inventories	(9,351.38)	(8,862.18)
	(Increase) in financial assets and loans	(2,996.32)	(830.43)
	(Increase) in other assets	(8,103.48)	(2,860.50)
	Increase in trade payables	5,371.46	5,814.25
	Increase/(decrease) in financial liabilities	174.53	(217.48)
	Increase/(decrease) in other liabilities	3,907.23	(376.19)
	Increase in provisions	144.63	113.37
	Change in the adjustments	**(14,148.87)**	**(14,309.15)**
	Direct taxes paid (net of refunds)	(4,368.20)	(2,804.80)
	Net cash generated from operating activities (A)	**3,533.77**	**912.36**
B	**Cash Flow from Investing Activities:**		
	Purchase of property, plant and equipment, intangible assets including Capital work in progress and capital advances	(9,506.49)	(2,177.63)
	Proceeds from sale of a subsidiary company (refer note 49)	476.92	-
	Sale proceeds of Property, plant & equipment	25.36	55.32
	Proceeds from sale of investment in associate company	263.56	-
	Investment in fixed deposits having remaining maturity of more than 3 months	(960.70)	(840.25)
	Proceeds from fixed deposits having remaining maturity of more than 3 months	1,176.81	831.32
	Loans to Body corporate	(120.52)	-
	Interest received	415.26	208.21
	Net Cash (Used) in Investing Activities (B)	**(8,229.80)**	**(1,923.03)**
C	**Net Cash Flow From Financing Activities:**		
	Proceeds from issue of shares by subsidiary to minority shareholders	2,145.00	-
	Proceeds from Share application money pending allotment	-	780.00
	Proceeds from short term borrowings of more than three months	-	2,142.93
	Repayment of short term borrowings of more than three months	-	(2,142.93)
	Proceeds from other short term borrowings (net)	5,491.35	2,163.18
	Proceeds from long term borrowings	1,966.57	2,130.47
	Repayment of long term borrowings	(1,547.55)	(3,422.37)
	Interest paid	(3,374.27)	(2,197.92)
	Net Cash generated/(Used) in Financing Activities (C)	**4,681.10**	**(546.64)**
	Net Change in Cash & cash equivalents (A+B+C)	(14.93)	(1,557.31)
	Cash and cash equivalents at the beginning of the year (Refer Note 12)	63.60	1,620.91
	Cash and cash equivalents at the end of the year (Refer Note 12)	**48.67**	**63.60**

1. Corporate information

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited) ('the Parent Company') is a company domiciled and incorporated in India under the provisions of the Companies Act, 1956. The consolidated financial statements relate to the parent company and its subsidiaries (collectively hereinafter referred to as "Group"), its associate and its joint venture.

The registered office of the Parent company is situated at W-5/16 Western Avenue, Sainik Farm, New Delhi – 110062.

The Group is engaged in the business of manufacturing and selling of aluminium based die cast alloys and zinc alloys in India. The Group is also engaged in the business of segregation and sale of metal scrap as a part of manufacturing process (with a specific focus on stainless steel, brass, copper and zinc).

The status of the Parent Company has been changed from Private Limited to Public Limited as per the approval received from Registrar of Companies, Delhi on April 02, 2018 and consequently the name of the Parent Company has been changed to Century Metal Recycling Limited.

These consolidated Financial Statements were authorised for issue in accordance with a resolution of the Board of Directors of the Parent Company in their meeting held on May 25, 2019.

2.1 Basis of preparation

These consolidated Financial Statements have been prepared in accordance Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (IND AS compliant Schedule III), to the extent applicable.

These consolidated financial statements have been prepared on an accrual basis and under the historical cost basis, except for the certain financial assets and financial liabilities which have been measured at fair value as per the requirements of the Ind AS.

The preparation of these consolidated financial statements requires the use of certain significant accounting estimates and judgements. It also requires the management to exercise judgement in applying the Group's accounting policies. The areas where estimates are significant to the consolidated financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 2.5.

All the amounts included in the consolidated financial statements are reported in lacs of Indian Rupees ('Rupees' or 'Rs.'), except per share data and unless stated otherwise and rounded off to nearest lacs.

2.2 Basis of consolidation

These consolidated financial statements comprise the financial statements of the Parent Company, its subsidiaries,its associate and joint venture.

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Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the group i.e. March 31, 2019 except one subsidiary company namely, Sanjivani Non-Ferrous Trading Private Limited whose financial statements have been prepared up to date of divestment i.e. May 30, 2018 (Refer Note 48).

b) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

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) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial

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statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Investment in associate and joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

2.4 Summary of significant accounting policies and Changes in Accounting policies & disclosures

The accounting policies, as set out below, have been consistently applied, by the Group, to all the years presented in the consolidated financial statements except as mentioned in note 2.4 (a) below:

a. **Changes in accounting policies and disclosures**

New and amended standards and interpretations

The Group applied Ind AS 115 for the first time. Various other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective or effective from subsequent to balance sheet date. The nature and effect of the changes as a result of adoption of this new accounting standard(s) and other amendments and interpretations are described below.

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Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted Ind AS 115 using the modified retrospective method of adoption. The effect of the transition on the current year has not been disclosed as the standard provides an optional practical expedient. The Group did not apply any of the other available optional practical expedients.

The change did not have a material impact on profit or loss, OCI and cash flows for the year.

The MCA has also carried out amendments to the following other accounting standards. The effect on adoption of following mentioned amendments were insignificant on the consolidated financial statements.

(i) Ind AS 38 Intangible asset acquired free of charge
(ii) Ind AS 20 Government grant related to non-monetary asset
(iii) Ind AS 40 Transfers of Investment Property
(iv) Ind AS 28 Investments in Associates and Joint Ventures
(v) Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses
(vi) Ind AS 21 - The effects of Changes in Foreign Exchange Rates
(vii) Ind AS 112 Disclosure of interests in other entities

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle
ii) Held primarily for the purpose of trading
iii) Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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A liability is classified as current when:

i) It is expected to be settled in normal operating cycle
ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

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.

c. Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

d. Fair value measurements

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable..
Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

e. Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

Sale of products

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Group collects Goods & Service Tax (GST)/ on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue.

The Group had assumed that recovery of excise duty (applicable till June 30, 2017) flows to the Group on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty till June 30, 2017.

Variable consideration includes trade discounts, volume rebates and incentives, etc. The Group estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Group adjusts estimate of revenue at the earlier of when the most likely amount of consideration expected to receive changes or when the consideration becomes fixed.

Sale of services

Revenue from job work in process is recognised by reference to the stage of completion. Stage of completion is measured by reference to job work in process at the year end and is recognized at measured value of conversion charges. The Group collects service tax/ GST on job work on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Interest income

Interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

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Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms.

Export incentive

Export incentive under the EPCG scheme are accounted in the year of export of goods considering certainty in the collection of export proceeds.

f. Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income on a systematic basis.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

g. Income Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

Current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the income tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(b) In respect of taxable temporary differences associated with investments in subsidiaries,associates and interests in joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, if any. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

(a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

(b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in 'OCI' or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group was entitled to a tax holiday for the previous financial year from 2008 - 2009 to 2017 - 2018, under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

h. Non-Current Asset held for sale:

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

i. Property, plant and equipment ('PPE')

An item of PPE is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably.

Capital work in progress and PPE are initially recognised at cost net of accumulated depreciation, if any. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes and excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, freehold land is carried at historical cost and other items of PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts are required to be replaced at regular intervals, the Group recognises such parts as separate component of assets and depreciates separately based on their specific useful life. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised.

The expenditures those are incurred after the item of PPE is available for use, such as repairs and maintenance, are charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where such expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on PPE is provided on straight line basis using the rates as specified in Part C of Schedule II of the Companies Act, 2013, as set out below except for certain components of plant and machinery useful lives of which have been taken as 8-9 years based on independent assessment of professionals undertaken by Group's management.

Asset	Useful life
Roads	05-10 years
Office and non-factory Building	60 years
Factory Buildings	30 years
Plant and equipment	05-25 years
Office equipment	05 years
Computers	03 years
Servers	06 years
Furniture and fixtures	10 years
Vehicles	08 years

Lease hold land is amortized on straight line basis over the useful life of leasehold land. Lease hold improvements are depreciated on a straight line basis over the useful life of asset or the unexpired lease period ranging from 2.5 to 10 years, whichever is lower.

Individual items of property, plant and equipment costing up to Rs. 10,000/- is charged to the statement of profit and loss in the year in which it is purchased or acquired.

The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of principal asset.

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at each reporting date. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted for prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised at April 01, 2016 measured as per the previous GAAP and use that carrying value except accounting for Government grant and transaction cost of long term borrowings as the deemed cost of the property, plant and equipment and capital work-in-progress.

The cost of capital work-in-progress is presented separately in the balance sheet.

j. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Software is capitalised at the amounts paid to acquire the respective license for use and is amortised over the period of license not exceeding six years from the date when the asset is available for use.

The amortisation expense on intangible assets is recognised in the statement of profit and loss on straight line basis over the estimated useful lives of intangible assets from the date they are available for use. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each balance sheet date. If expected useful life is significant different from previous assessment, the change in useful life is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its intangible assets recognised at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing

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of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses, if any, are recognized in Statement of Profit and Loss as a component of depreciation and amortisation expense.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the statement of profit and loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

m. Leases

The determination of whether an arrangement is a lease is based on whether fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

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Group as a lessee

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

A lease where risks and rewards incidental to ownership of an asset substantially vest with the lessor is classified as operating lease.

Lease rental payments under operating leases are generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

n. Inventories

Inventories are valued at the lower of cost and net realisable value.

Raw materials, traded goods and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on First in first Out (FIFO) basis.

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Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty, wherever applicable. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

o. Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

p. Contingent Liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are disclosed in the consolidated financial statements only when an inflow of economic benefits is probable.

q. Employee benefits

The Group's employee benefits mainly include wages, salaries, bonuses, contribution to plans, defined benefit plans and compensated absences. The employee benefits are recognised in the year in which the associated services are rendered by the Group's employees.

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i) **Defined contribution plans – Provident fund**

Provident fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards provident fund which are defined contribution plans. The Group has no obligation, other than the contribution payable to the funds. The Group recognises contribution payable to the fund scheme in the statement of profit and loss, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

ii) **Defined benefit plans - Gratuity**

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; this benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Group's obligation under this plan is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements comprising of actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Curtailment gains and losses are accounted for as past service costs.

iii) **Other employee benefits**

The employees can carry forward a portion of the unutilized accrued compensated absences and utilise it in future service periods or receive cash compensation during termination of employment.
Compensated absence, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats compensated absences expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are

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provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss.

The Group presents the leave liability as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

r. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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 outstanding. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates that are solely payments of principal and interest on principal amount outstanding. Further in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments the subsequent changes in fair value are recognized in other comprehensive income.

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iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair value through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method or at fair value through profit or loss. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss if the criteria under Ind AS 109 are satisfied. All other financial liabilities are subsequently measured at amortised cost.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

i) Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

ii) Borrowings

On initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability (or a part of the financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Group follows "simplified approach for recognition of impairment loss. The application of simplified approach does not require the group to track changes in credit risk.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

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s. Derivatives

The Group uses derivative financial instruments such as forward exchange contracts to hedge risks associated with foreign currency fluctuations.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss

t. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

u. Cash dividend

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

v. Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating decision maker reviews business performance at an overall Group level as one segment "Aluminium ingots and zinc ingots".

w. Earning per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Group (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.5 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

b) Revenue recognition and presentation

The Group assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The Group has concluded that they operating on a principal to principal basis in all its revenue arrangements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the

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next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

c) Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

d) Allowance for uncollectible trade receivables

Trade receivables generally do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

e) Property, plant and equipment

Refer note 2.4 (i) for the estimated useful life of property, plant and equipment. The carrying value of property, plant and equipment has been disclosed in note 3.

Change in estimate: During the year ended March 31, 2019, the Parent Company and one of its subsidiary company has re-assessed and made a downward revision in the useful lives of certain plant and equipment having a net block of Rs. 201.78 lacs as at April 1,2018. In view of this change, depreciation charge for the year is higher by Rs. 143.89 lacs and profit before tax is lower by Rs 143.89 lacs. Further, during the year ended March 31, 2018, the Parent Company had re-assessed and made a downward revision in the useful lives of certain plant and equipment having a gross block of Rs 468.85 lacs. In view of this change, depreciation charge for the previous year was higher by Rs 168.64 lacs and profit before tax was lower by Rs 100.29 lacs.

f) Intangible assets

Refer note 2.4 (j) for the estimated useful life of intangible assets. The carrying value of intangible assets has been disclosed in note 4.

g) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not

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Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.6 Standards issued but not yet effective

The amendments to the standards are issued, but not yet effective, upto the date of issuance of the consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 amending the following standard:

(i) Ind AS 116 - Leases:

Ind AS 116 provides a comprehensive model for the identification of lease arrangements and their treatment in the consolidated financial statements for both lessors and lessees. IFRS 16 will supersede the current lease guidance including Ind AS 17 Leases and the related Interpretations when it becomes effective for accounting periods beginning on or after April 01, 2019. The date of initial application of Ind AS 116 for the Group will be April 01, 2019.

The Group is in the process of making an assessment of the impact of IND AS 116 upon initial recognition, which is subject to changes arising from more detailed ongoing analysis. The management cannot provide a reasonable estimate of effects of the application of the Standard as they have not completed their impact assessment as at the reporting date.

(ii) Amendment to existing issued Ind AS:

a) Ind AS 12 Income taxes to insert Appendix C Uncertainty over income tax treatments.
b) Ind AS 19 Employee Benefits
c) Ind AS 23 Borrowing Costs
d) Ind AS 28 Investments in Associates and Joint Ventures
e) Ind AS 109 Financial Instruments
f) Ind AS 111 Joint Arrangements

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Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2019
(Amount in Rupees lacs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Leasehold land	Freehold land	Plant and equipment	Buildings	Leasehold Improvements	Vehicles	Furniture & Fixtures	Office Equipment	Computers	Total	Capital work in progress
Cost											
As at April 01, 2017	**1,048.87**	**1,884.90**	**10,309.49**	**6,885.74**	**130.44**	**395.22**	**146.24**	**121.08**	**69.27**	**20,991.25**	**235.72**
Additions	250.77	309.07	506.77	20.74	-	256.29	2.28	21.99	18.22	1,386.13	212.89 #
Disposals	-	-	181.06	1.78	-	19.79	-	-	-	202.63	
Pre-operative expenses/ CWIP written off	-	-	-	-	-	-	-	-	-	-	(98.73)
As at March 31, 2018	**1,299.64**	**2,193.97**	**10,635.20**	**6,904.70**	**130.44**	**631.72**	**148.52**	**143.07**	**87.49**	**22,174.74**	**349.88**
Additions	4.69	249.09	2,495.77	850.92	0.39	200.77	129.84	44.85	56.58	4,032.90	5,339.86 #
Disposals	-	-	107.39	-	-	-	-	-	-	107.39	
Adjustment on account of divestment in a subsidiary company *	-	-	-	-	-	130.74	0.12	0.04	0.02	130.92	
As at March 31, 2019	**1,304.33**	**2,443.06**	**13,023.58**	**7,755.62**	**130.83**	**701.75**	**278.24**	**187.88**	**144.05**	**25,969.33**	**5,689.74**
Depreciation											
As at April 01, 2017	**11.63**	**-**	**1,208.99**	**286.29**	**28.02**	**65.11**	**20.97**	**33.40**	**31.37**	**1,685.78**	
Charge for the year	11.65	-	1,340.28	277.92	22.68	77.65	18.99	27.84	18.78	1,795.79	
Disposals	-	-	117.82	1.78	-	8.09	-	-	-	127.69	
As at March 31, 2018	**23.28**	**-**	**2,431.45**	**562.43**	**50.70**	**134.67**	**39.96**	**61.24**	**50.15**	**3,353.88**	
Charge for the year	14.16	-	1,578.60	279.94	14.04	85.57	25.42	29.71	21.61	2,049.05	
Disposals	-	-	58.82	-	-	-	-	-	-	58.82	
Adjustment on account of divestment in a subsidiary company *	-	-	-	-	-	14.76	0.02	0.01	-	14.79	
As at March 31, 2019	**37.44**	**-**	**3,951.24**	**842.37**	**64.74**	**205.48**	**65.36**	**90.94**	**71.76**	**5,329.32**	
Net block											
As at March 31, 2017	**1,037.24**	**1,884.90**	**9,100.50**	**6,599.45**	**102.42**	**330.11**	**125.27**	**87.68**	**37.90**	**19,305.47**	**235.72**
As at March 31, 2018	**1,276.36**	**2,193.97**	**8,203.75**	**6,342.27**	**79.74**	**497.05**	**108.56**	**81.83**	**37.34**	**18,820.86**	**349.88**
As at March 31, 2019	**1,266.89**	**2,443.06**	**9,072.34**	**6,913.25**	**66.09**	**496.27**	**212.88**	**96.94**	**72.29**	**20,640.01**	**5,689.74**

***Net block of Rs. 116.13 lacs pertains to subsidiary company in which divestment has been made (refer note.48)**
 # The number reported are net (addition less deletion)

Notes:-

1) During the year ended March 31, 2019, the Parent Company and one of its subsidiary company has re-assessed and made a downward revision in the useful lives of certain plant and equipment having a net block of Rs. 201.78 lacs as at April 1,2018. In view of this change, depreciation charge for the year is higher by Rs. 143.89 lacs and profit before tax is lower by Rs 143.89 lacs. Further, during the year ended March 31,2018 , the parent company had re-assessed and made a downward revision in the useful lives of certain plant and equipment having a gross block of Rs 468.85 lacs. In view of this change, depreciation charge for the previous year was higher by Rs 168.64 lacs and profit before tax was lower by Rs 100.29 lacs.

2) Indian Rupee Term Loan of the Parent Company is secured by first charge by way of equitable mortgage in favour of SIDBI of all the lease hold rights in the immovable properties, both present and future at Haridwar unit and first charge by way of hypothecation of all the movable assets except vehicles specifically hypothecated against vehicle loans, such as plant and machinery, equipment, spares, tools, miscellaneous fixed assets, utilities and ancillary equipment etc. The term loan is also collaterally secured by extension of first charge by way of hypothecation on all movable fixed assets, present and future of Haridwar unit of the Parent Company.

3)Term loans of the subsidiary company, CMR Toyotsu Aluminium India Private Limited, are secured by first charge over the entire fixed assets of the said subsidiary company, present and future including Equitable Mortgage of factory land and building at Plot No A-4 & A-5 Sipcot Industrial Park, Pillaipakkam, Chennai.

4) a) Term Loan from SBI in one of the subsidiary company, CMR Nikkei India Private Limited, is secured by first charge over the entire fixed assets except vehicles specifically hypothecated against vehicle loans, present & future, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana.
(b) Term loan from Shinhan bank in one of the subsidiary company, CMR Nikkei India Private Limited, is secured by hypothecation of plant & machinery and by way of simple/registered mortgage on land and building survey No. 676& 677 Village. Vanod Taluka Dasada , District Sundernagar Gujarat.

5) The Vehicle Loans of the Group are secured by way of first charge over specific vehicle.

6) Working capital demand loans of Parent Company including Buyer's Credit, Cash Credit, Bills Discounting and vendor financing facilities are secured by second pari-passu charge with other working capital lenders under consortium on fixed assets (present and future) at all plants except vehicles specifically hypothecated against vehicle loans and assets charged to SIDBI.

7) Working capital credit facility of the subsidiary company, CMR Toyotsu Aluminium India Private Limited, is secured by way of extension of first charge over the fixed assets of the said Company, including Equitable mortgage of factory land & building at Plot No. A-4, A-5 SIPCOT Industrial Park at Pillaipakkam, Sriperumpudur, District Kanchipuram, Chennai.

8) Working capital credit facility of the subsidiary company, CMR Nikkei India Private Limited, is secured by way of extension of charge over the fixed assets situated at Bawal Plant except vehicle specifically hypothecated against vehicle loans of the said subsidiary, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana.

9) Capital work in progress includes plant & equipment of Rs 472.92 lacs (March 31,2018 : Rs.22.27 lacs) in transit.

10) Additions to Freehold land include land filling charges of Nil (March 31, 2018: Rs 30.00 lacs)

PRE-OPERATIVE EXPENSES (INCLUDED IN CAPITAL WORK IN PROGRESS)

Particulars	31st March 2019	31st March 2018
Opening Pre-Operative expenses	2.13	71.07
Additions:*		
Salaries, wages and bonus	108.67	0.97
Contribution to provident and other funds	1.34	-
Staff welfare expenses	2.97	-
Interest expense	34.86	-
Consumption of stores and spares	10.67	-
Power & Fuel	22.57	-
Repair & Maintanance-Plant and equipment	6.25	
Printing & stationery	0.21	0.01
Rent	18.60	-
Rates and taxes	2.34	0.50
Travelling and conveyance expenses	71.18	0.38
Vehicle running and maintenance	2.44	-
Communication expenses	0.43	0.01
Legal and professional expenses	6.48	0.20
Security service expenses	8.08	-
Miscellaneous expenses	21.05	0.06
Written off during the year**	-	(71.07)
Less: Capitalised during the year	(214.26)	-
Balance carried forward	**106.02**	**2.13**

*The above pre-operative expenses are in respect of two capital projects at Gujarat and one capital project at Chennai incurred by Parent Company and it subsidiary companies.

** The Parent Company is now coming up with a new project and accordingly all expenses pertaining to old project at Pune were written off during the previous year.

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
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4 Intangible assets

Particulars	Computer Software
Gross block	
As at March 31, 2017	**319.05**
Additions	52.29
Disposals	-
As at March 31, 2018	**371.34**
Additions	35.28
Disposals	-
Adjustment on account of divestment made in a subsidiary company *	5.09
At March 31, 2019	**401.53**
Amortisation	
As at March 31, 2017	**54.05**
Charge for the year	65.31
Disposals	-
As at March 31, 2018	**119.36**
Charge for the year	65.45
Disposals	-
Adjustment on account of divestment made in a subsidiary company *	4.14
As at March 31, 2019	**180.67**
Net block	
At March 31, 2017	**265.00**
At March 31, 2018	**251.98**
At March 31, 2019	**220.86**

***Net block pertaining to subsidiary company in which divestment has been made (refer note.48)**	**0.95**

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
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5(a) Investment in Associate

	March 31, 2019	March 31,2018
Investments at cost		
Investment in associate (unquoted)		
Suvridhi Financial Services Limited**		
- Nil (31 March 2018: 11,98,600) equity shares of Rs.10/- each (fully paid up) *	-	23.83
Add: Share in accumulated profits	-	2.57
Add: Share in profits for the current year	-	0.55
	-	**26.95**

*including capital reserve of Nil (Previous year: Rs. 177.71 lacs) on acquisition of associate.
**The Parent Company has during the current year, sold shares held in an associate company i.e. Suvridhi Financial Services Limited on October 23, 2018. The said company is no longer as associate of the Parent Company with effect from that date. The Parent Company has received a consideration of Rs 263.56 lacs and earned a profit of Rs 235.51 lacs on such sale which has been accounted for in the current year under "other income".

5(b) Investment in Joint Venture (unquoted)

CMR - Chiho Recycling Technologies Private Limited* **		
- 3,656,750 (March 31, 2018 : Nil) equity shares of Rs 10/- each (fully paid up)	365.68	-
Add: Share in profits/(losses) for the current year	(3.94)	-
	361.74	**-**

***The Parent Company has, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG have subscribed 36,56,750 equity shares each in the equity share capital of CMR-CHIHO Recycling Technologies Private Limited and shares have been issued on February 21, 2019. However, the Parent Company and CEG have paid the amount against issue of equity shares, subsequent to the year end.

5(c) Other Investments

	March 31, 2019	March 31,2018
Investment in equity instruments others (unquoted)		
At fair valuation through Profit and loss		
DSJ Communication Limited ****		
- 25,000 (31 March 2018: 25,000) equity shares of Rs.10/- each (fully paid up)	0.08	0.08
Mardia Steel Limited ****		
- 4,900 (31 March 2018: 4,900) equity shares of Rs.10/- each (fully paid up)	0.06	0.06
Usha India Limited ****		
- 10,000 (31 March 2018: 10,000) equity shares of Rs.10/- each (fully paid up)	0.10	0.10
Rico Investment Limited *****		
- Nil (31 March 2018: 15,00,000) equity shares of Rs.10/- each (fully paid up)	-	155.10
Grand Metal Industries Pvt. Ltd. *****		
- Nil (31 March 2018: 11,000) equity shares of Rs.10/- each (fully paid up)	-	1.10
	0.24	**156.44**
Aggregate amount of unquoted investments	0.24	156.44

**** The above investments are in listed companies. However, the quoted price of the shares of these companies are not available as they are not being traded. Accordingly, these investments have been considered as unquoted investments.
*****The above investments pertain to subsidiary company in which divestment has been made (refer note.48).

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
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6. Loans (at amortised cost)	**Non-Current**		**Current**	
	March	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Security deposits				
Unsecured, considered good	208.96	139.01	247.43	363.00
Loan to related party (Note 31)**				
-CMR- Chiho Recycling Technologies Private Limited	-	-	120.52	-
Loans/advances to employees*				
Unsecured, considered good				
-Related Parties (Note 31)	-	-	19.41	10.94
-Others	3.54	2.39	37.51	36.07
Total	**212.50**	**141.40**	**424.87**	**410.01**
***Loans/advances to employees include:**				
(i) Due from Managing Director of the Parent Company	-	-	12.61	-
(ii) Due from Relative of the Managing Director and Chairman of the Parent Company	-	-	-	9.87
(iii) Due from Chairman of the Parent Company	-	-	4.43	1.07
(iv) Due from Director of the Parent Company	-	-	2.33	-
(v) Due from Company Secretary of the Parent Company	-	-	0.04	-
** Due from CMR-Chiho Recycling Technologies Private Limited, a private company in which directors of the parent company are directors	-	-	120.52	-

7. Other Financial assets	**Non-current**		**Current**	
	March 31,20	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Financial Assets at fair value through profit & loss				
Derivative Assets	-	-	-	15.47
Other financial assets (at amortised cost)				
Deposits with banks having maturity for more than 12 months (Note 12)	426.63	273.79	-	-
Interest recoverable from related party * (Note 31)	-	-	2.63	-
Interest accrued on fixed deposits and others	16.56	7.41	25.37	26.42
Corporate guarantee commission receivable**				
- from related parties (Note 31)	-	-	122.24	66.81
Recoverable from Sanjivani Non Ferrous Trading Private Limited (Note 50 and 31)	-	-	3,081.73	-
Quality claims recoverable	-	-	86.67	209.49
Unbilled revenue	-	-	39.88	277.62
Subsidy receivable from Government authorities	-	-	360.69	171.15
Other recoverable	-	-	48.66	0.40
Total	**443.19**	**281.20**	**3,767.87**	**767.36**

* Interest recoverable of Rs 2.63 lacs (previous year Nil) from CMR-Chiho Recycling Technologies Private Limited, a private limited company in which directors of the Parent Company are directors

** Corporate Guarantee commission includes Rs 55.42 lacs recoverable from Nikkei MC Aluminium Co. Limited and Rs 66.82 lacs recoverable from Toyota Tsuho Corporation.

Note:
Entire loans and other financial assets of the Group have been hypothecated/mortgaged to secure borrowings of the Group (refer note 14)

(Amount in Rupees lacs, unless otherwise stated)

8. Income Tax

The major component of income tax expense are as follows:-

Consolidated Statement of profit and loss:

	March 31, 2019	March 31, 2018
Profit or loss section		
Current income tax:		
Current income tax charge	3,742.13	3,181.21
MAT credit adjustment	(1,297.91)	(414.41)
MAT credit for earlier year	2.15	(6.39)
Income Tax pertaining to earlier years	7.66	(3.50)
Deferred tax:		
Relating to origination and reversal of temporary differences	3,543.56	1,502.95
Relating to origination and reversal of temporary differences for earlier years (net)	29.48	1.29
Income tax expense reported in the statement of profit or loss	**6,027.08**	**4,261.15**

Other Comprehensive Income (OCI) section

	March 31, 2019	March 31, 2018
Deferred tax relating to items in OCI in the year:		
Net losses/(gains) on measurement of defined benefit plans	(5.86)	3.30
Income tax charged to OCI	**(5.86)**	**3.30**

Reconciliation of tax expense and the accounting profit multiplied by the applicable tax rate(s).

	March 31, 2019	March 31, 2018
Accounting profit before income tax (including items of OCI) before Non Controlling interest	17,352.28	13,900.87
Tax on Profits taxable at the rate of 34.944% / 34.608%	6,058.21	4,788.68
Tax on Profits taxable at the rate of 31.20% / 30.90%	4.79	19.76
Tax payable on lower rate on profit on sales of non-current investments	(83.63)	-
Change in rate of income tax	5.06	(38.19)
Profit exempt from tax	-	(565.24)
Interest on income tax.	5.75	27.28
Tax on eliminated Income/Expenses	-	-
Others	(8.28)	21.42
At the effective income tax rate applicable in the respective year	5,981.92	4,273.05
Income tax expense reported in the statement of profit and loss	5,981.92	4,273.05
At the effective income tax rate of	34.47%	30.74%

Deferred tax:

Deferred tax relates to the following:

	Balance sheet		Statement of profit or loss	
	March 31, 2019	**March 31,2018**	**March 31, 2019**	**March 31,2018**
Deferred tax liabilities:-				
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(1,710.61)	(1,683.86)	(26.75)	(20.48)
Liability on rent equalisation reserve reversed under Ind AS	(12.01)	(12.01)	-	(0.12)
On deferred government grant related to EPCG	(16.12)	(22.66)	6.53	(0.22)
On allowances taken under Section 43B on payment basis	(5,979.83)	(3,032.40)	(2,947.43)	(1,674.02)
On fair valuation of interest free loan	(8.41)	(5.93)	(2.48)	(4.26)
			-	
Deferred tax Assets:-			-	
Effect of expenditure debited to statement of Profit and Loss in the current/ earlier years but allowable for tax purpose in the following years	300.36	921.06	(620.70)	740.47
Provision for doubtful debts	-	104.67	(104.67)	58.62
Carry forward of business losses and unabsorbed depreciation	1,295.24	1,178.76	116.48	(611.87)
On elimination of unsold stock	7.37	-	7.37	-
On derivative instruments - Forward Contracts	8.33	3.59	4.74	3.45
MAT credit Entitlement	2,457.44	1,181.51	1,275.92	305.86
TDS Disallowances	2.04	2.04	-	0.02
Fair valuation of equity shares	2.79	3.07	(0.28)	0.89
	(3,653.41)	**(1,362.16)**	**(2,291.26)**	**(1,201.66)**
Deferred Tax charge without MAT Credit Entitlements			**(3,567.18)**	**(1,507.54)**
Shown under OCI section			(5.86)	3.30
Shown under profit and loss section			3,573.04	1,504.24

Reflected in the balance sheet as follows:

	March 31, 2019	March 31,2018
Deferred Tax (Liabilities) (Net)		
Deferred tax assets	4,048.57	1,087.83
Deferred tax liabilities	(7,726.98)	(2,757.50)
	(3,678.41)	**(1,669.67)**
Deferred Tax Asset (Net)		
Deferred tax liabilities	-	(1,999.34)
Deferred tax assets	-	2,306.85
	-	**307.51**
Deferred Tax Asset (Net) pertaining to subsidiary company in which divestment has been made (refer Note 48)	**24.99**	**-**
Total Deferred Tax (Liabilities) disclosed above	**(3,653.41)**	**(1,362.16)**

Reconciliation of deferred tax liabilities (net):

	March 31, 2019	March 31,2018
Opening balance	(1,362.16)	(160.48)
Tax (expense) during the year recognised in profit or loss	(3,573.04)	(1,504.24)
Tax income/(expense) during the year recognised in OCI	5.86	(3.30)
Change in MAT credit entitlement for the year*	1,275.92	305.86
Closing balance of deferred tax (liabilities) (Net)	**(3,653.41)**	**(1,362.16)**
Deferred Tax Asset (Net) pertaining to subsidiary company in which divestment has been made (refer Note 48)	24.99	-
Closing balance of deferred tax (liabilities) (Net)	**(3,678.39)**	**(1,362.16)**

* in respect of previous year, the amount reported is net off MAT credit utilised in one of a subsidiary company

Notes:-

1. The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

2. The Group has recognized Minimum Alternate Tax (MAT) credit entitlement as follows which represents that portion of the MAT Liability, the credit of which would be available based on the provision of Section 115JAA of the Income Tax Act, 1961.

3. The net deferred tax assets include Rs. 1,295.24 lacs in respect of the subsidiary companies out of which Rs. 605.81 lacs is pertaining to subsidiary company in which divestment has been made (refer Note 48). Although, there is carried forward unabsorbed depreciation and business losses as on the reporting date in the said companies, yet in view of profits earned during the year and future profitability projections, the Group is reasonable certain that there would be sufficient taxable income in future to realise the aforesaid deferred tax assets.

Particulars	March 31, 2019	March 31, 2018
MAT Credit Entitlement	2,457.44	1,181.51
MAT credit entitlement pertaining to subsidiary company in which divestment has been made (refer Note 48)	19.86	-
Closing balance of MAT credit entitlement	**2,437.58**	**1,181.51**

9. Other Assets

	Non-Current		Current	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Unsecured, considered good				
Capital advances				
- Related Party (Note 31)*	391.10	329.40	-	-
- Others	876.85	482.31	-	-
Prepaid expenses #	108.17	113.40	857.07	201.92
Balances with statutory/ government authorities	-	-	15,547.31	10,311.90
Advance to Suppliers	-	-		
- Related parties ** (Note 31)	-	-	9.62	8.35
- Others	-	-	1,053.64	1,555.82
Focus License	-	-	105.73	178.50
Insurance and other claims recoverable	-	-	-	17.24
Total	**1,376.12**	**925.11**	**17,573.37**	**12,273.73**

includes Rs 594.54 lacs (March 31,2018 : Rs 32.25 lacs) of expenses prepaid towards initial Public Offering (IPO) and these expenses shall be adjusted from the amount of securities premium or charged to statement of profit and loss once the Parent Company's IPO is successfully completed. The said amount includes payment to statutory auditors of the Parent Company for IPO related job of Rs 96.07 lacs and to related parties towards Directors's

*** Dues from Related Party**				
- Managing Director of the Parent Company	391.10	329.40	-	-
**** Due from private limited in which directors of the Parent Company are directors :**				
-Grand Metal Industries Private Limited	-	-	9.47	8.35
-Grand Metal Recycling Private Limited	-	-	0.15	-

Note:-
Entire other assets of the Group have been hypothecated/mortgaged to secure borrowings of the Group (refer note 14)

10. Inventories

	March 31, 2019	March 31, 2018
Raw materials	26,928.47	20,791.33
{Including Rs. 13,609.45 lacs (March 31, 2018:Rs.11,606.78 lacs) in transit}		
Finished goods	4,141.82	1,761.81
{Including Rs.363.94 lacs (March 31, 2018: Rs.536.61 lacs) in transit}		
Stores, spares, fuel and packing materials	745.36	470.43
{Including Rs 1.53 lacs (March 31, 2018: Rs.37.44 lacs) in transit}		
	31,815.65	**23,023.57**

Note:
Entire stocks lying in the Group's factories, godowns, elsewhere (including GIT) have been hypothecated/mortgaged to secure borrowings of the Group (refer note 14).

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
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11. Trade receivables (at amortised cost)

		March 31, 2019	March 31, 2018
Trade receivables from others		29,687.38	27,821.21
		29,687.38	**27,821.21**
Break-up for security details and more than 6 months trade receivables:			
Outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good		66.41	107.90
Unsecured, considered doubtful		-	299.54
		66.41	407.44
Allowances for bad and doubtful debts		-	(299.54)
	(A)	66.41	107.90
Other receivables			
-Unsecured considered good		29,620.97	27,713.31
	(B)	29,620.97	27,713.31
Total (A+B)		**29,687.38**	**27,821.21**

1. Trade receivables are generally non-interest bearing and are generally on terms of 0 to 90 days.

2. Entire trade receivables of the Group have been hypothecated/mortgaged to secure borrowings of the Group (refer note 14).

12. Cash and Cash Equivalents

	March 31, 2019	March 31, 2018
(a) Cash and cash equivalents		
Cash on hand	9.66	12.95
Balances with banks:		
- Current accounts	35.18	42.43
- Cash credit accounts	-	8.22
Total	**44.84**	**63.60**
(b) Other bank balances		
Deposits with remaining maturity of less than 12 months*	560.73	933.15
Deposits with remaining maturity of more than 12 months*	426.63	273.79
	987.36	**1,206.94**
Disclosed under:		
Other bank balances (refer note 12b)	560.73	933.15
Other non- current financial assets (refer Note 7)	426.63	273.79
	987.36	**1,206.94**

* (i) Deposits of Rs. 987.36 lacs (March 31, 2018 : Rs 1,204.73 lacs) are pledged with bank against bank guarantees, letter of credit and margin money for availing Buyer's credit and loan from Government of Haryana.

* (ii) Deposits of Nil (March 31, 2018 : Rs. 2.21 lacs) have been kept with Sales Tax Department, Chennai, Dadri and Haridwar as security.

Note: Entire balances of cash and cash equivalents and other bank balances of the Group have been hypothecated/mortgaged to secure borrowings of the Group (refer note 14).

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

	March 31, 2019	March 31, 2018
Cash on hand	9.66	12.95
Balances with banks:		
- Current accounts	35.18	42.43
- Cash credit accounts	-	8.22
Cash and bank attributable to subsidiary company in which divestment has been made (refer note.48)	3.83	-
Total	**48.67**	**63.60**

Changes in liabilities arising from financing activities	**Non-Current**		**Current**	
Particulars	**March 31, 2019**	**March 31,2018**	**March 31, 2019**	**March 31,2018**
Opening balance	4,421.39	5,632.77	22,368.86	20,290.23
Cash flows	419.02	(1,291.90)	5,491.35	2,163.17
Foreign exchange management	-	-	-	(84.54)
Changes in fair values	56.81	80.50	-	-
Closing Balance	**4,897.23**	**4,421.39**	**27,860.21**	**22,368.86**
Amount pertaining to subsidiary company in which divestment has been made (refer note.48)	(94.72)	-	(227.42)	-
Closing Balance	**4,802.51**	**4,421.37**	**27,632.79**	**22,368.86**

(Amount in Rupees lacs, unless otherwise stated)

13. Share Capital

	Particulars	March 31, 2019	March 31, 2018
(a)	**Authorised share capital**		
	Equity shares of Rs.	10	10
	Authorised equity shares (No.)	4,50,00,000	70,00,000
	Authorised equity shares capital (Rs. in lacs)	4,500.00	700.00
	Compulsory Convertible Participatory Preference Shares (CCPPS) of Rs.		10
	Authorised Compulsory Convertible Participatory Preference Shares (No.)	-	20,00,000
	Authorised compulsory convertible participatory preference shares capital (Rs. in lacs)	-	200.00
	Total authorised share capital (Rs in lacs)	**4,500.00**	**900.00**

Based on approval by the Board of Directors of the Parent Company in their meeting held on September 24, 2018, 20,00,000 CCPPS of Rs 10 each have been converted into 20,00,000 equity shares of Rs 10 each.

(b) Issued, subscribed & paid-up share capital

Particulars	March 31, 2019	March 31, 2018
Equity shares of Rs.	10	10
Equity shares (No.)	3,06,16,876	61,23,375
a) Subscribed & paid-up equity share capital (Rs. in lacs)	3,061.69	612.34
Compulsory Convertible Participatory Preference Shares(CCPPS) of Rs.	-	10
Compulsory Convertible Participatory Preference Shares (No.)	-	15,30,844
b) Subscribed & paid-up Compulsory Convertible Participatory Preference Shares ('CCPPS')	-	153.08
Total subscribed & paid-up share capital	**3,061.69**	**765.42**
Less : Elimination of Nil (March 31, 2018 : 6,67,680) equity shares held by a subsidiary company	-	66.77
Net subscribed & paid-up share capital	**3,061.69**	**698.65**

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :

Particulars	March 31, 2019	March 31, 2018
Equity Shares (No.)		
At the beginning of the year	54,55,695	54,55,695
Bonus shares issued during the year (refer note 'h' below)	1,83,70,125	-
Conversion of CCPPS into equity shares (refer note 'e' below)	61,23,376	-
Restatement of equity shares held by divested subsidiary company (cross holding) {refer note 49}	6,67,680	-
Outstanding at the end of the year	**3,06,16,876**	**54,55,695**
Compulsory Convertible Participatory Preference Shares (No.)		
At the beginning of the year	15,30,844	15,30,844
Conversion of CCPPS into equity shares (refer note 'e' below)	(15,30,844)	-
Outstanding at the end of the year	**-**	**15,30,844**

Description	March 31, 2019	March 31, 2018
Equity Shares		
At the beginning of the year	545.57	545.57
Bonus shares issued during the year (refer note 'h' below)	1,837.01	-
Conversion of CCPPS into equity shares (refer note 'e' below)	612.34	-
Restatement of equity shares held by divested subsidiary company (cross holding) {refer note 49}	66.77	-
Outstanding at the end of the year	**3,061.69**	**545.57**
Compulsory Convertible Participatory Preference Shares ('CCPPS')		
At the beginning of the year	153.08	153.08
Conversion of CCPPS into equity shares (refer note 'e' below)	(153.08)	-
Outstanding at the end of the year	**-**	**153.08**

(d) Terms/ rights attached to equity shares

The Parent Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company will pay dividends in Indian rupees. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

In respect of 4,108,436 equity shares held by Global Scrap Processors Limited ("GSPL") (including 2,014,936 equity shares issued upon conversion of 503,734 Compulsorily Convertible Participatory Preference Shares [CCPPS]), GSPL, in terms of Investment Agreement dated 24.09.2013 ["Investment Agreement", is entitled to anti-dilution rights, if any future issue of any equity share is made at a price lower than an agreed price; and tag-along rights in relation to the equity shares held by GSPL if the Company's shareholders transfer, in aggregate, more than 5% of the equity shares held by them. However, GSPL has waived its anti-dilution rights only to the extent of equity shares offered through a fresh issue in an IPO and tag-along rights in the event and to the extent that any of the Promoters offer any of the equity shares held by them for sale through the offer for sale. GSPL has right to vote on any resolution for the winding up of the Parent Company or for the repayment or reduction of its equity or preference share capital. GSPL is also entitled to appoint one director on board of the Parent Company and the board of each of the subsidiaries. The quorum of a meeting of the board shall be 1/3rd of its total strength and two directors, whichever is higher, including, GSPL'S nominee Director, present throughout the meeting, unless otherwise agreed with the Investor's consent. No action or decision relating to any of the reserved matters as mentioned in Investment agreement shall be taken unless GSPL's consent is obtained for such action or decision.

(e) Terms of conversion / redemption of CCPS

Pursuant to the Share Purchase Agreement dated September 24, 2013 ["SPA"], entered into among IFCI Venture Capital Fund Limited, Global Scrap Processors Limited ("GSPL"), Promoters and the Company, GSPL purchased 5,23,375 equity shares at a price of Rs.422.02 per equity share, aggregating to Rs.2,208.70 lacs from IFCI Venture Capital Fund Limited, and pursuant to the Investment Agreement dated 24.09.2013 ["Investment Agreement", GSPL subscribed to 15,30,844 compulsorily convertible participatory preference shares ("CCPPS") of face value Rs.10 each, issued at a premium of Rs.381.94 aggregating to Rs. 6,000.00 lacs to the Company. CCPPS shareholder was entitled to receive cumulative dividend at the rate of 0.001% per annum. At any time, the holder of CCPPS had the right to convert, at its sole discretion and option, the CCPPS into equal number of fully paid up equity shares or as per formula laid down in the Investment Agreement. These preference shares carried preferential right with respect to the repayment, in the case of winding up or repayment of the capital of the Parent Company.

Further, the Parent Company, promoters and CCPPS shareholder, entered into a Share Sale and Purchase Agreement, dated January 20, 2018, as amended by an amendment agreement dated May 08, 2018 (together referred to as "SPA Amendment Agreement"). Pursuant to the SPA Amendment Agreement, GSPL transferred 1,027,110 CCPPS to Grand Metal Recycling Private Limited ("GMRPL"), one of the promoter Company at an agreed purchase consideration.

CCPPS shareholder (holding 5,23,375 equity shares and 15,30,844 CCPPS as at March 31, 2018) vide letter dated May 07, 2018 has amended the "Put Option" clause of the Investment Agreement whereby CCPPS shareholder will not exercise the Put Option if the Parent Company files its Draft Red Herring Prospectus (DRHP) with SEBI for IPO on or before April 01, 2019.

The Parent Company has filed its DRHP on June 11, 2018 and therefore, based on a legal opinion obtained by the Parent Company, obligation of the Parent Company to do the buy back has expired post filing of the DRHP in accordance with letter dated May 07, 2018. Accordingly, CCPPS is not a financial liability as per Ind AS 32 financial instruments – presentation contingent settlement provision and the Group has disclosed CCPPS and equity shares as equity.

The Parent Company and GSPL had vide letter dated May 29, 2018 agreed to amend the term of investment agreement dated September 24, 2013 whereby the each CCPPS held would be converted into 4 equity shares.

GSPL on August 08, 2018 has transferred 1,027,110 CCPPS to GMRPL in accordance with terms and conditions of the SPA Amendment Agreement. Subsequent to such transfer, the Parent Company has converted such CCPPS into 4,108,440 equity shares vide resolution passed at an EGM dated August 14, 2018.
The Parent Company has converted 114,222 CCPPS and 3,89,512 CCPPS held by GSPL into 456,888 equity shares and 15,58,048 equity shares respectively on May 31, 2018 and September 05, 2018 respectively. Accordingly, during the year , the Parent Company has capitalised securities premium account by Rs. 34.27 lacs on account of conversion of 114,222 CCPPS into 456,888 equity shares.

The Parent Company has capitalised securities premium of Rs. 308.13 lacs on conversion of 1,027,110 CCPPS into 4,108,440 equity shares on August 14, 2018 and Rs. 116.85 lacs on conversion of 389,512 CCPPS into 1,558,048 equity shares on September 05, 2018.

Consequent to above said conversions and transfers, the CCPPS as on date stands Nil and GSPL holds 41,08,436 equity shares as on date.

(Amount in Rupees lacs, unless otherwise stated)

(f) Detail of shareholders holding more than 5% shares in the Parent Company

Particulars	**March 31,2019**	**March 31,2018**
Names	**No. of shares**	**No. of shares**
Equity shares		
Shri Gauri Shankar Agarwala	26,70,856	6,67,714
Smt. Kalawati Agarwal	15,89,764	3,97,441
Shri Mohan Agarwal	31,55,820	7,88,955
Smt. Pratibha Agarwal	21,39,684	5,34,921
Suvridhi Financial Services Limited	36,49,992	9,12,498
Grand Metal Recycling Private Limited	64,02,520	5,73,520
Sanjivani Non Ferrous Trading Private Limited	26,70,720	6,67,680
Forever Multimedia Private Limited	20,03,040	5,00,760
Ramayana Polymers Private Limited	19,89,344	4,97,336
Global Scrap Processors Limited	41,08,436	5,23,375
Compulsory Convertible Participatory Preference Shares ('CCPPS')		
Global Scrap Processors Limited	-	15,30,844

Names	**% holding in the class**	**% holding in the class**
Equity shares		
Shri Gauri Shankar Agarwala	8.72%	12.24%
Smt. Kalawati Agarwal	5.19%	7.28%
Shri Mohan Agarwal	10.31%	14.46%
Smt. Pratibha Agarwal	6.99%	9.80%
Suvridhi Financial Services Limited	11.92%	16.73%
Grand Metal Recycling Private Limited	20.91%	10.51%
Sanjivani Non Ferrous Trading Private Limited	8.72%	12.24%
Forever Multimedia Private Limited	6.54%	9.18%
Ramayana Polymers Private Limited	6.50%	9.12%
Global Scrap Processors Limited	13.42%	9.59%
Compulsory Convertible Participatory Preference Shares ('CCPPS')		
Global Scrap Processors Limited	-	100.00%

As per records of the Parent Company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(g) Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

	March 31, 2019	**March 31, 2018**
Equity shares allotted as fully paid bonus shares:	No.	No.
Allotted on 14.05.2018	1,83,70,125	-
Conversion of CCPS into equity shares including bonus shares	61,23,376	-

(h) The Board of Directors of the Parent Company in their meeting held on May 08, 2018 had proposed to issue bonus shares in the ratio of 3:1 i.e. three equity shares for every one equity share held by the equity shareholders of the Parent Company by capitalisation of such as standing to the credit of securities premium. Such bonus shares were allotted on May 14, 2018.

14. Borrowings (at amortised cost)

	Non Current		Current	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
From Banks				
Foreign currency loan (Secured)	-	890.96	-	708.50
Indian rupees loan (Secured)	1,598.52	633.29	1,822.88	585.60
Vehicle Loans (Secured)	106.07	142.54	59.22	63.85
Cash credit (Secured)	-	-	6,098.07	2,740.05
Working capital demand loans (Secured)	-	-	4,999.99	4,000.00
Buyers Credit (Secured)	-	-	-	5,781.49
Vendor financing (Secured)	-	-	1,949.43	1,035.99
Commercial Card (Unsecured)	-	-	396.30	-
Bill discounting (Unsecured)	-	-	14,189.01	8,627.09
From financial institution				
Indian rupees loan (Secured)	456.10	611.50	155.40	155.40
From Others				
Interest Free Indian Rupees Loan from Government of Haryana (Unsecured)	699.04	629.76	-	-
From Related Parties (Unsecured) (Refer Note 31)	-	-	227.42	184.24
Total	**2,859.73**	**2,908.05**	**29,897.72**	**23,882.21**
The above amount includes				
Secured borrowings	2,160.69	2,278.29	15,084.99	15,070.88
Unsecured borrowings	699.04	629.76	14,812.73	8,811.33
Amount disclosed under the head "other financial liabilities" (refer note 15)			(2,009.01)	(1,513.35)
Amount pertaining to subsidiary company in which divestment has been made (refer note.48)	(66.23)	-	(255.91)	-
	2,793.50	**2,908.05**	**27,632.79**	**22,368.86**

Notes:
(1) Details of borrowings and Unamortised Interest cost:-

Indian rupee and foreign currency loans	**1,607.89**	**1,528.39**	**1,833.57**	**1,297.56**
Less: Unamortised Interest Cost	(9.37)	(4.14)	(10.69)	(3.46)
Carrying value of Interest Free Indian Rupees Loan from Government of Haryana	**1,598.52**	**1,524.25**	**1,822.88**	**1,294.10**

Interest Free Indian Rupees Loan from Government of Haryana	**939.11**	**939.11**	**-**	**-**
Less: Unamortised Interest Cost	(240.07)	(309.35)	-	-
Carrying value of Interest Free Indian Rupees Loan from Government of Haryana	**699.04**	**629.76**	**-**	**-**

2.)The maturity profile, security and rate of interest of non current borrowing are as given below:

Loan	Loan Amount (Rs in lacs)	Rate of Interest during the year	Security/Principal terms and Conditions	Repayment Terms
Indian rupee term loan from:				
SIDBI	611.50(March 31, 2018: 766.90)	10.40%	Term Loan (In Indian Currency) from SIDBI is secured by first charge by way of equitable mortgage in favour of SIDBI of all the lease hold rights in the immovable properties, both present and future at Haridwar unit and First Charge by way of hypothecation of all the movable assets except vehicles specifically hypothecated against vehicle loans, such as plant and machinery, equipment, spares, tools, miscellaneous fixed assets, utilities and ancillary equipment etc. save and except stock and book debts, acquired or to be acquired at Haridwar and Gurgaon unit of the Parent Company. Further this loan is personally guaranteed by the promoter directors, Shri Gauri Shankar Agarwala and Shri Mohan Agarwal	77 monthly equated instalments of Rs.12.95 lacs starting from Oct 2016 and last instalment of Rs.2.85 lacs
State Bank Of India	580.19 (March 31, 2018 - 1,163.70)	MCLR+3%	CMR Nikkei India Private Limited, a subsidiary company has converted the outstanding foreign currency term loan as on March 14, 2018 . This loan is secured by first charge over the entire fixed assets except vehicles specifically hypothecated against vehicle loans of the said subsidiary company, present & future, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana and is collaterally secured by extension of charge over current assets.	8 quarterly instalment of Rs 145.45 lacs.
Shinhan Bank	1,966.57 (March 31, 2018 - Nil)	MCLR+0.35%	CMR Nikkei, a subsidiary company has taken a term loan which is secured by hypothecation of Plant & Machinery installed in the factory building at Survey No. 676 & 677 village Vanod Taluka Dasada, District Surender nagar Gujrat - 382750 and by way of Simple/Registered mortgage of Land and building situated at Survey No. 676 & 677 village Vanod Taluka Dasada, District Surender nagar Gujarat - 382750.Further it is secured by Personal Guarantee by the directors of the subsidiary Company i.e. Shri GS Agarwala and Shri Mohan Agarwal	16 equal quarterly instalments of Rs 175.00 lacs starting from 1 August 2019
State Bank Of India	894.70 (March 31, 2018: 57.57 lacs)	MCLR 1Y + 2.60%	CMR Toyotsu Aluminum India Private Limited, a subsidiary company has converted the outstanding foreign currency term loan as on 27.12.2017 . This loan is secured by first charge over the entire fixed assets of the said subsidiary company, present and future including Equitable Mortgage of factory land and building at Plot No A-4 & A-5 Sipcot Industrial Park, Pillaipakkam, Chennai and collaterally secured by extension of charge over current assets.	4 Nos quarterly instalments for amount of Rs 0.95 lac each commencing from March 28, 2018 to December 31, 2018 and their after quarterly instalments of Rs 178.95 lacs each (including FCNR Loan Instalments after rollover into INR Loan) up to June, 2020.

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
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2. Foreign currency term loan from:

Loan	Loan Amount (Rs in lacs)	Rate of Interest during the year	Security/Principal terms and Conditions	Repayment Terms
State Bank of India	Nil (March 31, 2018 : 1,604.69)	LIBOR + 400 Basis Points	CMR Toyotsu India Private Limited, a subsidiary company had converted Indian Rupees Term Loan of Rs. 1,734.84 Lacs into Foreign Currency Term Loan of USD 27.45 Lacs at interest rate of LIBOR + 400 basis point on 04.01.2018 for 12 months. This loan was secured against first charge over the entire fixed assets of the said company, present and future including Equitable Mortgage of factory land and building at Plot No A-4 & A-5 Sipcot Industrial Park, Pillaipakkam, Chennai and collaterally secured by extension of charge over current assets and corporate guarantee by the Parent Company. Further, secured by way of pledge of 7,500,000 lacs equity shares of the subsidiary company held by the Parent Company. As per the original sanction terms repayment of term loan to be paid in 19 equal quarterly instalments of Rs 178.95 lacs each commencing from December 2015 and ending in June 2020.	4 Nos different quarterly instalments for total amount of USD 10.94 lacs commencing from March 28, 2018 to December 31, 2018 and balance USD of 16.49 lacs will be rolled over on January 04, 2019 into INR Currency Loan which will be repaid into quarterly instalments of Rs. 178.95 lacs each up to June 2020.

Vehicle Loans

Loan	Loan Amount (Rs in lacs)	Rate of Interest during the year	Security/Principal terms and Conditions	Repayment Terms
ICICI Bank	15.74 lacs (March 31, 2018: 37.88)	10.20%	Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.	60 equated monthly instalments of Rs.2.08 lacs
HDFC bank	7.72 (March 31, 2018: 10.49)	8.45%	Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.	LCV loan with EMI of Rs.0.30 lacs
HDFC bank	2.48 lacs (March 31, 2018: Rs 4.26	9.70%	Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.	47 monthly installment of Rs. 0.18 lac commenced from 15.08.2016
HDFC bank (refer note.4 below)	94.72 (March 31, 2018: 100.08)	7.90%	Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.	48 equated monthly instalments of Rs 2.91 lacs
HDFC bank	44.63 (March 31, 2018: 53.67)	8.25%	Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.	60 equated monthly instalments of Rs.1.09 lacs

Term Loan from Government of Haryana

Loan	Loan Amount (Rs in lacs)	Rate of Interest during the year	Security/Principal terms and Conditions	Repayment Terms
Government of Haryana (Interest free loan)	939.11 lacs (March 31, 2018: 939.11 lacs)	Interest free loan	The Parent Company has furnished bank guarantees of Rs. 939.11 lacs to Government of Haryana.	Payable immediately after 5 years from the date of disbursement i.e. Jan'17 and Mar'17.

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2019
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Notes :-

3. The maturity profile, security and rate of interest of current borrowings are as given below:

Loan	Loan Amount (Rs in lacs)	Rate of Interest	Security	Repayment Terms
Cash credit (secured)				
HDFC Bank	2,751.61 (March 31, 2018: 874.25)	9.20% to 9.80%	Refer Note 3.1 below	Repayable on demand
State Bank Of India	434.66 (March 31, 2018: 640.95)	9.20%-9.50%	Refer Note 3.1 below	Repayable on demand
Axis Bank	1,992.55 (March 31, 2018: 19.74)	9.90%-10.15%	Refer Note 3.1 below	Repayable on demand
State Bank Of India	438.83(March 31, 2018 - 321.35)	9% to 10%	Refer Note 3.2 below	Repayable on demand
State Bank Of India	480.41 (March 31, 2018: 883.76	9.95% - 10.50%	Refer Note 3.3 below	Repayable on demand
Working capital demand loans-Indian Rupees (secured)				
State Bank Of India	2,000.00 (March 31, 2018: 2,000.00)	8.75% to 9.00%	Refer Note 3.1 below	For a period not exceeding 3 months from drawdown date
State Bank Of India	1,500.00 (March 31, 2018: 1,000.00)	9.10%-9.50%	Refer Note 3.3 below	For a period not exceeding 3 months from drawdown date
State Bank Of India	1,500 (March 31, 2018: 1,000.00 lacs)	10.00%	Refer Note 3.2 below	For a period not exceeding 3 months from drawdown date
Buyer's Credit (Secured)				
HDFC Bank	Nil (March 31, 2018: 3,059.28)		Refer Note 3.1 below	For a period not exceeding 3 months from drawdown date
Axis Bank	Nil (March 31, 2018: 2,722.21)		Refer Note 3.1 below	For a period not exceeding 3 months from drawdown date
Bill discounting from banks (unsecured)				
China trust Commercial Bank	1,335.79 (March 31, 2018: 1,247.88)	7.83% to 9.10%	Refer Note 3.4 below	For a period not exceeding 3 months from drawdown date
Axis Bank	2,018.49 (March 31, 2018: 2,339.09)	8.55% to 9.15%	Unsecured	For a period not exceeding 3 months from drawdown date
HDFC Bank	7,482.63 (March 31, 2018: Nil)	8.50%-9.65%	Refer Note 3.4 below	For a period not exceeding 3 months from drawdown date
HDFC Bank	861.23 (March 31, 2018 - 790.57)	8.50% to 9.50%	Refer Note 3.4 below	For a period not exceeding 3 months from drawdown date
Shinhan Bank	Nil (March 31, 2018 - 219.53)	8.50%	Unsecured	For a period not exceeding 3 months from drawdown date
Axis Bank	991.01 (March 31, 2018 - 1,006.00)	8.50% to 9.50%	Unsecured	For a period not exceeding 3 months from drawdown date
Axis Bank	1,499.86 (March 31, 2018 - 1,497.33)	8.50% to 9.00%	Refer Note 3.4 below	For a period not exceeding 3 months from drawdown date
Shinhan Bank	Nil (March 31, 2018: 1,526.70)	7.60% to 7.80%	Unsecured	For a period not exceeding 3 months from drawdown date
Vendor Financing (secured)				
State Bank Of India	1,949.43 (March 31, 2018: 1,035.99)	8.10% to 8.50%	Refer Note 3.1 below	For a period not exceeding 3 months from drawdown date
From related parties				
Suvridhi Financial Services Limited (refer note.4 below)	227.42 (March 31, 2018: 184.24 lacs)	12%	Unsecured	Repayable on demand
Grand Metal Industries Private Limited (refer note.4 below)	Nil (March 31, 2018: .01 lac)	9%	Unsecured	Repayable on demand
Commercial card from banks (Unsecured)				
Axis Bank	396.30 (March 31,2018 : Nil)	1.10% to 1.20%	Unsecured	For a period not exceeding 3 months from drawdown date

Notes :

3.1) First pari passu charge with other member banks of consortium on all the current assets of the Parent Company including all type of stocks lying in their factories, godowns, elsewhere (including GIT) and Company's book debts (present and future).

It is further secured by way of second pari-passu charge with other working capital lenders under consortium on entire fixed assets (present and future) at all plants except vehicles specifically hypothecated against vehicle loans and assets charged to SIDBI and freehold land at Gujarat mortgaged by one of a subsidiary company for availing loan facility.

It is further secured by way of equitable mortgage under first pari passu charge of the property at Millennium Plaza Limited, 001B and 001C, Tower"A" Ground Floor, Sector 27,Gurgaon owned by Sh. G.S.Agarwala and Sh. Mohan Agarwal, promoter directors . Equitable mortgage under first pari passu charge also provided of property owned by Sh. Mohan Agarwal at Nav Shakti Co-operative Group Housing Society B-43, Plot No.5, Sector - 9, Rohini, New Delhi. Further, personal guarantee is also given by Sh. G.S.Agarwala and Sh. Mohan Agarwal, promoter directors of the Company.

3.2)Working capital credit facility is secured by way of first charge on entire current assets of CMR Nikkei India Private Limited (both present and future) including hypothecation of all stocks of raw materials, stores, spares, stocks in process, finished goods, etc., lying in factory, go-downs, elsewhere and including goods in transit and receivables / book debts.
It is further secured by way of extension of charge over the fixed assets except vehicles specifically hypothecated against vehicle loans of the CMR Nikkei India Private Limited, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana. It is further secured by corporate guarantee of Nikkei MC Aluminium Co. Limited.

3.3)Working capital Credit facility is secured by way of first charge on entire current assets of CMR Toyotsu Aluminium India Private Limited (both present and future) including hypothecation of all stocks of raw materials, stores, spares, stocks in process, finished goods, etc., lying in factory, go-downs, elsewhere and including goods in transit and receivables / book debts. It is further secured by way of extension of first charge over the fixed assets of CMR Toyotsu Aluminium India Private Limited, including Equitable mortgage of factory land & building at Plot No. A-4, A-5 SIPCOT Industrial Park at Pillaipakkam, Sriperumpudur, District Kanchipuram, Chennai.

3.4) Personal guarantee is given by Sh. Mohan Agarwal, promoter director of the Parent Company.
4) These loans pertain to a subsidiary company in which divestment has been made (Note 48).

(Amount in Rupees lacs, unless otherwise stated)

15. Other financial liabilities

	Non-Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31,2018
Financial liabilities at fair value through profit or loss				
Derivative liability	-	-	28.40	-
Other financial liabilities at amortised cost				
Current maturities of long term borrowings (refer note 14)	-	-	2,009.01	1,513.35
Security deposits from customers/ others	11.70	10.70	168.43	136.37
Interest accrued but not due on borrowings	-	-	50.76	38.72
Interest accrued and due on borrowings	-	-	29.54	88.19
Interest payable on others	-	-	15.46	-
Employee related liabilities				
- Related parties (Note 31)	-	-	25.85	18.01
- Others	-	-	291.92	242.13
Payable against investment in CMR-CHIHO Recycling Technologies Private Limited **(refer note 31)			365.68	-
Corporate guarantee commission payable*	-	-	51.92	5.25
Payable for capital goods	67.03	-	767.82	150.26
Total other financial liabilities at amortised cost	**78.73**	**10.70**	**3,804.79**	**2,192.28**
* Payable to Managing Director of the Company	-	-	51.92	5.25

**The Parent Company has, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG have subscribed 36,56,750 equity shares each in the equity share capital of CMR-CHIHO Recycling Technologies Private Limited and shares have been issued on February 21, 2019. However, the Parent Company and CEG have paid the amount against issue of equity shares, subsequent to the year end.

16. Provisions

	Non Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Provision for employee benefits				
Provision for gratuity (Note 32)	308.58	249.27	35.05	14.26
Provision for leave benefits	-	-	401.97	327.21
Total	**308.58**	**249.27**	**437.02**	**341.47**

17. Other liabilities

	Non-current		Current	
	March 31, 2019	March 31,2018	March 31, 2019	March 31,2018
Advance from Customers	-	-	157.41	96.63
Interest on GST payable			27.62	23.61
Interest on Income Tax	-	-	6.76	48.14
Deferred Government grants	365.12	291.40	76.36	76.35
Taxes and other statutory dues	-	-	240.70	607.96
Unearned interest income	-	-	29.12	12.86
Total	**365.12**	**291.40**	**537.97**	**865.55**

18. Trade Payables

	Non-Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31,2018
Trade payables (including acceptances)				
Dues to micro enterprises and small enterprises	-	-	-	-
Total outstanding dues of creditor other than micro enterprises and small enterprises				
Dues to other				
- Related parties (refer note 31) *	-	-	4,168.98	2.66
- Others	-	-	15,989.31	15,167.68
TOTAL	**-**	**-**	**20,158.29**	**15,170.34**
***includes payable to following related parties :**				
Other related party :				
Nikkei MC Aluminium Co. Ltd	-	-	1.93	2.66
Toyota Tsusho India Private Limited	-	-	4,167.05	-

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 0-90 days terms
For terms and conditions with related parties, refer note 31
For explanations on the Company’s credit risk management processes, refer note 35

(Amount in Rupees lacs, unless otherwise stated)

19. Revenue From Operations

	March 31, 2019	March 31, 2018
Revenue from contract with customers (including excise duty) ***		
Sale of Products		
Finished products	2,39,716.50	2,19,540.57
Traded products	362.87	355.01
Other operating revenue:		
Sale of service*	76.96	198.54
Sale of Scrap and others**	43,734.77	31,246.01
Export incentive	1.44	1.03
Sales Tax / GST subsidy Received	222.05	158.40
Total	**2,84,114.59**	**2,51,499.56**

* Sale of services is in the nature of job works executed.

** Sale of scrap & other is in the nature of segregated scrap, ash and residue sales.

*** Revenue from operations for the periods up to June 30, 2017 includes excise duty , wherever not exempted. From July 01, 2017 onwards, the excise duty and most indirect taxes in India have been replaced with Goods and Service taxes (GST). The Group collects GST on behalf of the Government . Hence GST is not included in Revenue from Operations. In view of the said change in the indirect taxes, revenue from operations for the period ended March 31, 2019 does not include excise duty whereas the same is included for the three months in the year ended March 31, 2018.

20. Other income

	March 31, 2019	March 31, 2018
Interest on fixed deposits	56.76	72.71
Interest from related parties (Note 31)	2.63	-
Interest on income tax refund	-	39.41
Interest on receivables and others	350.35	91.67
Gain on foreign exchange fluctuation (net)	-	53.64
Rental Income	1.06	1.71
Corporate guarantee commission (Note 31)	67.01	55.67
Sundry balance written back (net)	28.16	-
Subsidy from government authorities	4.20	4.82
Gain on fair valuation of investments	-	0.69
Profit on divestment in a subsidiary company (Note 49)	83.74	-
Profit on sale of non-current investment in an associate	235.51	-
Amortisation of deferred government grant	76.37	84.54
Other non operating income	3.20	1.22
	908.99	**406.08**

(Amount in Rupees lacs, unless otherwise stated)

21. Cost of raw materials consumed

	March 31, 2019	March 31, 2018
Inventory at the beginning of the year	20,791.33	12,161.37
Add : Purchases during the year	2,47,435.24	2,18,952.69
	2,68,226.57	2,31,114.06
Less : Inventory at the end of the year	26,928.46	20,791.33
Cost of raw materials consumed	**2,41,298.11**	**2,10,322.73**

22. Purchase of stock in trade

	March 31, 2019	March 31,2018
Purchase of traded Goods	345.87	246.90
	345.87	**246.90**

23. (Increase) in inventory of finished goods

	March 31, 2019	March 31,2018
Inventories at the end of the year		
Finished goods	4,141.82	1,761.81
	4,141.82	**1,761.81**
Inventories at the beginning of the year		
Finished goods	1,761.81	1,539.88
	1,761.81	**1,539.88**
Change in inventory	**(2,380.01)**	**(221.93)**

24. Employee benefits expenses

	March 31, 2019	March 31,2018
Salaries, wages and bonus	6,680.34	5,284.53
Contribution to provident and other funds	168.01	154.25
Gratuity expense (refer note 32)	76.47	70.94
Staff welfare expenses	424.71	274.96
	7,349.53	**5,784.68**

Disclosure in compliance with Ind AS-19 on Employee Benefits has been given in Note 32

25. Depreciation and amortization expense

	March 31, 2019	March 31, 2018
Depreciation of property, plant and equipment (Note 3)	2,049.04	1,795.80
Amortisation of intangible assets (Note 4)	65.45	65.31
	2,114.49	**1,861.11**

26. Finance Costs

	March 31, 2019	March 31, 2018
Interest expense*	3,390.86	2,364.19
Exchange difference to the extent considered as an adjustment to borrowing cost	43.99	340.85
Other borrowing costs	75.63	148.33
	3,510.48	**2,853.37**
* including interest on income tax	16.55	39.85

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
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27. Other expenses

		March 31, 2019	March 31, 2018
Consumption of stores and spares		833.40	831.50
Consumption of Packaging materials		111.43	72.33
Power & fuel		8,830.45	6,137.83
Bank charges		207.34	140.25
Repair and Maintenance			
-Plant and equipment		1,143.35	904.17
-Buildings		161.13	153.98
-Others		187.26	126.86
Printing & stationery		29.64	23.74
Rent		802.31	551.57
Insurance charges		48.68	62.32
Rates and taxes		53.53	107.09
Advertisement, publicity and sales promotion		78.22	56.56
Travelling and conveyance expenses		262.26	202.20
Vehicle running and maintenance		40.53	30.86
Freight and cartage outward		1,241.02	871.38
Communication expenses		40.97	40.81
Payment to statutory auditor's (Refer details below)		34.54	35.76
Legal and professional expenses		312.86	240.18
Loss on disposal of property, plant & equipment (net)		23.21	19.63
Charity and donation		8.94	2.73
Security service expenses		121.82	114.80
Dross melting expenses		291.07	336.48
Dross processing expenses		65.08	62.51
Excise duty on (decrease) in inventory		-	(141.67)
Procurement commission		4.70	5.40
Brokerage and sales commission		60.13	60.48
Director sitting fees		10.50	8.02
Pre-operative expenses / CWIP written off		-	98.73
Allowances for bad and doubtful receivable		-	166.47
Bad debts/ Advances/ Insurance claims receivable written off (net)	299.54		
Less: Provision for doubtful debts adjusted	(299.54)	-	27.09
Loss in foreign exchange fluctuation (Net)		185.52	-
Corporate social responsibility (Note 39)		-	2.57
Miscellaneous expenses		226.29	187.83
TOTAL		**15,416.18**	**11,540.46**

	March 31, 2019	March 31, 2017
Payment to statutory auditor:		
As auditors:		
Audit fee	30.73	32.04
Tax audit fee	1.00	1.50
In other capacity		
Other services (certification etc.)	1.22	0.25
Reimbursement of expenses	1.59	1.97
Total	**34.54**	**35.76**

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
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28. Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Parent Company (after adjusting impact of the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2019	March 31, 2018
Profit attributable to equity holders of the parent company	**10,394.68**	**8,397.80**
Weighted Average number of equity shares used for computing Earning Per Share*	2,83,35,261	2,18,22,780
Effect of dilution -Compulsory Convertible Participatory Preference Shares (CCPPS) *	-	15,30,844
Weighted Average number of equity shares used for computing diluted Earning Per Share *	2,83,35,261	2,33,53,624
Basic earning per share (Rs)	36.68	38.48
Diluted earning per share (Rs)	36.68	35.96
Face value per share (Rs)	10.00	10.00

* The Board of Directors of the Parent Company in their meeting held on May 08, 2018 has approved issue of bonus shares in the ratio of 3:1 i.e. three equity shares for every one equity share held by the equity shareholders of the Parent Company and such bonus shares have been allotted on May 14, 2018. The basic and diluted earnings per share for the current year and for the year ended March 31, 2018 have been calculated after considering the above said bonus.

The Parent Company has converted 114,222 CCPPS and 3,85,912 CCPS held by Global Scrap Processors Limited into 456,888 equity shares and 15,58,048 equity shares on May 31, 2018 and September 05, 2018 respectively. The Parent Company has added conversion clause in the investment agreement vide letter dated May 29, 2018. GSPL on August 08, 2018 has transferred 10,27,110 CCPS to GMRPL in accordance with terms and conditions of the SPA Amendment Agreement. Subsquent to such transfer, the Parent Company has converted such CCPS into 41,08,440 equity shares vide resolution passed at the EGM dated August 14, 2018. Accordingly the same has been considered on pro rata basis while calculating Weighted Average number of Equity shares.

(Amount in Rupees lacs, unless otherwise stated)

29. Disclosure of Leases

a) Finance Lease
The Group has not acquired any asset on finance lease.

b) Operating lease : Group as lessee

The Group has entered into operating leases for offices, factory land and buildings with lease terms between 11 months and five years. The Group has taken certain plant & equipment on operating lease with lease term of 1 year.

The Group has made following operating lease payments :

Particulars	March 31, 2019	March 31, 2018
Operating Lease Payments	802.31	551.57

(c) Minimum Rental Payables

The future minimum rentals payable under non-cancellable operating leases across the Group are as follows:

Particulars	March 31, 2019	March 31, 2018
Within one year	82.12	188.44
After one year but not more than five years	221.85	222.89
More than five years	-	-
	303.97	**411.32**

30. Capital and other commitments

(a) Capital Commitment

Particulars	March 31, 2019	March 31, 2018
Estimated amount of contracts (net of advances) remaining to be executed on Capital Account and not provided for	3,419.74	1,933.83

(b) Contingent Liabilities

Particulars	March 31, 2019	March 31 2018
(A) Demands*		
i) Under Customs Act, 1962		
- The Customs Authorities have been increasing the value of imported aluminium scrap for the purpose of levy of duty of Customs thereon against the Group. The Group has paid additional Customs duty for clearing of such consignments under protest. The total amount of customs duty paid under protest is Rs. 2,358.59 lacs which is appearing under the head "Balance with statutory/government authorities" in "Other Current Assets" in Note 9 to the Financial Statements The Group has been filing appeals with Commissioner (Appeals) for all the customs duty paid under protest. In case of unfavourable orders, the Group has preferred appeals at CESTAT. In certain cases, the Group has received favourable orders from Commissioner (Appeals) and CESTAT against which the department has preferred Appeal with higher Authorities. Further, an erstwhile subsidiary company namely Sanjivani Non-Ferrous Trading Private Limited has, subsequent to the year end, received a refund of Rs. 801 lacs based on a favourable order received from Supreme Court of India in similar matter.	2,358.59	3,413.14
- Other demands of the Parent Company under appeals	46.26	46.26
	2,404.85	**3,459.40**

(Amount in Rupees lacs, unless otherwise stated)

ii) Under Central Excise Act, 1944		
- Demand raised in Parent Company by Commissioner of Central Excise , Alwar disallowing CENVAT credit for the period 13.11.2014 to 30.09.2015 (including penalty) on the ground that Cenvat credit on imported aluminium scrap has been taken on the basis of Excise challans issued by the Dadri Division of the Parent Company, are not valid documents for taking Cenvat credit. Further, demand for the period from 2012-13 to 31 July 2015 was raised on the ground that sales of segregated items from aluminium scrap are liable for reversal of Cenvat credit. The Parent Company filed an appeal before the CESTAT, New Delhi and against the said order. CESTAT vide order dated 23/11/2017 set aside the order passed by the Commissioner Central Excise, Alwar and remanded back the case to the Commissioner of Central Excise, Alwar with a direction to allow Cenvat Credit after verification that the goods have been received in the factory of the Parent Company at Bhiwadi and also to reconsider the reversal of Cenvat credit on sales of segregated items on the basis of circular issued by CBEC clarifying that segregation of unusable items from brass scrap amounts to manufacture and the sale of such segregated items is liable to be taxed on the basis of sale value thereof at the rate of duty applicable on the items sold. The Parent Company has also received a order in its favour for a similar case. However, the department has preferred an appeal in the High Court of Rajasthan.	1,812.14	1,812.14
- In the Parent Company, demands (including penalty) raised based on a special audit of the Parent Company on account of: (a) Non-payment / short payment of service tax on services received by the Parent Company under reverse charge (b) Non-payment / short payment of service tax on services provided by the Parent Company (c) Non reversal of CENVAT Credit on input removal as such and on capital goods sold after use. (d) Wrong availment of CENVAT Credit of central excise duty on ineligible inputs and input services. The Parent Company has filed an appeal.	290.52	290.52
- In the Parent Company, demand (including penalty) raised on the shortages noted during the search conducted by the Excise officers of the factory premises of the Parent Company. The Parent Company had filed an appeal and now the matter has been referred back to the divisional bench.	122.85	122.85
- Other demands of Parent Company raised under Central Excise Act, 1944 under appeals.	182.87	187.86
	2,408.37	**2,413.36**

iii) Demands raised under Sales Tax Act under appeal for various years		
- In Parent Company , demand raised (including equal amount of interest) on wrong availment of Input tax credit on against Input tax paid on the purchase of DEPB License. The Parent Company is in appeal.	170.98	170.98
- Other demands of Parent Company raised under Sales Tax Act /Entry Tax Act under appeals	14.93	12.85
- In one of the subsidiary company amount deposited under protest with Commercial Tax Department, Karnataka. **	-	2.23
In one of the subsidiary company, a notice has been received from the Sales Tax Department according to which the place of business was audited by the Enforcement Wing Officials who noticed certain defects based on which certain proposals for additions have been made on account of (a) ineligible ITC credit on capital goods, (b) Difference in purchase turnover which is liable to tax/reversal, (c) Non availability of C Forms from registered and unregistered dealers, (d) Short excise duty paid on job-work (sales of services). The notice required the said company to file its objections which were duly filed by the Company in the stipulated time as per the notice. Post filing of objections by the said company, no further notice of demand/Show Cause Notice/Any other communication has been received by the said company. On a conservative basis, the amount involved has been disclosed as “contingent liability”.	774.50	774.50
Other sales tax demand in a subsidiary company**	-	98.93
	960.41	**1,059.49**
iv) Demand raised under Income Tax Act, 1961:		
In case of Parent Company, the Income tax authorities has deducted an amount of Rs. 135.02 lacs pertaining to assessment years 2009 – 2010, 2010 – 2011 and 2012 – 2013 from the amount of refund of assessment year 2015 – 2016 received during the current year. The Parent Company has filed various applications seeking details of such deductions in the said refund order. In view of the Parent Company, such demands are to be deleted in the records of the Income tax department. The Parent Company subsequent to the year end has received refund of the aforsaid amount.	-	135.02
- In one of the subsidiary company the Income Tax Authority at New Delhi raised a demand vide order dated 23.03.2016 u/s 148 read with 143(3) of Income Tax Act, 1961 for A.Y. 2008-09. The subsidiary has filed the appeal against such order before CIT (A)-8, New Delhi. According to the advice from the experts received by the subsidiary company the entire matter is liable to be set aside as there is no substance in such order and no positive evidence is brought on the record by the said A.O. against the subsidiary company. The subsidiary company is confident that the matter will be decided in its favour since there is very strong case in its favour before said CIT (A).**	-	48.54
- In one of the subsidiary demands under Section 245 of Income Tax Act, 1961 under rectification for Assessment year 13-14**	-	0.53
- In one of the subsidiary TDS default for various years**	-	0.12
	-	**184.21**
(v) Other Miscellaneous demands		
- In one of the subsidiary claim not acknowledged as debts	4.55	4.55
	4.55	**4.55**

*Based on the favourable decisions in similar cases, assessment of in-house legal advisor, discussions with the consultants and legal opinions obtained by the Group in case of (i) to (v) above , the Group believes that it has good merits on the matters and hence no provision there-against is considered necessary.

**Amounts reported as at March 31, 2019 exclude amount pertaining to one of the subsidiary company, Sanjivani Non-Ferrous Trading Private Limited in which the Parent Company has made 100% divestment on May 30, 2018 (refer note 48).

(c) There are numerous interpretative issues relating to the Supreme Court (SC) judgment on PF dated 28th February, 2019. As a matter of caution, the Group has prospectively changed the PF policy. The same shall be updated, if required on receiving further clarity on the subject.

31. In accordance with the requirements of IND AS -24 'Related Party Disclosures' , names of the related parties, related party relationship, transactions and outstanding balances where control exsists and with whom transactions have taken place during the year are:

(i) Names of related parties and related party relationship

(a) Key management personnel and their relatives

Shri Gauri Shankar Agarwala- Chairman in CMRT and CMR and Director in CMRN
Shri Mohan Agarwal- Managing Director (Parent Company)
Shri Akshay Agarwal - Relative of Mohan Agarwal and Gauri Shankar Agarwal (Director in parent company w.e.f. November 17, 2017)
Shri Raghav Agarwal- Relative of Shri Mohan Agarwal and Shri Gauri Shankar Agarwala
Smt. Kalawati Agarwal- Relative of Shri Mohan Agarwal and Shri Gauri Shankar Agarwala
Smt. Pratibha Agarwal- Relative of Shri Mohan Agarwal and Shri Gauri Shankar Agarwala
Shri Sandeep Shaw - Group Chief Financial Officer (From May 01, 2017 to January 01, 2018)
Shri Rajat Jain - Group Chief Financial Officer (w.e.f. January 02, 2018 and upto May 14,2018)
Shri Rajat Jain - Group Chief Financial Officer (w.e.f. January 09, 2019)
Shri Satish Kaushik - Group Chief Financial Officer (w.e.f May 15, 2018 to January 08, 2019)
Shri Pradeep Singh- Group Secretary
Mohan Agarwal (HUF)
Gauri Shankar Agarwal (HUF)
Shri P.M.Gautam - Group Chief Executive Officer
Mr.Vegulaparanan Kasi Viswanathan - Independent Director
Mr.Balvinder Kumar - Independent Director
Ms. Nina Chatrath - Independent Director
Mr. Gyan Mohan - Independent Director
Ms. Poonam Gautam - Wife of Group Chief Executive Officer
Ms. Saloni Gautam - Daughter of Group Chief Executive Officer

(b) Associate

Suvridhi Financial Services Limited (till October 23 , 2018)

(c) Enterprises owned or significantly influenced by key management personnel and their relatives

Grand Metal Industries Private Limited
Grand Metal Recycling Private Limited
Sanjivani Non Ferrous Trading Private Limited (w.e.f. May 31,2018)
Suvridhi Financial Services Limited (w.e.f October 24 , 2018)

(d) Joint Venture Partners of Subsidiaries

(i) Joint Venture Partner in CMR-Nikkei India Private Limited :- Nikkei MC Aluminium Co. Limited
(ii) Joint Venture Partner in CMR-Toyotsu Aluminium India Private Limited :- Toyota Tshusho Corporation

(e) Subsidiaries of Joint Venture Partners

(i) Toyota Tsusho India Private Limited - Subsidiary company of Toyota Tshusho Corporation (Till March 31, 2018)
(i) Toyota Tsusho India Private Limited - Subsidiary company of Toyota Tshusho Corporation (w.e.f September 29, 2018)

(f) Joint Venture of the Group

CMR-Chiho Recycling Technologies Private Limited (w.e.f. February 01,2019)

(g) Additional related parties as per Companies Act 2013, with whom transactions have taken during the year

Admya Solutions - Propritary Concern of Poonam Gautam

CMR: Century Metal Recycling Private Limited
CMRT: CMR-Toyotsu Aluminium India Private Limited
CMRN: CMR-Nikkei India Private Limited
SNFT: Sanjivani Non-Ferrous Trading Private Limited
TTC: Toyota Tshusho Corporation

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(ii) The following table provides the total value of transactions that have been entered into with related parties during the year:

Particulars	Key management personnel & their relatives	
	March 31, 2019	March 31, 2018
Remuneration Paid		
Shri Gauri Shankar Agarwala*	42.47	25.21
Shri Mohan Agarwal*	192.80	181.56
Shri Akshay Agarwal	37.95	25.75
Shri Raghav Agarwal	31.23	18.55
Shri Pradeep Singh	12.79	10.50
Shri Rajat Jain	29.20	21.25
Mr. Sandeep Shaw	-	42.94
Mr.P.M Gautam	92.42	61.10
Ms. Saloni Gautam	-	9.00
Mr. Satish Kaushik	19.36	-
* including rent free accommodation paid to landlords (related parties) already disclosed above.		
Rent Paid		
Smt. Kalawati Agarwal	33.00	9.60
Smt. Pratibha Agarwal	36.00	13.20
Shri Mohan Agarwal	72.00	-
Capital advance paid against purchase of property, plant & equipment		
Shri Mohan Agarwal	61.70	111.50
Sale Consideration received on account of divestment in a subsidiary company (refer note. 48)		
Smt. Kalawati Agarwal	238.46	-
Smt. Pratibha Agarwal	238.46	-
Sales of investments in associate to : **		
- Smt. Kalawati Agarwal	64.90	
- Smt. Partibha Agarwal	74.80	
-Shri Mohan Agarwal	81.31	
-Shri G.S Agarwala	32.78	
-Mr Raghav Agarwal	4.95	
-Mr Akshay Agarwal	4.95	
Sitting Fees		
Mr.Vegulaparanan Kasi Viswanathan	7.25	8.02
Mr.Balvinder Kumar	5.00	-
Ms. Nina Chatrath	7.00	-
Mr. Gyan Mohan	8.25	-
Professional Consultancy Fees		
Admya Solutions	19.18	
Professional Consultancy Fees		
Poonam Gautam	12.00	

**The Parent Company, during the current year, sold its shares held in an associate company Suvridhi Financial Services Limited on October 23, 2018. The said company is no longer as associate of the parent company with effect from that date. The Parent Company has received a consideration of Rs 263.56 lacs and earned a profit of Rs 235.19 lacs on such sale which has been accounted for in the current year under "other income".

Particulars	Associate	
	March 31, 2019	March 31, 2018
Interest Paid		
Suvridhi Financial Services Limited	-	23.45
Rent Received		
Suvridhi Financial Services Limited	-	0.24
Loan Transactions During the year		
Suvridhi Financial Services Limited		
Loan paid	-	19.97

Particulars	Enterprises owned or significantly influenced by key management personnel and their relatives.	
	March 31, 2019	March 31, 2018
Rent Received		
Grand Metal Industries Private Limited	0.09	0.36
Loan Transactions During the year		
Grand Metal Recycling Private Limited		
Loan Received	-	0.01
Purchase of raw material		
Sanjivani Non - Ferrous Trading Private Limited	1,788.96	-

Particulars	Joint Venture Partners of Subsidiaries	
	March 31, 2019	March 31, 2018
Corporate Guarantee Commission		
Nikkei MC Aluminium Co. Limited *	18.19	3.54
Toyota Tshusho Corporation	48.82	52.13
* Transaction amount is exclusive of service tax/ goods and service tax		
Issue of shares		
Toyota Tshusho Corporation	2,145.00	-
Share application money received		
Nikkei MC Aluminium Co. Limited	-	780.00

Particulars	Subsidiaries of Joint Venture Partners	
	March 31, 2019	March 31, 2018
Sales Commission		
Toyota Tshusho India Private Limited	60.12	60.48
Procurement Commission		
Toyota Tshusho India Private Limited	4.70	5.40
Freight Expenses		
Toyota Tshusho India Private Limited	-	5.16

Particulars	Joint Venture	
	March 31, 2019	March 31, 2018
Loan given		
CMR-Chiho Recycling Technologies Private Limited	120.52	
Investment made		
CMR-Chiho Recycling Technologies Private Limited	365.68	
Interest Received		
CMR-Chiho Recycling Technologies Private Limited	2.63	-

(Amount in Rupees lacs, unless otherwise stated)

(iii) Balances as at the year end

Particulars	Key management personnel & their relatives	
	March 31, 2019	March 31, 2018
Salary Payable		
Shri Gauri Shankar Agarwala	-	1.42
Shri Mohan Agarwal	8.37	4.87
Shri Akshay Agarwal	1.35	1.29
Shri Raghav Agarwal	0.68	0.91
Shri Pradeep Singh	0.88	0.52
Mr. P.M. Gautam	12.00	7.30
Mr Rajat Jain	2.57	1.70
Loans to Employees		
Shri Mohan Agarwal	12.61	-
Shri G.S Agarwala	4.43	1.07
Shri Raghav Agarwal	-	9.87
Mr. Pradeep Singh	0.04	
Shri Akshay Agarwal	2.33	-
Capital Advance		
Shri Mohan Agarwal	391.10	329.40
Other Payable		
Shri Mohan Agarwal	51.92	5.25

Particulars	Associate	
	March 31, 2019	March 31, 2018
Short term Borrowings		
Grand Metal Recycling Pvt. Ltd.*	-	0.01
Suvridhi Financial Services Limited-Associate*	-	184.24
Interest accrued and due on borrowing		
Suvridhi Financial Services Limited-Associate*	-	21.10
Trade Payables		
Suvridhi Financial Services Limited	-	0.04

Particulars	Enterprises over which Directors and their relatives have significant influence	
	March 31, 2019	March 31, 2018
Advance to suppliers		
Grand Metal Industries Private Limited	9.47	8.35
Grand Metal Recycling Private Limited	0.15	-
Other financial assets		
Sanjivani Non - Ferrous Trading Private Limited	3,081.73	-

Particulars	Joint Venture Partners of Subsidiaries	
	March 31, 2019	March 31, 2018
Corporate guarantee commission receivable		
Nikkei MC Aluminium Co. Limited	55.42	-
Toyota Tshusho Corporation	66.82	66.81
Trade payables		
Toyota Tsusho India Pvt Ltd	4,167.05	-
Nikkei MC Aluminium Co. Limited	1.93	2.66

*These balances pertains to subsidiary company in which divestment has been made (refer note 48).

Particulars	Joint Venture of Group	
	March 31, 2019	March 31, 2018
Interest receivable		
CMR-Chiho Recycling Technologies Private Limited	2.63	-
Loan given		
CMR-Chiho Recycling Technologies Private Limited	120.52	-
Other Financial liabilities		
CMR-Chiho Recycling Technologies Private Limited	365.68	-

Notes:

(i) Property situated at Millennium Plaza Ltd. 001B and 001C, Tower"A" Ground Floor, Sector 27, owned by Shri Gauri Shankar Agarwala and Shri Mohan Agarwal, promoter directors has been mortgaged for term loans and cash credit limits including bill discounting facilities and vendor financing facilities utilized by the Parent Company.

(ii) Property situated at Nav Shakti Co-operative Group Housing Society B-43, Plot No.5, Sector - 9, Rohini, New Delhi owned by Shri Mohan Agarwal, promoter director has been mortgaged for term loans and cash credit limits including bill discounting and vendor financing facilities utilized by the Parent Company.

(iii) Shri Mohan Agarwal and Shri Gauri Shankar Agarwala, promoter directors have given personal guarantee for the term loans and cash credit limits including bill discounting facilities and vendor financing utilized by the Parent Company and one of the subsidiary.

(iv) Nikkei MC Aluminium Co. Limited has given corporate guarantee for term loan and working capital loans borrowed by CMR Nikkei India Private Limited, a subsidiary.

(v) The remuneration to the key managerial personnel and relatives as disclosed above does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

(vi) Sale and purchase transactions disclosed for the previous year is inclusive of excise duty.

Terms and conditions of transactions with related parties

The sale and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured. For the year ended March 31, 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment in undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

32 Statement of Employee Benefits

Employee Benefits have been classified as under:

A. Defined Contribution Plans - Provident Fund

Provident Fund

The group makes contribution towards employees' provident fund .

The group has contributed the following amounts to:

Particulars	March 31, 2019	March 31, 2018
Employer's Contribution to Provident Fund (Including Employee's Pension Scheme 1995)*	141.96	124.46

* Net of benefit of Rs 1.70 lacs received under Pradhan Mantri Rojgar Prosthan Yojna.

B. Defined Benefit Plans

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Particulars	31 March 2019 Gratuity (Unfunded)	31 March 2018 Gratuity (Unfunded)
Change in benefit obligation		
Opening defined benefit obligation	263.53	212.44
Acquisition adjustment	-	-
Interest cost	21.27	16.00
Add: Past service cost*	-	9.16
Current service cost	55.20	45.78
Benefits paid	(12.18)	(10.29)
Actuarial (gain)/loss on obligation	16.66	(9.56)
Amount pertaining to subsidiary company in which divestment has been made (refer note. 48)	(0.85)	-
Present value of obligation at the end of the year	**343.63**	**263.53**
Liability/ (Asset) recognized in the financial statements	**343.63**	**263.53**

Amount recognised in Statement of Profit and Loss:

Particulars	31 March 2019	31 March 2018
Current service cost	55.20	45.78
Add: Past service cost*	-	9.16
Interest cost on benefit obligation	21.27	16.00
Amount recognised in Statement of Profit and Loss	**76.47**	**70.94**

(Amount in Rupees lacs, unless otherwise stated)

* was on account of increase in maximum payment of Gratuity as per the amendent in the Payment of Gratuity Act, 1972 during the year ended March 31, 2018

Amount recognised in Other Comprehensive Income:

Particulars	31 March 2019	31 March 2018
Actuarial changes arising from changes in financial assumptions	2.20	(6.43)
Experience adjustments	14.46	(3.13)
Amount of (gain)/loss recognised in Other Comprehensive Income	**16.66**	**(9.56)**

The principal assumptions used in determining gratuity liability for the group's plans are shown below:

(in %)

Particulars	31 March 2019	31 March 2018
Discount rate (%)	7.66 - 7.76	7.71 - 7.80
Future salary increases (%)	5.50 - 9.00	5.50 - 9.00
Retirement Age (Years)	58 - 60	58 - 60
Withdrawal rate		
Up to 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Mortality Table as per	IALM (2006-08)	IALM (2006-08)

A quantitative sensitivity analysis for significant assumptions are shown below :-
Gratuity Plan

Assumptions		**Discount rate**		**Future salary increase**	
Discount rate		**0.5% increase**	**0.5% decrease**	**0.5% increase**	**0.5% decrease**
Impact on defined benefit obligation	As at 31 March 2019	(22.56)	22.70	22.35	(22.47)
Impact on defined benefit obligation	As at 31 March 2018	(17.13)	18.99	18.72	(16.92)

The sensitivity analyses above has been determined based on the method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated. Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The maturity profile of defined benefit obligation are as follows:

	31 March 2019	31 March 2018
Within the next 12 months (next annual reporting period)	27.20	14.26
Between 1 and 2 years	5.45	5.24
Between 2 and 3 years	5.61	5.33
Between 3 and 4 years	5.67	5.00
Between 4 and 5 years	14.86	8.41
Between 5 and 6 years	28.18	25.91
Beyond 6 years	256.66	199.38
Total expected payments	**343.63**	**263.53**

The average duration of the defined benefit plan obligation at the end of the reporting period is 17.81 - 22.22 years

(Amount in Rupees lacs, unless otherwise stated)

33 . Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

	Fair value		Fair value	
	As at March 31,2019	As at March 31,2018	As at March 31,2019	As at March 31,2018
Financial assets				
A. FVPL financial instruments:				
Investment in equity shares	0.24	156.44	0.24	156.44
Derivative Assets	-	15.47	-	15.47
	0.24	**171.91**	**0.24**	**171.91**
B. Amortised Cost:				
Security deposits	208.96	139.01	208.96	139.01
Loans/Advances to employees	3.54	2.39	3.54	2.39
Interest accrued on fixed deposits	16.56	7.41	16.56	7.41
	229.06	**148.81**	**229.06**	**148.81**
Total	**229.30**	**320.72**	**229.30**	**320.72**
Financial liabilities				
A. Amortised Cost:				
Derivative liability	28.40	-	28.40	-
Security deposits from customers/ others	11.70	10.70	11.70	10.70
Borrowings	2,793.50	2,908.05	2,793.50	2,908.05
	2,833.60	**2,918.75**	**2,833.60**	**2,918.75**

The management assessed that trade receivables, Non Current fixed deposits, capital creditors, trade payables, and other current financial assets and liabilities (except derivative assets/ derivative liability) approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Derivative financial instruments -

The fair value of foreign exchange forward contracts is determined using the foreign exchange spot and forward rates at the balance sheet date.
The derivatives are entered into with the banks / counterparties with investment grade credit ratings.

Interest Free Borrowings:-

The fair values of the Group's interest bearing borrowings are determined by using discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year.

Investment in equity shares : -

The fair value of investment in equity instruments other than above approximates the carrying value and hence, the valuation technique and inputs have not been given.

Loan to employees, security deposits , Borrowings other than Interest Free Borrowings and Interest accrued on fixed deposits:-

The fair value of loan to employees, security deposit, borrowings other than interest free borrowings and interest accrued on fixed deposits approximates the carrying value and hence, the valuation technique and inputs have not been given.

(Amount in Rupees lacs, unless otherwise stated)

34. Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Group’s assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2019:

			Fair value measurement using		
	Date of valuation	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial assets					
A. FVTPL financial instruments:					
Investment in equity shares	March 31, 2019	0.24	-	-	0.24
B. Amortised Cost:					
Security deposits paid	March 31, 2019	208.96	-	208.96	-
Loans to employees	March 31, 2019	3.54	-	3.54	-
Interest accrued on fixed deposits	March 31, 2019	16.56	-	16.56	-
		229.30	**-**	**229.06**	**0.24**
Financial liabilities					
A. Amortised Cost:					
Derivative liability	March 31, 2019	28.40	-	28.40	-
Security deposit from customers/ others	March 31, 2019	11.70	-	11.70	-
Borrowings	March 31, 2019	2,793.50	-	2,793.50	-
		2,833.60	**-**	**2,833.60**	**-**

There have been no transfers between Level 1 and Level 2 during the period year March 31, 2019.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2018:

			Fair value measurement using		
	Date of valuation	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial assets					
A. FVTPL financial instruments:					
Investment in equity shares	March 31,2018	156.44	-	156.20	0.24
Derivative Assets	March 31,2018	15.47		15.47	-
B. Amortised Cost:					
Security deposits paid	March 31,2018	139.01	-	139.01	-
Loans/Advances to employees	March 31,2018	2.39	-	2.39	-
Interest accrued on fixed deposits	March 31,2018	7.41		7.41	
		320.72	**-**	**320.48**	**0.24**
Financial liabilities					
A. Amortised Cost:					
Security deposits from customers/ others	March 31,2018	10.70	-	10.70	-
Borrowings	March 31,2018	2,908.05	-	2,908.05	-
		2,918.75	**-**	**2,918.75**	**-**

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2018.

The fair value of investment in other equity instruments appearing under Level III approximates the carrying value and hence, the valuation technique and inputs with sensitivity analysis have not been given.

(Amount in Rupees lacs, unless otherwise stated)

35. Financial risk management objectives and policies

The Group's principal financial liabilities comprise of trade payables, security deposits received, capital creditors and employee related payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include trade and other receivables, and cash and cash equivalent that derive directly from its operations. The Group also enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is responsible to ensure that Group's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price. Market risk comprise of interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019, and March 31,2018.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
US dollar Borrowings		
March 31, 2019		
USD Borrowings	+0.5	-
USD Borrowings	-0.5	-
March 31,2018		
USD Borrowings	+0.5	(41.83)
USD Borrowings	-0.5	41.83

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Fair value sensitivity analysis for fixed rate instruments :-

The Group has not disclosed interest rate risks on any fixed rate financial liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would neither affect profit or loss nor affect equity.

(b) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD and Euro. Foreign exchange risk arises from future commercial transactions and recognised asset and liabilities denominated in a currency that is not the Group's functional currency. The Group imports raw materials which exposes it to foreign currency risk. The Group holds derivative foreign currency forward contracts to mitigate the risk of change in exchange rate on foreign currency exposure if required. The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Below is the Group's exposure to foreign currency risk changes.

	Change in USD rate	Effect on profit before tax
March 31, 2019	+5%	(340.14)
	-5%	340.14
	Change in CNY rate	
	+5%	(5.98)
	-5%	5.98
March 31,2018	+5%	(551.10)
	-5%	551.10

The above assumed movement in the basis points for foreign exchange sensitivity analysis is based on foreign risk exposure risk in the past.

(c) Commodity price risk
The operating activities of the Group require the ongoing purchase of aluminium and scrap. The purchase price of the aluminium scrap depends on the global metal market. However, Group is not exposed to commodity price risk as any change in the price of commodity is subsequently recovered by the Group from its customers, thus safeguarding itself from any fluctuation in the price of commodity.

(d) Credit Risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

(i) Trade Receivable

Customer credit risk is managed as per the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major customers. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low on the basis of past default rates of its customers.

The ageing of trade receivables at the reporting date was:

Particulars	31 March 2019	31 March 2018
Due 0-180 days	29,620.97	27,713.31
Above 180 days	66.41	107.90

Movement in provisions of doubtful debts

Particulars	31 March 2019	31 March 2018
Opening provisions	299.54	133.07
Add: Additional provision made	-	166.47
Less: Provision written off	299.54	-
Closing provisions	**-**	**299.54**

(Amount in Rupees lacs, unless otherwise stated)

ii) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the Balance Sheet as at March 31, 2019.

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits (Current & Non Current)	456.39	502.01
Loan to employees (Current & Non Current)	60.46	49.40
Trade receivables	29,687.38	27,821.21

Liquidity risk

The Group monitors its risk of a shortage of funds doing a liquidity planning exercise.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short term borrowing facilities like bank overdraft, cash credit facility and buyers credit facility. The Group's treasury function reviews the liquidity position on an ongoing basis. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and surplus cash and cash equivalent on the basis of expected cash flow. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payment :

As at March 31, 2019

Particulars	On demand	Less than 12 months	1-5 years	>5 years	Total
Borrowings	6,098.07	23,543.73	2,793.50	-	32,435.30
Trade payables	-	20,158.29	-	-	20,158.29
Interest accrued and due on borrowings	-	29.54	-	-	29.54
Interest accrued but not due on borrowings	-	50.76	-	-	50.76
Payable for capital goods	-	767.82	67.03	-	834.85
Security deposit from customers/ others	-	168.43	11.70	-	180.13
Interest payable on others	-	15.46	-	-	15.46
Corporate Guarantee Commission payable	-	51.92	-	-	51.92
Derivative liability	-	28.40	-	-	28.40
Payable against investment in CMR-CHIHO Recycling Technologies Private Limited	-	365.68	-	-	365.68
Employee related liabilities	-	317.77	-	-	317.77
	6,098.07	**45,497.80**	**2,872.23**	**-**	**54,468.10**

As at March 31, 2018

Particulars	On demand	Less than 12 months	1-5 years	>5 years	Total
Borrowings	2,924.29	20,957.92	2,908.05	-	26,790.26
Trade payables	-	15,170.34	-	-	15,170.34
Interest accrued and due on borrowings	-	88.19	-	-	88.19
Interest accrued but not due on borrowings	-	38.72	-	-	38.72
Payable for capital goods	-	150.26	-	-	150.26
Security Deposits	-	136.37	10.70	-	147.07
Corporate Guarantee Commission payable	-	5.25	-	-	5.25
Employee related liabilities	-	260.14	-	-	260.14
	2,924.29	**36,807.18**	**2,918.75**	**-**	**42,650.23**

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to development affecting a particular industry. The Group is not exposed to excessive concentration since the customers of the Group are not engaged in similar business activities. The Group derives its revenues and corresponding trade receivables from varied number of customers.

(Amount in Rupees lacs, unless otherwise stated)

36. Segment information

As per Ind AS 108 identification of segment is based on the manner in which the entity's Chief Operating decision makers' (CODM) review the business components regularly to make decisions about allocating resources to segment and in assessing its performance.

The chief operating decision maker reviews business performance at an overall group level as one segment "Aluminium ingots and zinc ingots".

Primary Segments: Business Segment
The Group manufactures and sells aluminium and zinc based alloys and does trading and job work of these products. The products have the same risks and returns which are predominantly governed by market condition i.e. demand and supply position and hence have been considered as representing a single business segment.

Secondary Segments : Geographical Segment
The analysis of geographical segment is based on geographical location of its customers. The following table shows the distribution of revenue by Geographical segment.

a) Summary of total revenue by Geographical area are as follows:

Products and services

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue From External Customers		
India	2,83,999.35	2,51,469.00
Outside India	115.24	30.56
Total	**2,84,114.59**	**2,51,499.56**

b) Summary of non- current assets by geographical location is as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Property plant and equipment		
India	20,640	18,820.86
Outside India		
Intangible		
India	220.86	251.98
Outside India		
Capital Work-in-progress		
India	5,689.74	349.88
Outside India		
Non-Current Investments		
India	361.98	183.39
Outside India		
Other Non current assets		
India	2,464	1,869.45
Outside India		
Total	**29,376.96**	**21,475.56**

c) Revenue from major customer

Revenues from major customer of the Group are as follows :

Name of The Customer	Year ended March 31, 2019		Year ended March 31, 2018	
	Revenue	Revenue %	Revenue	Revenue %
Rockman Industries Limited	28,603.17	10.07%	29,509.24	11.73%
Sunbeam Auto Private Limited	36,397.18	12.81%	33,729.36	13.41%

(Amount in Rupees lacs, unless otherwise stated)

37 . Capital management

The Board’s policy maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the level of dividend to shareholders.

For the purpose of the Group's capital management, capital includes issued equity capital general reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.
The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, *less* cash and cash equivalents.

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Trade payables (Note 18)	20,158.29	15,170.34
Other financial liabilities (Note 15)	1,874.51	689.63
Borrowings (Note 14)	32,435.30	26,790.26
Less: Cash and cash equivalents (Note 12(a))	(44.84)	(63.60)
Net debts	**54,423.26**	**42,586.63**
Total equity	53,583.70	40,403.06
Capital and Net Debt	**1,08,006.96**	**82,989.69**
Gearing ratio (%)	**50.39%**	**51.32%**

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019.

38. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	**March 31,2019 Rs.**	**March 31,2018 Rs.**
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period/year .	-	-
	-	**-**
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.		-
The amount of interest accrued and remaining unpaid at the end of each accounting period/year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006.		-

39. In light of Section 135 of the Companies Act 2013, the Group has incurred Nil on Corporate Social Responsibility (CSR). The gross amount required to be spent by the Group during the year on CSR activities was Rs.164.35 lacs (March 31, 2018- Rs. 72.74 lacs)

40. The Haridwar unit of the parent company is exempt from excise duty for 10 years from date of commercial production i.e. September 01, 2008 vide notification number 50/2003 .C.E. dated 10.06.2003.

Century Metal Recycling Limited (formerely known as Century Metal Recycling Prvate Limited)
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2019
(Amount in Rupees lacs, unless otherwise stated)

41(a) Investment in associates

The Group had 22.82% interest in Suvridhi Financial services Limited (Company over which the Group excercises significant influence and has been consolidated on equity method.

The Parent Company has during the current year has sold its shares held in the associate company Suvridhi Financial Services Limited on October 23, 2018. The said company is no longer as associate of the group with effect from that date. The Company has received a consideration of Rs 263.56 lacs and earned a profit of Rs 235.51 lacs on such sale which has been accounted for in the current year under "other income".

The summarised financial information of associate are provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of profit and loss :

Particulars	**For the period ended October 23, 2018**	**For the year ended March 31, 2018**
Income		
Revenue from operations (Net)	17.28	24.50
Other income	0.05	0.76
Total Revenue	**17.33**	**25.26**
Expenses:		
Employee benefits expense	5.72	13.47
Finance costs	0.01	0.01
Other expenses	5.38	6.92
Total Expenses	**11.12**	**20.40**
Profit before tax	**6.22**	**4.86**
Tax expenses:		
Current tax	1.72	2.00
Income tax adjustment related to earlier periods	(0.11)	-
Deferred tax	(0.21)	0.39
Profit for the year from continuining operations	**4.81**	**2.47**
Other comprehensive loss for the period/year	4,880.98	198.65
Income tax effect	(1,277.61)	-82.65
Total Comprehensive Income	**3,603.37**	**116.00**
Total Comprehensive Income for the period / year (Comprising Profit and Other Comprehensive Income for the period)	**3,608.18**	**118.47**
Proportion of the Group's ownership	**22.82%**	**22.82%**
Proportionate Profit	823.39	27.03
Less: Elimination of Fair Valuation gain of CMR (net of tax)	**(822.29)**	**(26.48)**
Group's share of profit for the period/year	**1.10**	**0.55**

Summarised balance sheets :

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Current assets	-	216.46
Non - Current assets	-	4,114.73
Current Liabilities	-	3.98
Non - Current Liabilities	-	888.92
Total equity	-	3,438.28
Proportion of the Group's ownership	-	22.82%
Proportionate Investment	-	784.62
Less : Capital reserve on acquisition of associate	-	(177.71)
Elimination of Fair Valuation gain of CMR (net of tax)	-	(579.94)
Carrying amount of Investment	-	26.95

There are no contingent Liabilty and capital commitments in associate.

(Amount in Rupees lacs, unless otherwise stated)

41(b) Investment in joint venture

The Parent Company has, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG have subscribed 36,56,750 equity shares each in the equity share capital of CMR-CHIHO Recycling Technologies Private Limited and shares have been issued on February 21, 2019. However, the Parent Company and CEG have paid the amount against issue of equity shares, subsequent to the year end.

The summarised financial information of joint venture are provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of profit and loss :

Particulars	For the year ended March 31,2019
Income	
Revenue from operations (Net)	-
Other income	-
Total Revenue	**-**
Expenses:	
Finance costs	2.63
Other expenses	8.02
Total Expenses	**10.65**
Profit/(Loss) before tax	**(10.65)**
Tax expenses:	
Current tax	-
Deferred tax	(2.77)
Profit/(Loss) for the year from continuining operations	**(7.88)**
Proportion of the Group's ownership	**50.00%**
Proportionate Profit	**(3.94)**

Summarised balance sheets :

Particulars	March 31,2019
Financial assets - current	731.35
Loans - non-current	115.27
Financial liabilities - current	2.63
short-term borrowings	120.52
Non - Current Liabilities	-
Total equity	723.47

There are no contingent Liabilty and capital commitments in joint venture.

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
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42 Disclosure required under Section 186(4) of the Companies Act 2013

a) Particulars of Corporate Guarantees given as required by Section 186(4) of the Companies Act, 2013 - Nil

CMR-Chiho Recycling Technologies Private Limited*	March 31, 2019	March 31, 2018
Loan Given	120.52	-
Loan Repayment	-	-
Balance Outstanding	120.52	-

* The loan has been given to fulfil the initial working capital requirement to payoff 3 months advance rent to Mascot Infrastructure Gujarat LLP and to meet the incorporation and share issue expenses.

b) Details of investments made :

Particulars	Suvridhi Financial Services Limited	DSJ Communication Limited	Mardia Steel Limited	Usha India Limited	Rico Investment Limited	Grand Metal Industries Private Limited	CMR-Chiho Recycling Technologies Private Limited	Total
As on 31st March 2018	**26.95**	**0.08**	**0.06**	**0.10**	**155.10**	**1.10**	**-**	**183.39**
Add: Investments made during the year							365.68	**365.68**
Add: Share in profits/(losses) for the year	1.10	-	-	-	-	-	(3.94)	(2.84)
Less: Investments pertaining to subsidiary company in which divestment has been made (refer note. 48)	-	-	-	-	(155.10)	(1.10)		**(156.20)**
Less : Investments sold during the year	(28.05)	-	-	-	-	-		**(28.05)**
As on 31st March 2019	**-**	**0.08**	**0.06**	**0.10**	**-**	**-**	**361.74**	**361.98**

Details of Investment made (No. of Shares)
I. Equity Shares

Particulars	Suvridhi Financial Services Limited	DSJ Communication Limited	Mardia Steel Limited	Usha India Limited	Rico Investment Limited	Grand Metal Industries Private Limited	CMR-Chiho Recycling Technologies Private Limited
As on 31st March 2018	**11,98,600**	**25,000**	**4,900**	**10,000**	**15,00,000**	**11,000**	**-**
Investments made during the year	-	-	-	-	-	-	36,56,750
Less: Investments pertaining to subsidiary company in which divestment has been made (refer note. 48)	-	-	-	-	(15,00,000)	(11,000)	
Less : Investments sold during the year	(11,98,600)						
As on 31st March 2019	**-**	**25,000**	**4,900**	**10,000**	**-**	**-**	**36,56,750**

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43 Group Information

Information about subsidiaries, associate and joint venture.

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Subsidiaries:

Name	Principal Activity	Country of Incorporation	Percentage of Ownership (As at March 31, 2019)	Percentage of Ownership (As at March 31, 2018)
Sanjivani Non ferrous Trading Private Limited*	Trading of Aluminium based Die Cast Alloys and Zinc Alloys.	India	NIL	51.00%
CMR Nikkei India Private Limited	Producers of Aluminium based Die Cast Alloys	India	74.00%	74.00%
CMR Welfare Foundation	Corporate Social Work	India	90.00%	90.00%
CMR-Toyotsu Aluminium India Private Limited**/ ***	Producers of Aluminium based Die Cast Alloys	India	70.00%	90.00%
CTA Trading India Private Limited (Subsidiary of CMR Toyotsu Aluminium India Private Limited) upto January 20,2019	Trading of Aluminium Scrap	India	NIL	100.00%

** The shareholders of CMR Toyotsu Aluminium India Private Limited in its EGM dated September 14, 2018 approved increase in authorised share capital from Rs. 9,500 lacs to Rs. 9,650 lacs.

***The joint venture partner i.e. Toyota tsuho Corporation has invested Rs. 2,145 lacs in the subsidiary on September 28,2019. Further, during the current year, the Parent Company invested an amount of Rs 5.00 lacs in the equity share capital of CMR Toyotsu Aluminium India Private Limited and accordingly the percentage of the holding of the Parent Company in the said subsidiary has decreased from 90% to 70%.

The details of the associate and Joint venture companies over which the Group exercises significant influence, which has been consolidated on "Equity Method" are as follows:

Associate:

Name	Principal Activity	Country of Incorporation	Percentage of Ownership (As at March 31, 2019)	Percentage of Ownership (As at March 31, 2018)
Suvridhi Financial Services Limited****	Financial Assistance to manufacturing sector Companies & investment in shares & debentures of other companies.	India	NIL	22.82%

Detail of Cross Holding of Subsidiary in the Parent Company.

Name	Principal Activity	Country of Incorporation	Percentage of Ownership (As at March 31, 2019)	Percentage of Ownership (As at March 31, 2018)
Sanjivani Non ferrous Trading Private Limited*	Trading of Aluminium based Die Cast Alloys and Zinc Alloys.	India	NIL	10.90%

* The Parent Company during the current year has made 100% divestment and sold the said investment on May 30, 2018 and as a result, Sanjivani Non Ferrous Trading Private Limited is no longer subsidiary of the Parent Company with effect from that date (refer note.48).

****The Parent Company has, during the current year, sold its shares held in an associate company i.e Suvridhi Financial Services Limited on October 23, 2018. The said company is no longer as associate of the group with effect from that date. The Company has received a consideration of Rs 263.56 lacs and earned a profit of Rs 235.51 lacs on such sale which has been accounted for in the current year under "other income".

Joint Venture:

Name	Principal Activity	Country of Incorporation	Percentage of Ownership (As at March 31, 2019)	Percentage of Ownership (As at March 31, 2018)
CMR-Chiho Recycling Technologies Private Limited*****	Segregation, recycling, treatment and disposal of metal waste	India	50%	NIL

*****The Parent Company has, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG have subscribed 36,56,750 equity shares each in the equity share capital of CMR-CHIHO Recycling Technologies Private Limited and shares have been issued on February 21, 2019. However, the Parent Company and CEG have paid the amount against issue of equity shares, subsequent to the year end.

44 Material Partly owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below

Proportion of equity interest held by non-controlling

Name	Country of Incorporation and operation	March 31,2019	March 31,2018
Sanjivani Non ferrous Trading Private Limited*	India	NIL	49.00%
CMR Nikkei India Private Limited	India	26.00%	26.00%
CMR-Toyotsu Aluminium India Private Limited	India	30%**	10.00%

* The Parent Company during the current period has made 100% divestment and sold the said investment on May 30, 2018 and as a result, Sanjivani Non Ferrous Trading Private Limited is no longer subsidiary of the Parent Company with effect from that date (refer note.48).

**The Joint Venturer Partner i.e. Toyota Tsuho Corporation has invested Rs 2,145 lacs in the susidiary company on September 29 , 2018. Further, during the current year, the Parent Company invested an amount of Rs 5.00 lacs in the equity share capital of CMR Toyotsu Aluminium India Private Limited and accordingly the percentage holding of non controlling intetrest in the said subsidiary has increased from 10% to 30%.

Information regarding non-controlling interest

Name	March 31,2019	March 31,2018
Accumulated balances of material non-controlling interest		
CMR Nikkei India Private Limited	3,167.17	2,680.81
CMR-Toyotsu Aluminium India Private Limited	3,491.68	769.30
Sanjivani Non ferrous Trading Private Limited *	-	2,482.45
Total Comprehensive income allocated to material non-controlling interest		
CMR Nikkei India Private Limited	486.36	316.94
CMR-Toyotsu Aluminium India Private Limited	360.65	389.43
Sanjivani Non ferrous Trading Private Limited *	97.90	526.03
Addition of Share Capital in Non Controlling interest		
CMR Nikkei India Private Limited	780.00	-
CMR-Toyotsu Aluminium India Private Limited	2,145.00	
Share application money received from minority shareholders		
CMR Nikkei India Private Limited	(780.00)	780.00
Adjustment on account of change in Percentage holding of Non Controlling interest		
CMR-Toyotsu Aluminium India Private Limited	216.71	(38.59)
Adjustment on account of divestment in subsidiary company (refer Note 49)		
Sanjivani Non ferrous Trading Private Limited	(2,580.33)	-

* includes share of profits on cross holding by the Subsidiary Company in the Parent Company.

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45. The summary of financial information of the subsidiaries are provided below. This information is based on amounts before inter company eliminations,

(A1) Summarised statement of profit and loss of CMR Nikkei India Private Limited

	Particulars	March 31,2019	March 31,2018
A	**REVENUE**		
	Revenue from operations	56,437.98	50,587.62
	Other income	340.74	17.14
	Total revenue (A)	**56,778.72**	**50,604.76**
B	**EXPENSES**		
	Cost of raw materials consumed	48,061.80	40,267.98
	Purchase of traded goods	2,133.47	3,918.12
	(Increase) in inventories of finished goods	(1101.76)	(73.59)
	Excise duty on finished goods	-	1,317.18
	Employee benefits expenses	1,019.28	746.03
	Finance costs	459.11	444.37
	Depreciation and amortization expense	481.57	317.61
	Other expenses	2,784.47	1,790.93
	Total expenses (B)	**53,837.94**	**48,728.63**
C	**Profit before tax (A-B)**	**2,940.78**	**1,876.13**
D	**Tax expenses**		
	Current tax	634.57	520.80
	MAT Credit entitlement	(171.46)	-
	Adjustment of tax for earlier years	7.66	(6.39)
	Deferred tax charge relating to earlier years	19.64	
	Deferred tax charge	577.41	143.06
	Total tax expense	**1,067.82**	**657.47**
E	**Profit for the year (C-D)**	**1,872.95**	**1,218.66**
F	**Other Comprehensive Income**		
	Items that will not be reclassified to profit or loss		
	Re-measurement gain/(loss) on defined benefit plans	(3.62)	0.53
	Income tax effect	1.26	(0.18)
		(2.35)	**0.35**
G	Total Comprehensive Income for the year (E + F) (Comprising Profit and Other Comprehensive Income for the year)	**1,870.60**	**1,219.01**

(A2) Summarised balance sheet of CMR Nikkei India Private Limited

Particulars	March 31,2019	March 31,2018
Non-current assets	9,274.44	5,421.45
Current assets	15,867.00	9,755.63
Non Current Liabilities	2,372.64	1,019.27
Current Liabilities	10,587.39	6,067.00
Total Equity	12,181.40	8,090.81

(Amount in Rupees lacs, unless otherwise stated)

(B1) Summarised statement of profit and loss of CMR TOYOTSU ALUMINIUM INDIA PRIVATE LIMITED

	Particulars	March 31,2019	March 31,2018
A	**REVENUE**		
	Revenue from operations	50,076.51	41,838.40
	Other income	41.08	108.93
	Total revenue (A)	**50,117.59**	**41,947.33**
B	**EXPENSES**		
	Cost of raw materials consumed	41,270.01	34,407.12
	Purchase of traded goods	201.49	36.72
	(Increase)/decrease in inventories	303.86	(264.43)
	Excise duty on sale of goods	-	1,184.27
	Employee benefits expense	1,313.44	1,058.40
	Depreciation and amortization expense	569.60	395.50
	Finance costs	541.80	594.66
	Other expenses	3,156.61	2,544.04
	Total expenses (B)	**47,356.80**	**39,956.28**
C	**Profit before tax (A-B)**	**2,760.79**	**1,990.35**
D	**Tax expenses**		
	Current tax	595.97	393.00
	MAT Credit entitlement	(595.97)	(393.00)
	Deferred tax expense	967.23	651.05
	Total tax expense	**967.23**	**651.05**
E	**Profit for the year (C-D)**	**1,793.56**	**1,339.30**
F	**Other Comprehensive Income**		
	Items that will not be reclassified to profit or loss		
	Re-measurement (losses)/gain on defined benefit plans	3.64	(2.57)
	Income tax effect	(1.27)	0.90
		2.37	**(1.67)**
G	Total Comprehensive Income for the year (E + F) (Comprising Profit and Other Comprehensive Income for the year)	**1,795.93**	**1,337.63**

(B2) Summarised balance sheet of CMR TOYOTSU ALUMINIUM INDIA PRIVATE LIMITED

Particulars	March 31,2019	March 31,2018
Non-current assets	7,120.54	6,646.09
Current assets	15,014.86	10,926.45
Non Current Liabilities	315.28	988.11
Current Liabilities	10,181.13	8,891.34
Total Equity	**11,638.99**	**7,693.08**

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46 : Statement containing salient features, pursuant to Schedule III of the Companies Act 2013, of subsidiaries as per Separate financial statements of each entity :

Name of the entity in the group	March 31,2019							
	Net Assets i.e. total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	(Amount in Rs. lacs)	As % of Consolidated Profit & Loss	(Amount in Rs. lacs)	As % of Consolidated Other Comprehensive Income	(Amount in Rs. lacs)	As % of Consolidated Total Comprehensive Income	(Amount in Rs. lacs)
Parent								
Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)	91.62%	42,992.45	74.32%	7,725.74	100.32%	(11.42)	74.30%	7,714.32
Indian Subsidiaries								
CMR-Toyotsu Aluminium India Private Limited	24.80%	11,638.99	17.25%	1,793.55	-20.82%	2.37	17.30%	1,795.92
CMR-Nikkei India Private Limited	25.96%	12,181.40	18.02%	1,872.94	20.71%	(2.36)	18.02%	1,870.58
Sanjivani Non-Ferrous Trading Private Limited	0.00%	-	0.06%	6.53	-5.27%	0.60	0.07%	7.13
CTA Trading Company	0.00%	-	0.00%	-	0.00%	-	0.00%	-
CMR Foundation	0.03%	12.40	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Non controlling Interests in subsidiaries								
CMR-Toyotsu Aluminium India Private Limited	-7.44%	(3,491.68)	-3.47%	(360.18)	4.16%	(0.47)	-3.47%	(360.65)
CMR-Nikkei India Private Limited	-6.75%	(3,167.17)	-4.68%	(486.99)	-5.56%	0.63	-4.68%	(486.36)
Sanjivani Non-Ferrous Trading Private Limited	0.00%	-	-0.93%	(97.17)	6.45%	(0.73)	-0.94%	(97.90)
Associates								
Suvridhi Financial Services Limited	0.00%	-	0.01%	1.10	0.00%	-	0.01%	1.10
Joint Venture								
CMR - Chiho Recycling Technologies Private Limited	0.00%	-	-0.04%	(3.94)	0.00%	-	-0.04%	(3.94)
Inter co elimination/adjustments in consolidation	-28.22%	(13,241.54)	-0.55%	(56.88)	0.00%	-	-0.55%	(56.88)
TOTAL		**46,924.85**		**10,394.68**		**(11.38)**		**10,383.31**

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)
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Name of the entity in the group	March 31,2018							
	Net Assets i.e. total assets minus total		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	(Amount in Rs. lacs)	As % of Consolidated Profit & Loss	(Amount in Rs. lacs)	As % of Consolidated Other Comprehensive Income	(Amount in Rs. lacs)	As % of Consolidated Total Comprehensive Income	(Amount in Rs. lacs)
Parent								
Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited)	100.71%	35,219.66	84.66%	7,109.96	120.87%	7.52	84.69%	7,117.47
Indian Subsidiaries								
CMR-Toyotsu Aluminium India Private Limited	22.00%	7,693.09	15.95%	1,339.31	-26.93%	-1.67	15.92%	1,337.63
CMR-Nikkei India Private Limited	23.14%	8,090.82	14.51%	1,218.65	5.59%	0.35	14.50%	1,219.00
Sanjivani Non-Ferrous Trading Private Limited	8.97%	3,137.02	0.52%	43.26	1928.49%	119.93	1.94%	163.18
CTA Trading Company	0.00%	-	-0.11%	(9.62)	0.00%	-	-0.11%	(9.62)
CMR Foundation	0.00%	12.75	0.14%	11.75	0.00%	-	0.14%	11.75
Non controlling Interests in subsidiaries								
CMR-Toyotsu Aluminium India Private Limited	-2.31%	(769.30)	-4.64%	(389.93)	8.08%	0.50	-4.63%	(389.43)
CMR-Nikkei India Private Limited	-5.44%	(2,680.81)	-3.77%	(316.85)	-1.45%	(0.09)	-3.77%	(316.94)
Sanjivani Non-Ferrous Trading Private Limited	-7.10%	(2,482.45)	-6.26%	(525.58)	-7.21%	(0.45)	-6.26%	(526.03)
Associates								
Suvridhi Financial Services Limited	0.00%	-	0.01%	0.55	0.00%	-	0.01%	0.55
Inter co elimination/adjustments in consolidation	-39.97%	(13,750.28)	-0.88%	(83.70)	-1927.44%	(119.86)	-2.31%	(203.56)
TOTAL		**34,470.51**		**8,397.80**		**6.22**		**8,404.02**

47. The Commissioner of Central Excise, Delhi ("CE") passed an order dated 27.10.2011 against the Parent Company alleging that, the Parent Company had availed CENVAT Credit, under the Cenvat Credit Rules, 2004, for an aggregate amount of Rs. 1,585.80 lacs on purchase of aluminium scraps which were utilized in clandestine manner and without proper accounting. Additionally the Parent Company was directed to pay an amount of Rs 417.60 lacs on account of duty short paid on clearance of aluminium dross in the guise of ash and residue. The Parent Company filed appeal against the said order of CE before Customs, Excise and Service Tax Appellate Tribunal, Principal Bench, New Delhi ("CESTAT") and the CESTAT after careful perusal of the facts and circumstances of the case and appreciation of the evidence available and attending circumstances passed an order dated 04.12.2015 in the favour of the Parent Company by setting aside all the allegations of the CE for the reason same being baseless and uncorroborated. CE filed a prosecution case in the Court of Chief Judicial Magistrate, Faridabad in the year 2016 u/s 9 and 9AA of the Central Excise Act, 1944. Section 9 and 9AA lays down the provision about criminal prosecution, imprisonment and penalty. The amount of penalty referred under Section 9 and 9AA of the Central Excise Act, 1944 cannot be ascertained since this purely depends upon the discretion of the judge, therefore the question of quantification of contingent liability does not arise at this juncture at all. Moreover in prosecution cases the focus of the courts are more on imprisonment not monetary recovery for which appeal is the right remedy. The Parent Company based on in-house assessment does not expect any liability on account of above.

48. Divestment made in a subsidiary company :-

The Parent Company in its meeting of Board of Directors dated May 14, 2018 has resolved to divest 100% investment in one of the subsidiary Company namely Sanjivani Non Ferrous Trading Private Limited ('SNFT') and sold the said investment on May 30, 2018 at a consideration of Rs 476.92 lacs and as a result, the said subsidiary is not a part of the Group with effect from that date.

The major classes of assets and liabilities of Sanjivani Non Ferrous Trading Private Limited as at May 30, 2018 are, as follows:

	May 30, 2018
Assets	
Non-current assets	
Property, plant and equipment (refer note 3)	116.13
Intangible assets (refer note 4)	0.95
Financial Assets	
(i) Investments	156.20
(ii)Other financial assets	2.22
Deferred tax assets (net) (refer note.8)	24.99
Other non current assets	476.92
Current assets	
Inventories	559.30
Financial Assets	
(i) Trade receivables	1,429.37
(ii) Cash and cash equivalents (refer note.12)	3.83
(iii) Bank balances other than (iii) above	1.24
(iv) Loans	31.74
(v) Other financial assets	0.20
Other Current Assets	2,809.06
Total Assets	**5,612.15**
Liabilities	
Non Current Liabilities	
Non-controlling interests	
Borrowings (refer note 14) *	66.23
Long term provisions	0.85
Current Liabilities	
Financial Liabilities	
(i) Borrowings (refer note 14) *	227.42
(ii) Trade payables	342.20
(iii) Other financial liabilities (refer note 15)*	65.55
Short term provisions	5.58
Other liabilities	4,213.72
Current tax liabilities (net)	4.85
Total Liabilities	**4,926.40**
Net assets directly associated with disposal group	**685.75**

The net cash flows incurred by Sanjivani Non Ferrous Trading Private Limited are, as follows:

	May 30, 2018
Operating	(51.24)
Investing	2.43
Financing	37.44
Net cash (outflow)/inflow	**(11.37)**

*** Borrowings comprise of vehicle loan of Rs. 94.72 lacs having an interest rate of 7.90% which is repayable by monthly instalments till June, 2021 and fixed rate loan of Rs. 227.42 lacs having an interest rate ranging from 9~12% which is repayable on demand.**

49. The computation of profit on divestment of a subsidiary company namely Sanjivani Non Ferrous Trading Private Limited ('SNFT') during the period ended March 31, 2019 is as given below:-

Particulars	**May 30, 2018**
Consideration Received (refer note 48)	476.92
Release of Capital Reserve	1,039.35
Release of Non - Controlling interest	2,580.33
Net asset value of SNFT* (refer note 48)	(685.76)
Restatement of equity share capital held by SNFT (cross holding)	(66.77)
Restatement of securities premium, cross held	(952.38)
Total	**2,391.69**
Less: Profit on account of cross holding by SNFT in the equity share capital of the Company transferred to general reserve	2,307.95
Net profit on divestment after tax	**83.74**

*after adjusting investment value in the Parent Company by SNFT.

50. The Parent Company had entered into sales and purchases transactions in current year as well as earlier years at a very low margin with its erstwhile subsidiary Company, namely Sanjivani Non Ferrous Trading Private Limited (SNFT). The customs authorities have been increasing the value of imported aluminum scrap for the purpose of levy of custom duty thereon against the Group & SNFT. As at March 31, 2019, an amount of Rs.3,081.73 lacs is receivable by the Group from SNFT on account of enhanced Customs duty paid by the SNFT on materials purchased for sales to the Group. Since, there is a back to back arrangement, SNFT would pay to the Group such amount (without interest) as and when it receives the said amount from the customs department since SNFT is not getting any interest on receivable from customs department.

The Group has, subsequent to the year end recovered an amount of Rs.801 lacs from SNFT since SNFT has got a refund from the custom department against some of the Bill of Entries filed under Protest.

51. As per Agreement to sell dated 10.03.2011, Mr. Mohan Agarwal (Managing Director of the Parent Company) purchased property situated at Flat no. 409, 410 and 411, Fourth Floor, Tower B2 , Abacus Technopark, Village Sarai Khawaja, Faridabad, Haryana from Crown Realtech Private Limited. Vide Agreement to Sell dated 05th June 2014, Mr. Mohan Agarwal agreed to sell the said property to the Parent Company. That, in pursuance of said Agreement, the Parent Company has paid an amount of Rs 391.10 lacs till March 2019, to Mr. Mohan Agarwal and Rs. 42.90 lacs is still to be paid in this regard. Mr. Mohan Agarwal and the Parent Company requested Crown Realtech Private Limited to transfer the said property in the name of the Parent Company and handover the possession with interest on delay in giving possession. However, Crown Realtech Private Limited refused the same. Against the said refusal, Mr. Mohan Agarwal issued notice to Crown Relatech Private Limited but Crown Realtech Private Limited chose not to respond the same. Aggrieved by the same, Mr. Mohan Agarwal filed one petition before the NCLT, Delhi on 02.11.2018, which was rejected on 03.12.2018 but the same has been restored vide order dated 11.04.2019. On the other hand, Crown Realtech Private Limited has filed one SLP before Supreme Court of India challenging the legal validity of Section 5(8)(f) of the Insolvency of the IBC Code, wherein the next date is 09.07.2019. The next date of hearing in NCLT is 05.08.2019. Mr. Mohan Agarwal is fully confident of getting the possession of the property based on legal opinion obtained by him.

52. The Parent Company has, during the current year, applied for approval of its R&D unit as an eligible R&D unit with Department of Scientific and Industrial Research ("DSIR"). DSIR has recognised in House R&D Units of the Parent Company vide approval dated April 10, 2019 w.e.f January 29, 2019 to March 31, 2021.
Research and development expenses incurred by the Parent Company comprises of the following:

Particulars	**March 31,2019**	**March 31, 2018**
Salaries, wages and bonus	37.18	-
Contribution to provident and other funds	2.20	-
Legal and professional expenses	7.00	-
Miscellaneous expenses	0.90	-
Total*	**47.28**	**-**

* Excluding contribution to gratuity fund and provision for leave encashment.

53. Figures of the current year are not comparable mainly with those of the previous year due to (i) divestment of one of the subsidiary company on May 30, 2018 and (ii) setting up of two capital projects at Gujarat and one capital project at Chennai by Parent Company and its subsidiary companies.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Century Metal Recycling Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Century Metal Recycling Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures comprising of the consolidated Balance sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and its joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group and joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 54 to the consolidated Ind AS Financial Statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Group's operations and results as

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assessed by the management. Our opinion is not modified in respect of this matter.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Directors Report is not available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the

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Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial

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statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Holding Company or business activities within the Group and its joint ventures of which we are the independent auditors to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 3 subsidiaries, whose financial statements include total assets of Rs 48,246.87 lacs as at March 31, 2020 and total revenues of Rs 1,07,496.18 lacs and net cash inflows of Rs 319.25 lacs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-Section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

(b) The consolidated Ind AS financial statements include the Group's share of net loss of Rs. 61.07 lacs for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of 3 joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these joint ventures and our report in terms of sub-Section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint ventures is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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2020 has been paid / provided by the Holding Company, its subsidiaries and joint ventures incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint ventures in its consolidated Ind AS financial statements – Refer Note 30(b)(A) to the consolidated Ind AS financial statements;

ii. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2020;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures incorporated in India during the year ended March 31, 2020.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921

UDIN: 20087921AAAABF2701

Place of Signature: New Delhi
Date: 9/6/2020

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ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CENTURY METAL RECYCLING LIMITED

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

In conjunction with our audit of the consolidated financial statements of Century Metal Recycling Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Century Metal Recycling Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in

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reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E/E300005
Chartered Accountants

per Anil Gupta
Partner
Membership No.: 87921
UDIN: 20087921AAAABF2701
Place: New Delhi
Date: 6/6/2020

S.R. BATLIBOI & CO. LLP NEW DELHI

Century Metal Recycling Limited
Consolidated Balance Sheet as at March 31, 2020
(Amount in Rupees lacs, unless otherwise stated)

		Notes	As at March 31, 2020	As at March 31, 2019
	ASSETS			
I	**Non-current assets**			
	Property, plant and equipment	3	28,435.64	20,640.01
	Capital work-in-progress	3	1,928.22	5,689.74
	Right of use Assets	29a	4,592.54	-
	Intangible assets	4	155.02	220.86
	Investment in Joint Ventures	5(b)	1,045.67	361.74
	Financial Assets			
	(i) Investments	5(c)	0.24	0.24
	(i) Loans	6	268.67	212.50
	(iii) Other financial assets	7	454.67	443.19
	Non-Current Tax Assets (net)		482.67	432.56
	Other non current assets	9	741.36	1,376.12
II	**Current assets**			
	Inventories	10	21,905.37	31,815.65
	Financial Assets			
	(i) Trade receivables	11	37,940.84	29,687.38
	(ii) Cash and cash equivalents	12 (a)	2,032.84	44.84
	(iii) Bank balances other than (ii) above	12 (b)	667.53	560.73
	(iv) Loans	6	87.00	424.87
	(v) Other financial assets	7	3,171.38	3,767.87
	Current Tax Asset		6.55	166.15
	Other Current Assets	9	11,591.77	17,573.37
	Total		**1,15,507.98**	**1,13,417.82**
	EQUITY & LIABILITIES			
III	**EQUITY**			
	Share capital	13	3,061.69	3,061.69
	Other Equity		55,911.31	43,863.16
	Equity attributable to equity holders of the parent		58,973.00	**46,924.85**
	Non-controlling interests		8,029.28	6,658.85
	Total equity		**67,002.28**	**53,583.70**
	LIABILITIES			
IV	**Non Current Liabilities**			
	Financial Liabilities			
	(i) Borrowings	14	2,263.61	2,793.50
	(ii) Lease liabilities *	29a	3,056.91	-
	(ii) Other financial liabilities	15	22.20	78.73
	Long term provisions	16	406.53	308.58
	Deferred tax liabilities (net)	8	1,784.28	3,678.39
	Other liabilities	17	354.43	365.12
V	**Current Liabilities**			
	Financial Liabilities			
	(i) Borrowings	14	25,441.04	27,632.79
	(ii) Lease liabilities *	29a	475.19	-
	(ii) Trade payables	18		
	-Due to micro and small enterprises		-	-
	-Dues to others		10,519.80	20,158.29
	(iii) Other financial liabilities	15	2,570.92	3,804.79
	Short term provisions	16	537.17	437.02
	Other liabilities	17	704.16	537.97
	Current tax liabilities (net)		369.47	38.94
	Total		**1,15,507.98**	**1,13,417.82**

* including Rs. 1,259.31 lacs payable to related parties (Refer Note 31)

Century Metal Recycling Limited
Consolidated Statement of Profit and Loss for the year ended March 31,2020
(Amount in Rupees lacs, unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
I	**Revenue**			
	Revenue from operations	19	2,65,085.87	2,84,114.59
	Other Income	20	1,181.42	908.99
	Total Revenue (I)		**2,66,267.29**	**2,85,023.58**
II	**Expenses**			
	Cost of raw materials consumed	21	2,11,560.33	2,41,298.11
	Purchase of stock in trade	22	1,823.85	345.87
	Change in inventory of finished goods	23	1,087.20	(2,380.01)
	Employee benefits expenses	24	10,102.11	7,349.53
	Depreciation and amortization expense	25	2,954.70	2,114.49
	Finance costs	26	3,463.31	3,510.48
	Other expenses	27	18,176.40	15,416.18
	Total expenses (II)		**2,49,167.90**	**2,67,654.65**
III	**Profit before share in profit/(loss) of an associate and joint ventures and tax (I-II)**		**17,099.39**	**17,368.93**
IV	**Share in profits of an associate (net of tax)**		**-**	**1.10**
V	**Share in profits/(losses) of joint ventures (net of tax)**		**(61.07)**	**(3.94)**
VI	**Profit before tax (III+IV+V)**		**17,038.32**	**17,366.09**
VII	**Tax expense:**			
	- Current tax		5,494.96	3,742.13
	- MAT credit entitlement		-	(1,297.91)
	- MAT credit adjustment for an earlier years (net)		(3.82)	2.15
	- MAT credit entitlement for earlier year written off		1,448.10	-
	- Income tax adjustment related to earlier years (net)		-	7.66
	- Deferred tax charge		(1,792.03)	3,543.56
	- Deferred tax adjustment for earlier years (net)		(1,544.69)	29.48
			3,602.51	**6,027.07**
VIII	**Profit for the year (V-VI)**		**13,435.81**	**11,339.02**
IX	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains/(losses) on defined benefit plans		(22.73)	(16.66)
	Income tax effect		5.51	5.86
			(17.23)	**(10.80)**
X	**Total Comprehensive Income for the year (VII+VIII) (Comprising Profit and Other Comprehensive Income for the year)**		**13,418.58**	**11,328.22**
	Profit for the year attributable to :		**13,435.81**	**11,339.02**
	Equity holders of the parent		12,065.82	10,394.68
	Non-controlling interests		1,369.99	944.34
	Other comprehensive income for the year attributable to :		**(17.23)**	**(10.80)**
	Equity holders of the parent		(17.67)	(11.38)
	Non-controlling interests		0.44	0.58
	Total comprehensive income for the year attributable to :		**13,418.58**	**11,328.22**
	Equity holders of the parent		12,048.15	10,383.30
	Non-controlling interests		1,370.43	944.92
XI	**Earnings per equity share:**	28		
	(1) Basic		39.41	36.68
	(2) Diluted		39.41	36.68

Century Metal Recycling Limited

Consolidated Statement of changes in equity for the year ended March 31,2020

(Amount in Rupees lacs, unless otherwise stated)

Particulars	Share capital				Equity attributable to equity holders					Non controlling Interest	Total equity
	Equity shares		0.001% compulsorily convertible participatory preference shares (CCPPS)		Retained earnings	Capital Reserve	Securities Premium	General Reserve	Equity attributable to equity holders		
	(No. of Shares)	(Amount)	(No. of Shares)	(Amount)	(Amount)	(Amount)	(Amount)	(Amount)	(Amount)		
As at March 31, 2018	**54,55,695**	**545.57**	**15,30,844**	**153.08**	**24,169.82**	**1,039.35**	**8,562.69**	**-**	**33,771.86**	**5,932.55**	**40,403.06**
Add: Profit for the year	-	-	-	-	10,394.68	-	-	-	10,394.68	944.34	**11,339.02**
Add: Other Comprehensive Income	-	-	-	-	(11.38)	-	-	-	(11.38)	0.58	**(10.80)**
Total Comprehensive Income	-	-	-	-	**10,383.30**	-	-	-	**10,383.30**	**944.92**	11,328.22
Add: Share capital received from minority shareholders	-	-	-	-	-	-	-	-	-	2,145.00	**2,145.00**
Adjustment on account of adjustment on change of shareholding during the year	-	-	-	-	(216.71)	-	-	-	(216.71)	216.71	-
Bonus shares issued during the year (refer note 13(h))	1,83,70,125	1,837.01	-	-	-	-	(1,837.01)	-	(1,837.01)	-	-
CCPPS converted into equity shares during the year (refer note 13(i))	61,23,376	612.34	(15,30,844)	(153.08)			(459.26)		(459.26)	-	-
Adjustment on account of divestment in subsidiary Company (refer note 48 and 49)	6,67,680	66.77	-	-	-	(1,039.35)	952.38	2,307.95	**2,220.98**	(2,580.33)	**(292.58)**
As at March 31, 2019	**3,06,16,876**	**3,061.69**	**-**	**-**	**34,336.41**	**-**	**7,218.80**	**2,307.95**	**43,863.16**	**6,658.85**	**53,583.70**
Add: Profit for the year	-	-	-	-	12,065.82	-	-	-	12,065.82	1,369.99	13,435.81
Add: Other Comprehensive Income	-	-	-	-	(17.67)	-	-	-	(17.67)	0.44	(17.23)
Total Comprehensive Income	-	-	-	-	**12,048.15**	-	-	-	**12,048.15**	**1,370.43**	**13,418.58**
As at March 31, 2020	**3,06,16,876**	**3,061.69**	**-**	**-**	**46,384.56**	**-**	**7,218.80**	**2,307.95**	**55,911.31**	**8,029.28**	**67,002.28**

Century Metal Recycling Limited

Consolidated Statement of Cash Flows for the year ended March 31, 2020

(Amount in Rupees lacs, unless otherwise stated)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A	**Cash Flow from Operating Activities**		
	Profit before share in profit/(loss) of an associate and joint ventures and tax	17,099.39	17,368.93
	Adjustments for :		
	Depreciation and amortization expense	2,954.70	2,114.49
	Loss on disposal of Property, plant and equipment (net)	13.87	23.21
	Interest income	(651.90)	(409.73)
	Interest expense	3,232.98	3,390.86
	Amortisation of deferred government grant	(76.37)	(76.37)
	Unrealised foreign exchange (gain)/ loss	243.67	(41.30)
	Profit on divestment in a subsidiary company (Refer Note 49)	-	(83.74)
	Profit on sale of investment in associate company	-	(235.51)
	Capital Advances Written Off	464.99	-
	Provision for doubtful security deposits	17.35	
	Provision for doubtful custom duty recoverable	1,954.04	-
		8,153.33	**4,681.91**
	Operating Profit before adjustments	**25,252.72**	**22,050.84**
	Adjustments:		
	(Increase) in trade receivables	(8,253.46)	(3,295.54)
	Decrease/(Increase) in inventories	9,910.28	(9,351.38)
	Decrease/(Increase) in financial assets and loans	767.14	(2,996.32)
	Decrease/(Increase) in other assets	4,049.32	(8,103.48)
	(Decrease)/Increase in trade payables	(9,638.49)	5,371.46
	Increase in financial liabilities	518.76	174.53
	Increase in other liabilities	189.94	3,907.23
	Increase in provisions	175.36	144.63
	Change in the adjustments	**(2,281.15)**	**(14,148.87)**
	Direct taxes paid (net of refunds)	(5,051.12)	(4,368.20)
	Net cash generated from operating activities (A)	**17,920.45**	**3,533.77**
B	**Cash Flow from Investing Activities:**		
	Purchase of property, plant and equipment, intangible assets including	(7,726.48)	(9,506.49)
	Proceeds from sale of a subsidiary company (refer note 49)	-	476.92
	Sale proceeds of Property, plant & equipment	138.93	25.36
	Purchase of investments in Joint Venture companies	(1,110.68)	-
	Proceeds from sale of investment in associate company	-	263.56
	Investment in fixed deposits having remaining maturity of more than 3 months	(968.32)	(960.70)
	Proceeds from fixed deposits having remaining maturity of more than 3 months	859.23	1,176.81
	Loans to Body corporate	-	(120.52)
	Repayment of loans from body corporate	120.52	-
	Interest received	603.56	415.26
	Net Cash (Used) in Investing Activities (B)	**(8,083.24)**	**(8,229.80)**
C	**Net Cash Flow From Financing Activities:**		
	Proceeds from issue of shares by subsidiary to minority shareholders	-	2,145.00
	(Repayments)/Proceeds from other short term borrowings (net)	(2,451.78)	5,491.35
	Proceeds from long term borrowings	608.09	1,966.57
	Repayment of long term borrowings	(2,419.13)	(1,547.55)
	Lease payments made	(753.72)	-
	Interest paid	(2,832.67)	(3,374.27)
	Net Cash generated from/(Used in) in Financing Activities (C)	**(7,849.21)**	**4,681.10**
	Net Change in Cash & cash equivalents (A+B+C)	1,988.00	(14.93)
	Cash and cash equivalents at the beginning of the year (Refer Note 12) *	44.84	63.60
	Cash and cash equivalents at the end of the year (Refer Note 12) *	**2,032.84**	**48.67**

* The closing balance as at March 31, 2019 of cash and cash equivalents for the purpose of cash flow statement included cash and bank balance of Rs. 3.83 lacs attributable to subsidiary company in which divestment was made (refer note. 48).

Note: Cash flow from operating activities for the year is after considering Corporate Social Responsibility expenditure of Rs. 30.12 lacs (March 31, 2019: Nil).

1. Corporate information

Century Metal Recycling Limited (formerly known as Century Metal Recycling Private Limited) ('the Parent Company') is a company domiciled and incorporated in India under the provisions of the Companies Act applicable in India. The consolidated financial statements relate to the Parent Company and its subsidiaries (collectively hereinafter referred to as "Group") and its joint ventures.

Subsequent to the year end, the registered office of the Parent Company has been changed from W-5/16 Western Avenue, Sainik Farm, New Delhi - 110062 to Unit No. 802 - 803, 8th Floor, SSR Corporate Park, Sector 27B, Faridabad, Haryana, India, 121003.

The Group is engaged in the business of manufacturing and selling of aluminium based die cast alloys and zinc alloys in India. The Group is also engaged in the business of segregation and sale of metal scrap as a part of manufacturing process (with a specific focus on stainless steel, brass, copper and zinc).

These consolidated Financial Statements were approved for issue in accordance with a resolution of the Board of Directors of the Parent Company in their meeting held on June 06, 2020.

2.1 **Basis of preparation**

These consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (IND AS compliant Schedule III), to the extent applicable.

These consolidated financial statements have been prepared on an accrual basis and under the historical cost basis, except for the certain financial assets and financial liabilities which have been measured at fair value as per the requirements of the Ind AS.

The preparation of these consolidated financial statements requires the use of certain significant accounting estimates and judgements. It also requires the management to exercise judgement in applying the Group's accounting policies. The areas where estimates are significant to the consolidated financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 2.5.

All the amounts included in the consolidated financial statements are reported in lacs of Indian Rupees ('Rupees' or 'Rs.'), except per share data and unless stated otherwise and rounded off to nearest lacs.

2.2 Basis of consolidation

These consolidated financial statements comprise the financial statements of the Parent Company, its subsidiaries and joint ventures.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the group i.e. March 31, 2020. In case of previous year, one of the erstwhile subsidiary company namely, Sanjivani Non-Ferrous Trading Private Limited whose financial statements were prepared up to date of divestment i.e. May 30, 2018 (Refer Note 48).

b) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

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) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment in joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.4 Summary of significant accounting policies and Changes in Accounting policies & disclosures

The accounting policies, as set out below, have been consistently applied, by the Group, to all the years presented in the consolidated financial statements except as mentioned in note 2.4 (a) below:

a. Changes in accounting policies and disclosures

New and amended standards and interpretations

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor.

The Group has adopted Ind AS 116 using modified retrospective method of adoption with the date of initial application of April 01, 2019 with the cumulative effect of initially applying the Standard recognised at the date of initial application.

The Group elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 April 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). However, in case of lease contracts with related parties, there exist economic incentive for the Group to continue using the leased premises for a period longer than the 11 months and considering the contract is with the related parties, it does not foresee non-renewal of the lease term for future periods, thus basis the substance and economics of the arrangements, management believes that under Ind AS 116, the lease terms in the arrangements with related parties have been determined considering the period for which management has an economic incentive to use the leased asset (i.e. reasonable certain to use the asset for the said period of economic incentive). Such assessment of incremental period is based on management assessment of various factors including the remaining useful life of the asset as on the date of transition. The management has assessed period of arrangements with related parties as 6 to 7 years as at April 01, 2019.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of Ind AS 116 are only applied after that date.

On adoption of Ind AS 116, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019.

Practical expedients applied

In applying Ind AS 116 for the first time, the Group has used the following practical expedients permitted by the standard:

a) applying a single discount rate to a portfolio of leases with reasonably similar characteristics
b) accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases other than leases from related parties
c) excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
d) Non-separation of lease and non-lease components when payments include both the components
e) relying on its assessment of whether leases are onerous immediately before the date of initial application.
f) using hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

Based on the above, as at 1 April 2019:

> Right-of use assets of Rs 5,219.45 lacs including reclassification of leasehold land from Property, plant and equipment of Rs. 1,266.89 were recognised and presented separately in the balance sheet.

> Lease liabilities of Rs. 3,952.57 million were recognised and presented separately in the balance sheet.

On application of Ind AS -116, In the statement of profit and loss for the current year, operating lease expenses has changed from rent to depreciation cost for the right of use assets and finance cost for interest accrued on lease liability.

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March 2019, as follows:

Particulars	**Rs. in lacs**
Operating lease commitments as at 31 March 2019	303.97
Weighted average incremental borrowing rate as at 1 April 2019	9.00%
Discounted operating lease commitments as at 1 April 2019	257.69

Add:	
Lease payments not included in operating lease commitments as at 31 March 2019 but presented as lease liabilities as per IND AS 116	3,694.88
Lease liabilities as at 1 April 2019	**3,952.57**

The adoption of this standard does not have any significant impact on profit and earning per share of the current year.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The MCA has also carried out amendments to the following other accounting standards. The effect on adoption of following mentioned amendments were insignificant on the consolidated Ind AS financial statements. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

(i) Ind AS 109: Prepayment Features with Negative Compensation
(ii) Ind AS 19: Plan Amendment, Curtailment or Settlement
(iii) Ind AS 103 Business Combinations
(iv) Ind AS 12 Income Taxes
(v) Ind AS 23 Borrowing Costs
(vi) Amendments to Ind AS 28: Long-term interests in associates and joint ventures
(vii) Ind AS 111 Joint Arrangements

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle
ii) Held primarily for the purpose of trading
iii) Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:
i) It is expected to be settled in normal operating cycle

ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

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.

c. Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

d. Fair value measurements

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable..
Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

e. Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

Sale of products

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Group collects Goods & Service Tax (GST)/ on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue.

Variable consideration includes trade discounts, volume rebates and incentives, etc. The Group estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Group adjusts estimate of revenue at the earlier of when the most likely amount of consideration expected to receive changes or when the consideration becomes fixed.

Sale of services

Revenue from job work in process is recognised by reference to the stage of completion. Stage of completion is measured by reference to job work in process at the year end and is recognized at measured value of conversion charges. The Group collects service tax/ GST on job work on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Interest income

Interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms.

Export incentive

Export incentive under the EPCG scheme and other scheme are accounted in the year of export of goods considering certainty in the collection of export proceeds.

f. Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income on a systematic basis.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

g. Income Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

Current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the income tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(b) In respect of taxable temporary differences associated with investments in subsidiaries and joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, if any. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

(a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

(b) In respect of deductible temporary differences associated with investments in subsidiaries and joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in 'OCI' or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

h. Non-Current Asset held for sale:

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

i. Property, plant and equipment ('PPE')

An item of PPE is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably.

Capital work in progress and PPE are initially recognised at cost net of accumulated depreciation, if any. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes and excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, freehold land is carried at historical cost and other items of PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts are required to be replaced at regular intervals, the Group recognises such parts as separate component of assets and depreciates separately based on their specific useful life. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised.

The expenditures those are incurred after the item of PPE is available for use, such as repairs and maintenance, are charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where such expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on PPE is provided on straight line basis using the rates as specified in Part C of Schedule II of the Companies Act, 2013, as set out below except for certain components of plant and machinery useful lives of which have been taken as 8-9 years based on independent assessment of professionals undertaken by Group's management.

Asset	**Useful life**
Roads	05-10 years
Office and non-factory Building	60 years
Factory Buildings	30 years
Plant and equipment	05-25 years
Office equipment	05 years
Computers	03 years
Servers	06 years
Furniture and fixtures	10 years
Vehicles	08 years

Lease hold land is amortized on straight line basis over the useful life of leasehold land. Lease hold improvements are depreciated on a straight line basis over the useful life of asset or the unexpired lease period ranging from 2.5 to 10 years, whichever is lower.

Individual items of property, plant and equipment costing up to Rs. 10,000/- is charged to the statement of profit and loss in the year in which it is purchased or acquired.

The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of principal asset.

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at each reporting date. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted for prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised at April 01, 2016 measured as per the previous GAAP and use that carrying value except accounting for Government grant and transaction cost of long term borrowings as the deemed cost of the property, plant and equipment and capital work-in-progress.

The cost of capital work-in-progress is presented separately in the balance sheet.

j. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Software is capitalised at the amounts paid to acquire the respective license for use and is amortised over the period of license not exceeding six years from the date when the asset is available for use.

The amortisation expense on intangible assets is recognised in the statement of profit and loss on straight line basis over the estimated useful lives of intangible assets from the date they are available for use. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each balance sheet date. If expected useful life is significant different from previous assessment, the change in useful life is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its intangible assets recognised at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group’s CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses, if any, are recognized in Statement of Profit and Loss as a component of depreciation and amortisation expense.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the statement of profit and loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

m. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Particulars	**Life in years**
Offices	3.50 to 4.00 years
Factory land and building	5.50 to 9.00 years
Guest Houses	6.00 to 7.00 years
Leasehold Land	90 – 99 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies 2.4(l) on Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed separately in the balance sheet (see Note 29a).

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases except in case of lease contracts with related parties since there exist economic incentive for the Group to continue using the leased premises for a period longer than the 11 months and considering the contract is with the related parties, it does not foresee non-renewal of the lease term for future periods, thus basis the substance and economics of the arrangements, management believes that under Ind AS 116, the lease terms in the arrangements with related parties have been determined considering the period for which management has an economic incentive to use the leased asset (i.e. reasonable certain to use the asset for the said period of economic incentive). Such assessment of incremental period is based on management assessment of various factors including the remaining useful life of the asset as on the date of transition. The management has assessed period of arrangements with related parties as 6 to 7 years as at April 01, 2019. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Contingent rents are recognised as revenue in the period in which they are earned.

n. Inventories

Inventories are valued at the lower of cost and net realisable value.

Raw materials, traded goods and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, traded goods and stores and spares is determined on First in first Out (FIFO) basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

o. Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

p. Contingent Liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are disclosed in the consolidated financial statements only when an inflow of economic benefits is probable.

q. Employee benefits

The Group's employee benefits mainly include wages, salaries, bonuses, contribution to plans, defined benefit plans and compensated absences. The employee benefits are recognised in the year in which the associated services are rendered by the Group's employees.

i) Defined contribution plans – Provident fund

Provident fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards provident fund which are defined contribution plans. The Group has no obligation, other than the contribution payable to the funds. The Group recognises contribution payable to the fund scheme in the statement of profit and loss, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

ii) Defined benefit plans - Gratuity

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; this benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Group's obligation under this plan is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements comprising of actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Curtailment gains and losses are accounted for as past service costs.

iii) Other employee benefits

The employees can carry forward a portion of the unutilized accrued compensated absences and utilise it in future service periods or receive cash compensation during termination of employment.
Compensated absence, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats compensated absences expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss.
The Group presents the leave liability as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

r. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

i) Financial assets carried at amortized cost (debt instrument)

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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 outstanding. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

ii) Financial assets at fair value through other comprehensive income (debt instrument)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates that are solely payments of principal and interest on principal amount outstanding. Further in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments the subsequent changes in fair value are recognized in other comprehensive income.

There are no financial instruments in the Group measured at fair value through other comprehensive income.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair value through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method or at fair value through profit or loss. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss if the criteria under Ind AS 109 are satisfied. All other financial liabilities are subsequently measured at amortised cost.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

i) Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

ii) Borrowings

On initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability (or a part of the financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Group follows "simplified approach for recognition of impairment loss. The application of simplified approach does not require the group to track changes in credit risk.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

s. Derivatives

The Group uses derivative financial instruments such as forward exchange contracts and forward commodity contracts to hedge risks associated with foreign currency fluctuations and commodity price risks.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss

t. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

u. Cash dividend

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

v. Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating decision maker reviews business performance at an overall Group level as one segment "Aluminium ingots and zinc ingots".

w. Earning per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Group (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.5 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

b) Revenue recognition and presentation

The Group assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The Group has concluded that they operating on a principal to principal basis in all its revenue arrangements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

c) Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

d) Allowance for uncollectible trade receivables

Trade receivables generally do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

e) Property, plant and equipment

Refer note 2.4 (i) for the estimated useful life of property, plant and equipment. The carrying value of property, plant and equipment has been disclosed in note 3.

Change in estimate: During the current year, the Parent Company has re-assessed and made a downward revision in the useful lives of certain plant and equipment having a net block of Rs. 102.97 lacs as at April 1, 2019. In view of this change, depreciation charge for the year is higher by Rs. 82.73 lacs and profit before tax is lower by Rs 82.73 lacs. Also, during the year ended March 31, 2019, the Parent Company and one of its subsidiary company had re-assessed and made a downward revision in the useful lives of certain plant and equipment having a net block of Rs. 201.78 lacs as at April 1, 2018. In view of this change, depreciation charge for the previous year was higher by Rs. 143.89 lacs and profit before tax was lower by Rs 143.89 lacs.

f) Intangible assets

Refer note 2.4 (j) for the estimated useful life of intangible assets. The carrying value of intangible assets has been disclosed in note 4.

g) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

h) **Leases - Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

i) **Leases - Estimating the period of lease contracts with related parties**

In case of lease contracts with related parties, there exist economic incentive for the Group to continue using the leased premises for a period longer than the 11 months. The period of expected lease in these cases is a matter of estimation by the management. The estimate of lease period impacts the recognition of ROU asset, lease liability and its impact of statement of profit and loss. The lease terms in the arrangements with related parties have been determined considering the period for which management has an economic incentive to use the leased asset (i.e. reasonably certain to use the asset for the said period of economic incentive). Such assessment of incremental period is based on management assessment of various factors including the remaining useful life of the asset as on the date of transition. The management has assessed period of arrangements with related parties as 6 to 7 years as at April 01, 2019.

j) **Determining the lease term of contracts with renewal and termination options – Group as lessee**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

k) **Estimation uncertainty relating to the global health pandemic on COVID-19**

The Group has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets.

The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these consolidated Ind AS statements.

The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

Century Metal Recycling Limited
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020
(Amount in Rupees lacs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Leasehold land	Freehold land	Plant and equipment	Buildings	Leasehold Improvements	Vehicles	Furniture & Fixtures	Office Equipment	Computers	Total	Capital work in progress
Cost											
As at March 31, 2018	**1,299.64**	**2,193.97**	**10,635.20**	**6,904.70**	**130.44**	**631.72**	**148.52**	**143.07**	**87.49**	**22,174.74**	**349.88**
Additions	4.69	249.09	2,495.77	850.92	0.39	200.77	129.84	44.85	56.58	4,032.90	5,339.86
Disposals	-	-	107.39	-	-	-	-	-	-	107.39	
Adjustment on account of divestment in a subsidiary company *	-	-	-	-	-	130.74	0.12	0.04	0.02	130.92	
As at March 31, 2019	**1,304.33**	**2,443.06**	**13,023.58**	**7,755.62**	**130.83**	**701.75**	**278.24**	**187.88**	**144.05**	**25,969.33**	**5,689.74**
Additions	-	121.90	7,056.66	3,974.38	53.91	137.46	10.50	67.47	43.71	11,465.98	
Adjustment **	(1,304.33)	-		-	-	-	-	-	-	(1,304.33)	
Disposals	-	-	449.37	-	-	74.41	-	2.48	0.52	526.78	3,761.52
As at March 31, 2020	**-**	**2,564.96**	**19,630.87**	**11,730.00**	**184.74**	**764.80**	**288.73**	**252.87**	**187.24**	**35,604.20**	**1,928.22**
Depreciation											
As at March 31, 2018	**23.28**	**-**	**2,431.45**	**562.43**	**50.70**	**134.67**	**39.96**	**61.24**	**50.15**	**3,353.88**	
Charge for the year	14.16	-	1,578.59	279.95	14.04	85.56	25.42	29.71	21.61	2,049.04	
Disposals	-	-	58.82	-	-	-	-	-	-	58.82	
Adjustment on account of divestment in a subsidiary company *	-	-	-	-	-	14.76	0.02	0.01	-	14.79	
As at March 31, 2019	**37.44**	**-**	**3,951.23**	**842.38**	**64.74**	**205.48**	**65.35**	**90.94**	**71.76**	**5,329.31**	
Charge for the year	-	-	1,690.91	345.78	22.71	94.16	29.68	34.89	32.55	2,250.67	
Disposals	-	-	320.02	-	-	51.86	-	2.06	0.04	373.98	
Adjustment **	(37.44)									(37.44)	
As at March 31, 2020	**-**	**-**	**5,322.11**	**1,188.15**	**87.45**	**247.78**	**95.03**	**123.77**	**104.26**	**7,168.56**	
Net block											
As at March 31, 2018	**1,276.36**	**2,193.97**	**8,203.75**	**6,342.27**	**79.74**	**497.05**	**108.56**	**81.83**	**37.34**	**18,820.86**	**349.88**
As at March 31, 2019	**1,266.89**	**2,443.06**	**9,072.34**	**6,913.25**	**66.09**	**496.28**	**212.88**	**96.94**	**72.29**	**20,640.01**	**5,689.74**
As at March 31, 2020	**-**	**2,564.96**	**14,308.76**	**10,541.85**	**97.29**	**517.02**	**193.70**	**129.10**	**82.98**	**28,435.64**	**1,928.22**

*Net block of Rs. 116.13 lacs pertains to subsidiary company in which divestment was made (refer Note 48)
** Adjustment to Leasehold land represents reclassification of leasehold land to Right of use assets on adoption of Ind AS 116. Also, Refer Note 29(a).
 # The number reported are net (addition less deletion)

Notes:-

1) During the current year, the Parent Company has re-assessed and made a downward revision in the useful lives of certain plant and equipment having a net block of Rs. 102.97 lacs as at April 1, 2019. In view of this change, depreciation charge for the year is higher by Rs. 82.73 lacs and profit before tax is lower by Rs 82.73 lacs. Also, during the year ended March 31, 2019, the Parent Company and one of its subsidiary company had re-assessed and made a downward revision in the useful lives of certain plant and equipment having a net block of Rs. 201.78 lacs as at April 1, 2018. In view of this change, depreciation charge for the previous year was higher by Rs. 143.89 lacs and profit before tax was lower by Rs 143.89 lacs.

2) Indian Rupee Term Loan of the Parent Company was secured by first charge by way of equitable mortgage in favour of SIDBI of all the lease hold rights in the immovable properties, both present and future at Haridwar unit and first charge by way of hypothecation of all the movable assets except vehicles specifically hypothecated against vehicle loans, such as plant and machinery, equipments, spares, tools, miscellaneous fixed assets, utilities and ancillary equipments etc. The Term loan was also collaterally secured by extension of first charge by way of hypothecation on all movable fixed assets, present and future of Haridwar unit of the Parent Company. The said term loan has been repaid during the current year by the Parent Company.

3) Term loans of the subsidiary company, CMR Toyotsu Aluminium India Private Limited, are secured by first charge over the entire fixed assets of the said subsidiary company, present and future including Equitable Mortgage of factory land and building at Plot No A-4 & A-5 Sipcot Industrial Park, Pillaipakkam, Chennai.

4) a) Term Loan from SBI in one of the subsidiary company, CMR Nikkei India Private Limited, is secured by first charge over the entire fixed assets except vehicles specifically hypothecated against vehicle loans, present & future, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana.

(b) Term loan from Shinhan bank in one of the subsidiary company, CMR Nikkei India Private Limited, is secured by hypothecation of plant & machinery and by way of simple/registered mortgage on land and building survey No. 676& 677 Village. Vanod Taluka Dasada , District Sundernagar Gujarat. The said land is owned by the Parent Company.

5) The Vehicle Loans of the Group are secured by way of first charge over specific vehicle.

6) Working capital demand loans of Parent Company including Buyer's Credit, Cash Credit, Bills Discounting and vendor financing facilities are secured by second pari-passu charge with other working capital lenders under consortium on fixed assets (present and future) at all plants except vehicles specifically hypothecated against vehicle loans and assets charged to SIDBI.

7) Working capital credit facility of the subsidiary company, CMR Toyotsu Aluminium India Private Limited, is secured by way of extension of first charge over the fixed assets of the said Company, including Equitable mortgage of factory land & building at Plot No. A-4, A-5 SIPCOT Industrial Park at Pillaipakkam, Sriperumpudur, District Kanchipuram, Chennai and equitable mortgage of factory and land and building at G-108/2, Sipcot Industrial Park, Vallam-Vadagal, Chennai.

8) Working capital credit facility of the subsidiary company, CMR Nikkei India Private Limited, is secured by way of extension of charge over the fixed assets situated at Bawal Plant except vehicle specifically hypothecated against vehicle loans of the said subsidiary, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana.

9) Capital work in progress includes plant & equipment of Rs 148.86 lacs (March 31, 2019 : Rs.472.92 lacs) in transit.

10) Additions during the current year to freehold land include Rs. 42.96 lacs represent conversion charges paid on account of conversion of Agricultural land to Industrial land.

11) The Parent Company has, during the current year, capitalised a new manufacturing plant having an installed capacity of 22,000 MT at Kambola, Vadodra (Gujarat) (known as Halol Plant). The commercial production at the said plant was started on October 04, 2019.

12) One of a subsidiary company, CMR Toyotsu Aluminium India Private Limited, has during the current year, capitalised a new manufacturing plant having an installed capacity of 24,000 MT at Vallam, Chennai (Tamil Nadu). The commercial production at the said plant was started on September 02, 2019.

13) Pre-Operative Expenses (Included in Capital work in progress)

Particulars	March 31, 2020	March 31, 2019
Opening Pre-Operative expenses	106.02	2.13
Salaries, wages and bonus	63.44	108.67
Contribution to provident and other funds	-	1.34
Staff welfare expenses	3.60	2.97
Interest expense	-	34.86
Consumption of stores and spares	-	10.67
Power & Fuel	33.32	22.57
Repair & Maintanance-Plant and equipment	7.73	6.25
Printing & stationery	0.35	0.21
Rent	11.44	18.60
Rates and taxes	4.60	2.34
Travelling and conveyance expenses	19.73	71.18
Vehicle running and maintenance	0.75	2.44
Communication expenses	0.29	0.43
Legal and professional expenses	7.46	6.48
Security service expenses	10.84	8.08
Miscellaneous expenses	7.60	21.05
Less: Capitalised during the year	(270.51)	(214.26)
Balance carried forward	**6.67**	**106.02**

Century Metal Recycling Limited

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4 Intangible assets

Particulars	Computer Software
Gross block	
As at March 31, 2018	**371.34**
Additions	35.28
Disposals	-
Adjustment on account of divestment made in a subsidiary company *	5.09
As at March 31, 2019	**401.53**
Additions	11.28
Disposals	-
Adjustment on account of divestment made in a subsidiary company *	-
At March 31, 2020	**412.81**
Amortisation	
As at March 31, 2018	**119.36**
Charge for the year	65.45
Disposals	-
Adjustment on account of divestment made in a subsidiary company *	4.14
As at March 31, 2019	**180.67**
Charge for the year	77.12
Disposals	-
Adjustment on account of divestment made in a subsidiary company *	-
As at March 31, 2020	**257.79**
Net block	
At March 31, 2018	**251.98**
At March 31, 2019	**220.86**
At March 31, 2020	**155.02**

***Net block pertaining to subsidiary company in which divestment was made (refer note 48)**	**0.95**

5(a) Investment in Associate
Investments at cost
Investment in associate (unquoted) *

*The Parent Company had, during the previous year, sold shares held in an associate company i.e. Suvridhi Financial Services Limited on October 23, 2018. The said company was no longer as associate of the Parent Company with effect from that date. The Parent Company had received a consideration of Rs 263.56 lacs and earned a profit of Rs 235.51 lacs on such sale which has been accounted for in the previous year under "other income".

5(b) Investment in Joint Ventures (unquoted)

	March 31, 2020	March 31,2019
Investments at cost		
CMR - Chiho Recycling Technologies Private Limited**		
- 3,656,750 (March 31, 2019 : 3,656,750) equity shares of Rs 10/- each (fully paid up)	365.68	365.68
Add: Share in opening reserves	(3.94)	-
Add: Share in (losses) for the current year	(61.07)	(3.94)
	300.67	**361.74**
CMR Chiho Industries India Private Limited***		
- 7,200,000 (March 31, 2019 : Nil) equity shares of Rs 10/- each	720.00	-
Add: Share in profits/(losses) for the current year	-	-
	720.00	**-**
Nikkei CMR Aluminium India Private Limited****		
- 250,000 (March 31, 2019 : Nil) equity shares of Rs 10/- each	25.00	-
Add: Share in profits/(losses) for the current year	-	-
	25.00	**-**
Total	**1,045.67**	**361.74**

** The Parent Company had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG had subscribed 36,56,750 equity shares each in the equity share capital of CMR-CHIHO Recycling Technologies Private Limited and shares were issued on February 21, 2019.

*** The Parent Company has, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG had subscribed 72,00,000 equity shares each in the equity share capital of CMR - Chiho Industries India Private Limited and 2,50,000 equity shares were issued December 12, 2019 and balance 69,50,000 equity shares were issued on February 5, 2020.

**** The Parent Company had, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with Nikkei MC Aluminium Company Limited ("NMA"), Japan. Pursuant to the said agreement, the Parent Company and NMA had subscribed 250,000 equity shares each in the equity share capital of Nikkei CMR Aluminium India Private Limited and shares were alloted on 3rd December, 2019.

**** The Parent Company had, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with Nikkei MC Aluminium Company Limited ("NMA"), Japan. Pursuant to the said agreement, the Parent Company and NMA had subscribed 250,000 equity shares each in the equity share capital of Nikkei CMR Aluminium India Private Limited and shares were alloted on 3rd December, 2019.

5(c) Other Investments

	March 31, 2020	March 31,2019
Investment in equity instruments others (unquoted)		
At fair valuation through Profit and loss		
DSJ Communication Limited *****	0.08	0.08
- 25,000 (31 March 2018: 25,000) equity shares of Rs.10/- each (fully paid up)		
Mardia Steel Limited *****	0.06	0.06
- 4,900 (31 March 2018: 4,900) equity shares of Rs.10/- each (fully paid up)		
Usha India Limited *****	0.10	0.10
- 10,000 (31 March 2018: 10,000) equity shares of Rs.10/- each (fully paid up)		
	0.24	**0.24**
Aggregate amount of unquoted investments	0.24	0.24

***** The above investments are in listed companies. However, the quoted price of the shares of these companies are not available as they are not being traded. Accordingly, these investments have been considered as unquoted investments.

Century Metal Recycling Limited
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6. Loans (at amortised cost)	**Non-Current**		**Current**	
	March 31, 2020	**March 31,2019**	**March 31, 2020**	**March 31,2019**
Unsecured, considered good, unless otherwise stated				
Security deposits				
considered good	265.60	208.96	41.72	247.43
considered doubtful	17.35	-	-	-
	282.95	208.96	41.72	247.43
Provision for doubtful security deposits	(17.35)	-	-	-
	265.60	208.96	41.72	247.43
Loan to related party (Note 31)**				
-CMR- Chiho Recycling Technologies Private Limited	-	-	-	120.52
Loans/advances to employees*				
-Related Parties (Note 31)	-	-	-	19.41
-Others	3.07	3.54	45.28	37.51
Total	**268.67**	**212.50**	**87.00**	**424.87**

***Loans/advances to employees include:**		
Due from Managing Director of the Parent Company	-	12.61
Due from Chairman of the Parent Company	-	4.43
Due from Director of the Parent Company	-	2.33
Due from Company Secretary of the Parent Company	-	0.04
** Due from CMR-Chiho Recycling Technologies Private Limited, a private company in which directors of the parent company are directors	-	120.52

7. Other Financial assets	**Non-current**		**Current**	
	March 31, 2020	**March 31,2019**	**March 31, 2020**	**March 31,2019**
Financial Assets at fair value through profit & loss				
Derivative Assets	-	-	16.77	-
Other financial assets (at amortised cost)				
Deposits with banks having maturity for more than 12 months (Note 12)	428.93	426.63	-	-
Interest recoverable from related party * (Note 31)	-	-	8.96	2.63
Interest accrued on fixed deposits and others	25.74	16.56	29.08	25.37
Corporate guarantee commission receivable**				
- from related parties (Note 31)	-	-	108.82	122.24
Recoverable from Sanjivani Non Ferrous Trading Private Limited (Note 50 and 31)	-	-	1,611.95	3,081.73
Quality claims recoverable	-	-	39.88	86.67
Technical fees Receivable***	-	-	15.00	-
Manpower services Receivable****	-	-	60.00	-
Unbilled revenue	-	-	874.04	39.88
Subsidy receivable from Government authorities	-	-	138.18	360.69
Recoverable from related Parties*****&******	-	-	215.76	-
Other recoverable	-	-	52.93	48.66
Total	**454.67**	**443.19**	**3,171.38**	**3,767.87**

* Interest recoverable of Rs 8.25 lacs (March 31, 2019 : Rs 2.63 lacs) from CMR-Chiho Recycling Technologies Private Limited and Rs 0.71 lac (March 2019: Nil) from CMR - Chiho Industries India Private Limited, private limited companies in which directors of the Parent Company are directors.

** Corporate Guarantee commission includes Rs 41.34 lacs (March 31, 2019 Rs 55.42 lacs) recoverable from Nikkei MC Aluminium Co. Limited and Rs 67.48 lacs (March 31, 2019 : Rs 66.82 lacs) recoverable from Toyota Tsuho Corporation.

***Technical fees receivable includes IT charges recoverable of Rs. 15.00 lacs (March 31, 2019:Nil) due from CMR Chiho Recycling Technologies Private Limited, a private limited company in which directors of the Parent Company are directors.

****Manpower services receivable of Rs. 60.00 lacs (March 31, 2019:Nil) due from CMR Chiho Recycling Technologies Private Limited, a private limited company in which directors of the Parent Company are directors.

*****Dues from private limited companies in which directors of the Parent Company are directors are as follows :		
CMR-Chiho Recycling Technology Private Limited	45.52	-
CMR Chiho Industries Private Limited	137.60	-
Nikkei CMR Aluminium India Private Limited	1.10	-
CMR Tech Solutions Private Limited	0.01	-
****** Dues from Joint venturer partner as follows :		
Nikkei MC Aluminium Co Limited	31.53	-

Note:
Entire loans and other financial assets of the Group have been hypothecated/mortgaged to secure borrowings of the Group (refer note 14)

(Amount in Rupees lacs, unless otherwise stated)

8. Income Tax

The major component of income tax expense are as follows:-

Consolidated Statement of profit and loss:

	March 31, 2020	March 31, 2019
Profit or loss section		
Current income tax:		
Current income tax charge *	5,494.96	3,742.13
MAT credit adjustment *	-	(1,297.91)
Adjustment of MAT credit entitlement relating to earlier years	(3.82)	2.15
Income tax pertaining to earlier years	-	7.66
MAT credit entitlement for earlier year written off	1,448.10	-
Deferred tax:		
Relating to origination and reversal of temporary differences *	(1,792.03)	3,543.56
Relating to origination and reversal of temporary differences for earlier years (net)	(1,544.69)	29.48
Income tax expense reported in the statement of profit or loss	**3,602.51**	**6,027.07**

Other Comprehensive Income (OCI) section

	March 31, 2020	March 31, 2019
Deferred tax relating to items in OCI in the year:		
Net losses/(gains) on measurement of defined benefit plans *	(5.51)	(5.86)
Income tax charged to OCI	**(5.51)**	**(5.86)**

Reconciliation of tax expense and the accounting profit multiplied by the applicable tax rate(s).

	March 31, 2020	March 31, 2019
Accounting profit before income tax (including items of OCI) before Non Controlling interest	17,076.66	17,352.27
Tax on Profits taxable at the rate of 25.168% / 34.944%	3,431.18	6,058.21
Tax on Profits taxable at the rate of 34.944% / 31.20%	1,203.31	4.79
Tax payable on lower rate on profit on sale of non-current investments	-	(83.63)
Change in rate of income tax	(977.98)	5.06
Effect of expenditure not allowable under Income Tax Act, 1961	100.68	5.75
Others	(59.77)	(8.26)
At the effective income tax rate applicable in the respective year	**3,697.42**	**5,981.92**
Income tax expense reported in the statement of profit and loss *	**3,697.42**	**5,981.92**
At the effective income tax rate of	21.65%	34.47%

Deferred tax:

Deferred tax relates to the following:	**Balance sheet**		**Statement of profit or loss**	
	March 31, 2020	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Deferred tax liabilities:-				
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(1,645.15)	(1,703.78)	58.63	(26.75)
Liability on rent equalisation reserve reversed under Ind AS	(8.65)	(12.01)	3.36	
On deferred government grant related to EPCG	(12.10)	(16.12)	4.02	6.53
On allowances taken under Section 43B on payment basis	(443.45)	(5,380.75)	4,937.30	(2,947.43)
On fair valuation of interest free loan	(5.92)	(8.41)	2.49	(2.48)
		-		
Deferred tax Assets:-		-		
Effect of expenditure debited to statement of Profit and Loss in the current/ earlier years but allowable for tax purpose in the following years	266.60	298.37	(31.78)	(620.98)
Provision for doubtful debts and deposits	4.37	-	4.37	(104.67)
On Right of use assets (net)	48.43	-	48.43	-
Carry forward of business losses and unabsorbed depreciation	-	689.43	(689.46)	116.48
On elimination of unsold stock	1.84	7.37	(5.52)	7.37
On derivative instruments - Forward Contracts	-	8.33	(8.33)	4.74
MAT credit Entitlement	8.28	2,437.13	(2,428.84)	1,275.92
TDS Disallowances	1.47	2.04	(0.57)	-
	(1,784.28)	**(3,678.39)**	**1,894.09**	**(2,291.26)**
Deferred Tax charge without MAT Credit Entitlements			**4,322.93**	**(3,567.18)**
Shown under OCI section			(5.51)	(5.86)
Shown under profit and loss section			(3,336.72)	3,573.04

Reflected in the balance sheet as follows:

	March 31, 2020	**March 31, 2019**
Deferred Tax (Liabilities) (Net)		
Deferred tax assets	330.98	4,048.57
Deferred tax liabilities	(2,115.26)	(7,726.98)
	(1,784.28)	**(3,678.41)**

Reconciliation of deferred tax liabilities (net):

	March 31, 2020	**March 31, 2019**
Opening balance	(3,678.39)	(1,362.14)
Tax (expense) during the year recognised in profit or loss	3,336.72	(3,573.04)
Tax income/(expense) during the year recognised in OCI	5.51	5.86
Change in MAT credit entitlement for the year *	(1,448.12)	1,275.92
Closing balance of deferred tax (liabilities) (Net)	**(1,784.28)**	**(3,653.40)**
Deferred Tax Asset (Net) pertaining to subsidiary company in which divestment was made (refer Note 48)	-	24.99
Closing balance of deferred tax (liabilities) (Net)	**(1,784.28)**	**(3,678.39)**

* excluding MAT utilised during the current year of Rs. 980.70 lacs

Notes:-

1. The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

2. The Group has recognized Minimum Alternate Tax (MAT) credit entitlement as follows which represents that portion of the MAT Liability, the credit of which would be available based on the provision of Section 115JAA of the Income Tax Act, 1961.

3. The Parent Company and one of its subsidiary company, CMR Nikkei India Private Limited, have elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Parent Company and the said subsidiary company have recognised provision for taxation and re-measured its deferred tax liabilities basis the rate prescribed in the said Section. The Parent Company and the said subsidiary, as at March 31, 2019, had a Minimum Alternate Tax (MAT) credit entitlement amounting to Rs. 1,446.63 lacs which has been reversed during the current year as the same is not allowed to be carried forward where the Parent Company and said subsidiary company have elected to exercise the option of lower tax rate permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Century Metal Recycling Limited

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9. Other Assets

	Non-Current		Current	
	March 31, 2020	March 31,2019	March 31, 2020	March 31,2019
Unsecured, considered good				
Capital advances				
(considered good)				
- Related Party (Note 31 and Note 51)*	-	391.10	-	-
- Others (Note 52)	654.95	876.85	-	-
Prepaid expenses #	86.41	108.17	247.95	857.07
Balance with Statutory/ Government Authorities				
- Considered good	-	-	4,462.33	15,547.31
- Considered doubtful	-	-	1,954.04	-
	-	-	6,416.37	15,547.31
- Provision for doubtful custom duty recoverable	-	-	(1,954.04)	-
Net balance with Statutory/ Government Authorities	-	-	4,462.33	15,547.31
Advance to Suppliers				
- Related parties ** (Note 31)	-	-	6,209.59	9.62
- Others	-	-	642.93	1,053.64
Export incentive recoverable	-	-	20.10	-
Focus license	-	-	8.87	105.73
Total	**741.36**	**1,376.12**	**11,591.77**	**17,573.37**

included Rs 594.54 lacs as at March 31, 2019 relating to expenses prepaid towards initial Public Offering (IPO) and these expenses were to be adjusted from the amount of securities premium or charged to statement of profit and loss once the Parent Company's IPO would have been completed. The Parent Company has, during the current year, written off an amount of Rs. 345.76 lacs (including an amount of Rs. 27.12 lacs incurred during the current year and net of recovery of Rs. 275.90 lacs during the current year).

* Capital advance against property, due from Managing Director of the Company (Note 51)	-	391.10	-	-
**** Due from private limited in which directors of the Parent Company are directors :**				
-Grand Metal Recycling Private Limited	-	-	-	0.15
-Grand Metal Industries Private Limited			8.35	9.47

Note:-
Entire other assets of the Group have been hypothecated/mortgaged to secure borrowings of the Group (refer note 14)

10. Inventories (at lower of cost and net realisable value)	March 31, 2020	March 31,2019
Raw materials	18,088.36	26,928.47
{Including Rs.8,681.23 lacs (March 31, 2019:Rs.13,609.45 lacs) in transit}		
Finished goods	3,054.61	4,141.82
{Including Rs. 217.15 lacs (March 31, 2019: Rs.363.94 lacs) in transit}		
Stores, spares, fuel and packing materials	762.40	745.36
{Including Rs 52.09 lacs (March 31, 2019: Rs.1.53 lacs) in transit}		
	21,905.37	**31,815.65**

Note:
Entire stocks lying in the Group's factories, godowns, elsewhere (including GIT) have been hypothecated/mortgaged to secure borrowings of the Group (refer note 14).

Century Metal Recycling Limited

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020
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11. Trade receivables (at amortised cost)

		March 31, 2020	March 31,2019
Trade receivables		37,940.84	29,687.38
		37,940.84	**29,687.38**

Break-up for security details and more than 6 months trade receivables:

Outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good		71.37	66.41
Unsecured, considered doubtful		-	-
		71.37	66.41
Allowances for bad and doubtful debts		-	-
	(A)	71.37	66.41
Other receivables			
-Unsecured considered good		37,869.47	29,620.97
	(B)	37,869.47	29,620.97
Total (A+B)		**37,940.84**	**29,687.38**

1. Trade receivables are generally non-interest bearing and are generally on terms of 0 to 90 days.
2. Entire trade receivables of the Group have been hypothecated/mortgaged to secure borrowings of the Group (refer note 14).

12. Cash and Cash Equivalents

	March 31, 2020	March 31,2019
(a) Cash and cash equivalents		
Cash on hand	11.36	9.66
Balances with banks:		
- Current accounts	348.64	35.18
- Cash credit accounts	1,663.03	-
- Deposits with original maturity of less than 3 months*	9.81	-
Total	**2,032.84**	**44.84**
Deposits with banks		
Deposits with remaining maturity of less than 12 months*	667.53	560.73
Deposits with remaining maturity of more than 12 months*	428.93	426.63
	1,096.46	**987.36**
Less : Disclosed under		
Other bank balances (refer note 12b)	667.53	560.73
Other non- current financial assets (refer Note 7)	428.93	426.63
	1,096.46	**987.36**

12b Other bank balances

	March 31, 2020	March 31,2019
Deposits with banks	667.53	560.73
	667.53	**560.73**

*Deposits of Rs. 1,106.27 lacs (March 31, 2019 : Rs 987.36 lacs) are pledged with bank against bank guarantees, letter of credit and margin money for availing Buyer's credit and loan from Government of Haryana.

Note: Entire balances of cash and cash equivalents and other bank balances of the Group have been hypothecated/mortgaged to secure borrowings of the Group (refer note 14).

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

	March 31, 2020	March 31,2019
Cash on hand	11.36	9.66
Balances with banks:		
- Current accounts	348.64	35.18
- Cash credit accounts	1,663.03	-
- Deposits with original maturity of less than 3 months	9.81	
Cash and bank attributable to subsidiary company in which divestment has been made (refer note.48)	-	3.83
Total	**2,032.84**	**48.67**

Changes in liabilities arising from financing activities	Non-Current		Current	
Particulars	**March 31, 2020**	**March 31,2019**	**March 31, 2020**	**March 31,2019**
Opening balance	4,802.51	4,421.39	27,632.79	22,368.86
Cash flows	(1,811.04)	419.02	(2,451.78)	5,491.35
Foreign exchange management	16.77	-	260.03	-
Changes in fair values	83.30	56.81		-
Closing Balance	**3,091.54**	**4,897.23**	**25,441.04**	**27,860.21**
Amount pertaining to subsidiary company in which divestment was (refer note.48)	-	(94.72)	-	(227.42)
Closing Balance	**3,091.54**	**4,802.51**	**25,441.04**	**27,632.79**

13. Share Capital

	Particulars	March 31, 2020	March 31,2019
(a)	**Authorised share capital**		
	Equity shares of Rs.	10	10
	Authorised equity shares (No.)	4,50,00,000	4,50,00,000
	Authorised equity shares capital (Rs. in lacs)	4,500.00	4,500.00
	Total authorised share capital (Rs in lacs)	**4,500.00**	**4,500.00**

(b) Issued, subscribed & paid-up share capital

Particulars	March 31, 2020	March 31,2019
Equity shares of Rs.	10	10
Equity shares (No.)	3,06,16,876	3,06,16,876
Subscribed & paid-up equity share capital (Rs. in lacs)	3,061.69	3,061.69

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :

Particulars	March 31, 2020	March 31,2019
Equity Shares (No.)		
At the beginning of the year	3,06,16,876	54,55,695
Bonus shares issued during the year (refer note 'h' below)	-	1,83,70,125
Conversion of CCPPS into equity shares (refer note 'i' below)	-	61,23,376
Restatement of equity shares held by divested subsidiary company (cross holding) {refer note 49}	-	6,67,680
Outstanding at the end of the year	**3,06,16,876**	**3,06,16,876**
Compulsory Convertible Participatory Preference Shares (No.)		
At the beginning of the year	-	15,30,844
Conversion of CCPPS into equity shares (refer note 'i' below)	-	(15,30,844)
Outstanding at the end of the year	-	-

Description	March 31, 2020	March 31,2019
Equity Shares		
At the beginning of the year	3,061.69	545.57
Bonus shares issued during the year (refer note 'h' below)	-	1,837.01
Conversion of CCPPS into equity shares (refer note 'i' below)	-	612.34
Restatement of equity shares held by divested subsidiary company (cross holding) {refer note 49}	-	66.77
Outstanding at the end of the year	**3,061.69**	**3,061.69**
Compulsory Convertible Participatory Preference Shares ('CCPPS')		
At the beginning of the year	-	153.08
Conversion of CCPPS into equity shares (refer note 'i' below)	-	(153.08)
Outstanding at the end of the year	-	-

(d) Terms/ rights attached to equity shares

The Parent Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

In respect of 4,108,436 equity shares held by Global Scrap Processors Limited (“GSPL”) (including 2,014,936 equity shares issued by conversion of 503,734 Compulsorily Convertible Participatory Preference Shares [CCPPS]), GSPL, in terms of Investment Agreement dated 24.09.2013 [“Investment Agreement”, is entitled to anti-dilution rights, if any future issue of any equity share is made at a price lower than an agreed price; and tag-along rights in relation to the equity shares held by GSPL if the Company’s shareholders transfer, in aggregate, more than 5% of the equity shares held by them. However, GSPL has waived its anti-dilution rights only to the extent of equity shares offered through a fresh issue in an IPO and tag-along rights in the event and to the extent that any of the Promoters offer any of the equity shares held by them for sale through the offer for sale.
GSPL has right to vote on any resolution for the winding up of the Parent Company or for the repayment or reduction of its equity or preference share capital. GSPL is also entitled to appoint one director on board of the Parent Company and the board of each of the subsidiaries. The quorum of a meeting of the board shall be 1/3rd of its total strength and two directors, whichever is higher, including, GSPL’S nominee Director, present throughout the meeting, unless otherwise agreed with the Investor's consent. No action or decision relating to any of the reserved matters as mentioned in Investment agreement shall be taken unless GSPL's consent is obtained for such action or decision.

Post conversion of CCPPS into equity shares, GSPL does not have a buy back right on equity shares.

(e) Detail of shareholders holding more than 5% shares in the Parent Company

Particulars	March 31, 2020	March 31,2019
Names	**No. of shares**	**No. of shares**
Equity shares		
Shri Gauri Shankar Agarwala	26,70,556	26,70,856
Smt. Kalawati Agarwal	15,89,664	15,89,764
Shri Mohan Agarwal	31,55,820	31,55,820
Smt. Pratibha Agarwal	21,39,684	21,39,684
Suvridhi Financial Services Limited	36,49,992	36,49,992
Grand Metal Recycling Private Limited	64,02,520	64,02,520
Sanjivani Non Ferrous Trading Private Limited	26,70,720	26,70,720
Forever Multimedia Private Limited	20,03,040	20,03,040
Ramayana Polymers Private Limited	19,89,344	19,89,344
Global Scrap Processors Limited	41,08,436	41,08,436

Names	% holding in the class	% holding in the class
Equity shares		
Shri Gauri Shankar Agarwala	8.72%	8.72%
Smt. Kalawati Agarwal	5.19%	5.19%
Shri Mohan Agarwal	10.31%	10.31%
Smt. Pratibha Agarwal	6.99%	6.99%
Suvridhi Financial Services Limited	11.92%	11.92%
Grand Metal Recycling Private Limited	20.91%	20.91%
Sanjivani Non Ferrous Trading Private Limited	8.72%	8.72%
Forever Multimedia Private Limited	6.54%	6.54%
Ramayana Polymers Private Limited	6.50%	6.50%
Global Scrap Processors Limited	13.42%	13.42%

(g) Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

	March 31, 2020	March 31,2019
Equity shares allotted as fully paid bonus shares:	No.	No.
Allotted on 14.05.2018	1,83,70,125	1,83,70,125
Conversion of CCPS into equity shares including bonus shares	61,23,376	61,23,376

(h) The Board of Directors of the Parent Company in their meeting held on May 08, 2018 had proposed to issue bonus shares in the ratio of 3:1 i.e. three equity shares for every one equity share held by the equity shareholders of the Parent Company by capitalisation of such sum as standing to the credit of securities premium/free reserves. Such bonus shares were allotted on May 14, 2018.

(i) Out of the total 15,30,844 CCPPS held by GSPL as at March 31, 2018, GSPL on August 08, 2018 had transferred 1,027,110 CCPPS to GMRPL in accordance with terms and conditions of the SPA Amendment Agreement. Subsequent to such transfer, the Parent Company had converted such CCPPS into 4,108,440 equity shares vide resolution passed at an EGM dated August 14, 2018.

Also, the Parent Company had, during the previous year, converted 114,222 CCPPS and 3,89,512 CCPPS held by GSPL into 456,888 equity shares and 15,58,048 equity shares respectively on May 31, 2018 and September 05, 2018 respectively. Accordingly, during the previous year , the Parent Company had capitalised securities premium account by Rs. 34.27 lacs on account of conversion of 114,222 CCPPS into 456,888 equity shares.

Consequent to above said conversions and transfers, the CCPPS as at March 31, 2019 were Nil and GSPL holds 41,08,436 equity shares as on date.

(Amount in Rupees lacs, unless otherwise stated)

14. Borrowings (at amortised cost)	**Non Current**		**Current**	
	March 31, 2020	**March 31,2019**	**March 31, 2020**	**March 31,2019**
From Banks				
Foreign currency loan (Secured)	-	-	184.20	-
Indian rupees loan (Secured)	1,462.10	1,598.52	629.27	1,822.88
Vehicle loans (Secured)	25.58	106.07	14.46	59.22
Cash credit (Secured)	-	-	5,554.15	6,098.07
Working capital demand loans (Secured)	-	-	4,413.35	4,999.99
Buyers credit (Secured)	-	-	5,815.61	-
Vendor financing (Secured)	-	-	2,764.81	1,949.43
Commercial card (Unsecured)	-	-	-	396.30
Bill discounting (Unsecured)	-	-	6,737.85	14,189.01
From financial institution				
Indian rupees loan (Secured)	-	456.10	-	155.40
Supply chain financing (Unsecured)			155.27	-
From Others				
Interest free Indian rupees loan from Haryana Government (Unsecured)	775.93	699.04	-	-
From related parties (Unsecured) (Refer Note 31)	-	-	-	227.42
Total	**2,263.61**	**2,859.73**	**26,268.97**	**29,897.72**
The above amount includes				
Secured borrowings	1,487.68	2,160.69	19,531.13	15,084.99
Unsecured borrowings	775.93	699.04	6,737.85	14,812.73
Amount disclosed under the head "other financial liabilities" (refer note 15)			(827.93)	(2,009.01)
Amount pertaining to subsidiary company in which divestment has been made (refer note.48)	-	(66.23)	-	(255.91)
	2,263.61	**2,793.50**	**25,441.04**	**27,632.79**

Notes:

(1) Details of borrowings and Unamortised Interest cost:-

Indian rupee and foreign currency loans	**1,468.01**	**1,607.89**	**821.21**	**1,833.57**
Less: Unamortised Interest Cost	(5.91)	(9.37)	(7.74)	(10.69)
Carrying value of Interest Free Indian Rupees Loan from Government of Haryana	**1,462.10**	**1,598.52**	**813.47**	**1,822.88**

Interest Free Indian Rupees Loan from Government of Haryana	**939.11**	**939.11**		**-**
Less: Unamortised Interest Cost	(163.18)	(240.07)		-
Carrying value of Interest Free Indian Rupees Loan from Government of Haryana	**775.93**	**699.04**		**-**

Century Metal Recycling Limited
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020
(Amount in Rupees lacs, unless otherwise stated)

2.)The maturity profile, security and rate of interest of non current borrowing are as given below:

Loan	Loan Amount (Rs in lacs)	Rate of Interest during the year	Security/Principal terms and Conditions	Repayment Terms
Indian rupee term loan from:				
SIDBI	Nil (March 31, 2019: 611.50)	10.40%	Term Loan (In Indian Currency) from SIDBI was secured by first charge by way of equitable mortgage in favour of SIDBI of all the lease hold rights in the immovable properties, both present and future at Haridwar unit and First Charge by way of hypothecation of all the movable assets except vehicles specifically hypothecated against vehicle loans, such as plant and machinery, equipments, spares, tools, miscellaneous fixed assets, utilities and ancillary equipments etc. save and except stock and book debts, acquired or to be acquired at Haridwar and Gurgaon unit. Further, this loan was personally guaranteed by the promoter directors, Shri Gauri Shankar Agarwala and Shri Mohan Agarwal.	77 monthly equated instalments of Rs.12.95 lacs starting from Oct 2016 and last instalment of Rs.2.85 lacs. The said loan has been fully repaid during the current year.
State Bank Of India	Nil (March 31, 2019: 580.19)	MCLR+2.50%	CMR Nikkei India Private Limited, a subsidiary company had converted the outstanding foreign currency term loan as on March 14, 2019 . This loan was secured by first charge over the entire fixed assets except vehicles specifically hypothecated against vehicle loans of the said subsidiary company, present & future, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana and was collaterally secured by extension of charge over current assets. Further, corporate guarantee given by Nikkei MC Aluminium Co. Ltd	8 quarterly instalment of Rs 145.45 lacs.
Shinhan Bank	2,103.39 (March 31, 2019 - 1,966.57)	MCLR+0.35%	CMR Nikkei, a subsidiary company has taken a term loan which is secured by hypothecation of Plant & Machinery installed in the factory building at Survey No. 676 & 677 village Vanod Taluka Dasada, District Surender nagar Gujrat - 382750 and by way of Simple/Registered mortgage of Land and building situated at Survey No. 676 & 677 village Vanod Taluka Dasada, District Surender nagar Gujarat - 382750. The said land is owned by the Parent Company. Further it is secured by Personal Guarantee by the directors of the subsidiary Company i.e. Shri. GS Agarwala and Shri. Mohan Agarwal.	Loan repayable in 16 quarterly installments started from 20th September 2019. Installment amount is proportionate to disbursement of Loan, currently Rs 161.80 Lakhs per quarter.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020
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State Bank Of India	Nil (March 31, 2019: 894.70 lacs)	MCLR 1Y + 2.60%	CMR Toyotsu Aluminum India Private Limited, a subsidiary company had converted the outstanding foreign currency term loan as on 27.12.2017 . This loan was secured by first charge over the entire fixed assets of the said subsidiary company, present and future including Equitable Mortgage of factory land and building at Plot No A-4 & A-5 Sipcot Industrial Park, Pillaipakkam, Chennai and collaterally secured by extension of charge over current assets.	4 Nos quarterly instalments for amount of Rs 0.95 lac each commencing from March 28, 2019 to December 31, 2019 and their after quarterly instalments of Rs 178.95 lacs each (including FCNR Loan Instalments after rollover into INR Loan) up to June, 2020.

Foreign currency term loan from:

Loan	**Loan Amount (Rs in lacs)**	**Rate of Interest during the year**	**Security/Principal terms and Conditions**	**Repayment Terms**
State Bank of India	184.20 (March 31, 2019 : Nil)	LIBOR + 400 Basis Points	CMR Toyotsu India Private Limited, a subsidiary company has converted Indian Rupees Term Loan into Foreign Currency Term Loan. This loan is secured by first charge over the entire fixed assets of the said subsidiary company, present and future including Equitable Mortgage of factory land and building at Plot No A-4 & A-5 Sipcot Industrial Park, Pillaipakkam, Chennai and collaterally secured by extension of charge over current assets.	There is 1 quarterly installment of USD 2,44,342 outstanding which is payable on June 30, 2020

Vehicle Loans				
Loan	**Loan Amount (Rs in lacs)**	**Rate of Interest during the year**	**Security/Principal terms and Conditions**	**Repayment Terms**
ICICI Bank	Nil (March 31, 2019: 15.74)	10.20%	Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.	60 equated monthly instalments of Rs.2.08 lacs
HDFC bank	4.72 (March 31, 2019: 7.72)	8.45%	Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.	LCV loan with EMI of Rs.0.30 lacs
HDFC bank	0.52 (March 31, 2019: Rs 2.48)	9.70%	Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.	47 monthly installment of Rs. 0.18 lac commenced from 15.08.2016
HDFC bank (refer note.4 below)	Nil (March 31, 2019: 94.72)	7.90%	Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.	48 equated monthly instalments of Rs 2.91 lacs

HDFC bank	34.80 (March 31, 2019: 44.63)	8.25%	Vehicle Loans are secured by way of first charge over specific vehicles and the same are repayable as per term of agreement.	60 equated monthly instalments of Rs.1.09 lacs

Term Loan from Government of Haryana

Loan	Loan Amount (Rs in lacs)	Rate of Interest during the year	Security/Principal terms and Conditions	Repayment Terms
Government of Haryana (Interest free loan)	939.11(March 31, 2019: 939.11)	Interest free loan	The Parent Company has furnished bank guarantees of Rs. 939.11 lacs to Government of Haryana.	Payable immediately after 5 years from the date of disbursement i.e. Jan'17 and Mar'17.

Notes :-

3. The maturity profile, security and rate of interest of current borrowings are as given below:

Loan	Loan Amount (Rs in lacs)	Rate of Interest	Security	Repayment Terms
Cash credit (secured)				
HDFC Bank	Nil (March 31, 2019: 2,751.61)	9.00%-9.80%	Refer Note 3.1 below	Repayable on demand
State Bank Of India	Nil (March 31, 2019: 434.66)	9.00%-9.50%	Refer Note 3.1 below	Repayable on demand
Axis Bank	3.63 (March 31, 2019: 1,992.55)	9.00%-10.20%	Refer Note 3.1 below	Repayable on demand
State Bank Of India	1,160.51 (March 31, 2019 : 438.83)	8.90% to 9.95%	Refer Note 3.2 below	Repayable on demand
HDFC Bank	946.22 (March 31, 2019 :Nil)	9.25%	Refer Note 3.2 below	Repayable on demand
State Bank Of India	3,441.80 (March 31, 2019: 480.41)	9.25% - 10.65%	Refer Note 3.3 below	Repayable on demand
RBL Bank	1.99 (March 31, 2019: Nil)	9.05%- 9.70%	Refer Note 3.3 below	Repayable on demand
Working capital demand loans-Indian Rupees (secured)				
State Bank Of India	1,000.00 (March 31, 2019: 2,000.00)	8.50%-9.50%	Refer Note 3.1 below	For a period not exceeding 3 months from drawdown date
State Bank Of India	Nil (March 31, 2019: 1,500.00)	8.55% - 9.50%	Refer Note 3.3 below	For a period not exceeding 3 months from drawdown date
HDFC Bank	2,150.97 (March 31, 2019: Nil)	8.75%-9.80%	Refer Note 3.1 below	For a period not exceeding 3 months from drawdown date
Axis Bank	762.38 (March 31, 2019: Nil)	8.50%-9.90%	Refer Note 3.1 below	For a period not exceeding 3 months from drawdown date
State Bank Of India	500.00 (March 31, 2019: 1,500.00 lacs)	8.55% to 9.00%	Refer Note 3.2 below	For a period not exceeding 3 months from drawdown date
Buyer's Credit (Secured)				
HDFC Bank	2,973.82 (March 31, 2019: Nil)	Libor+150bps	Refer Note 3.1 below	For a period not exceeding 3 months from drawdown date
Axis Bank	2,841.79 (March 31, 2019: Nil)	Libor+170bps	Refer Note 3.1 below	For a period not exceeding 3 months from drawdown date

Century Metal Recycling Limited

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(Amount in Rupees lacs, unless otherwise stated)

Bill discounting from banks (unsecured)

China trust Commercial Bank	932.22 (March 31, 2019: 1,335.79)	8.00%-8.81%	Refer Note 3.4 below	For a period not exceeding 3 months from drawdown date
China trust Commercial Bank	915.78 (March 31, 2019 : Nil)	8.25%	Refer Note 3.4 below	For a period not exceeding 3 months from drawdown date
Axis Bank	Nil (March 31, 2019: 2,018.49)	8.55% to 9.15%	Unsecured	For a period not exceeding 3 months from drawdown date
HDFC Bank	4,857.24 (March 31, 2019: 7,482.63)	8.05%-9.65%	Refer Note 3.4 below	For a period not exceeding 3 months from drawdown date
HDFC Bank	32.61 (March 31, 2019: 861.23)	9.00%	Unsecured	For a period not exceeding 3 months from drawdown date
Axis Bank	Nil (March 31, 2019: 991.01)	9.1% to 9.15%	Unsecured	For a period not exceeding 3 months from drawdown date
Axis Bank	Nil (March 31, 2019 - 1,499.86)	8.50% to 9.00%	Refer Note 3.4 below	For a period not exceeding 3 months from drawdown date

Vendor Financing (secured)

State Bank Of India	2,764.81 (March 31, 2019: 1,949.43)	7.90%-8.50%	Refer Note 3.1 below	For a period not exceeding 3 months from drawdown date

From related parties

Suvridhi Financial Services Limited (refer note.4 below)	Nil (March 31, 2019: 227.42)	12%	Unsecured	Repayable on demand

Commercial card from banks (Unsecured)

Axis Bank	Nil (March 31,2019 : 396.30)	1.10%	Unsecured	For a period not exceeding 3 months from drawdown date

Supply Chain Financing

UGRO Capital Limited	155 .27 (March 31,2019 : 396.30)	12.80%	Unsecured	For a period not exceeding 3 months from drawdown date

Notes :

3.1) First pari passu charge with other member banks of consortium on all the current assets of the Parent Company including all type of stocks lying in their factories, godowns, elsewhere (including GIT) and Parent Company's book debts (present and future).

It is further secured by way of second pari-passu charge with other working capital lenders under consortium on entire fixed assets (present and future) at all plants except vehicles specifically hypothecated against vehicle loans, assets charged to SIDBI and freehold land at Gujarat mortgaged by one of a subsidiary company for availing loan facility.

It is further secured by way of equitable mortgage under first pari passu charge of the property at Millennium Plaza Limited, 001B and 001C, Tower"A" Ground Floor, Sector 27,Gurgaon owned by Sh. Gauri Shankar Agarwala and Sh. Mohan Agarwal, promoter directors of the Parent Company. Equitable mortgage under first pari passu charge also provided of property owned by Sh. Mohan Agarwal at Nav Shakti Co-operative Group Housing Society B-43, Plot No.5, Sector - 9, Rohini, New Delhi. Further, personal guarantee is also given by Sh. Gauri Shankar Agarwala and Sh. Mohan Agarwal, promoter directors of the Parent Company.

3.2)Working capital credit facility is secured by way of first charge on entire current assets of CMR Nikkei India Private Limited (both present and future) including hypothecation of all stocks of raw materials, stores, spares, stocks in process, finished goods, etc., lying in factory, go-downs, elsewhere and including goods in transit and receivables / book debts.

It is further secured by way of extension of charge over the fixed assets except vehicles specifically hypothecated against vehicle loans of the CMR Nikkei India Private Limited, including equitable mortgage of factory land & building at Plot No. 65, Sector 15, Bawal Industrial Area, Bawal, Haryana. It is further secured by corporate guarantee of Nikkei MC Aluminium Co. Limited.

3.3)Working capital Credit facility is secured by way of first charge on entire current assets of CMR Toyotsu Aluminium India Private Limited (both present and future) including hypothecation of all stocks of raw materials, stores, spares, stocks in process, finished goods, etc., lying in factory, go-downs, elsewhere and including goods in transit and receivables / book debts. It is further secured by way of extension of first charge over the fixed assets of CMR Toyotsu Aluminium India Private Limited, including Equitable mortgage of factory land & building at Plot No. A-4, A-5 SIPCOT Industrial Park at Pillaipakkam, Sriperumpudur, District Kanchipuram, Chennai and equitable mortgage of factory and land and building at G-108/2, Sipcot Industrial Park, Vallam-Vadagal, Chennai.

3.4) Personal guarantee is given by Sh. Mohan Agarwal and Sh. Gauri Shankar Agarwala, promoter directors of the Parent Company in case of HDFC bank and pesonal gaurantee of Sh. Mohan Agarwal in case of CTBC Bank.

15. Other financial liabilities

	Non-Current		Current	
	March 31, 2020	March 31,2019	March 31, 2020	March 31,2019
Financial liabilities at fair value through profit or loss				
Derivative liability	-	-	5.65	28.40
Other financial liabilities at amortised cost				
Current maturities of long term borrowings (refer note 14)	-	-	827.93	2,009.01
Security deposits from customers/ others	22.20	11.70	208.09	168.43
Interest accrued but not due on borrowings	-	-	61.81	50.76
Interest accrued and due on borrowings	-	-	12.33	29.54
Interest payable on others	-	-	-	15.46
Employee related liabilities				
- Related parties (Note 31)***	-	-	426.42	25.85
- Others	-	-	320.93	291.92
Payable against investment in CMR-CHIHO Recycling Technologies Private Limited **(refer note 31)	-	-	-	365.68
Corporate guarantee commission payable*	-	-	90.96	51.92
Payable for capital goods	-	67.03	616.81	767.82
Total other financial liabilities at amortised cost	**22.20**	**78.73**	**2,570.92**	**3,804.79**

***Employee related liabilities includes Rs 426.42 lacs (March 31,2019 : Rs 25.85 lacs) payable to related parties (refer note 31)

* Payable to Managing Director of the Parent Company			90.96	51.92

**The Parent Company had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG have subscribed 36,56,750 equity shares each in the equity share capital of CMR-CHIHO Recycling Technologies Private Limited and shares have been issued on February 21, 2019. However, the Parent Company and CEG have paid the amount against issue of equity shares in the current year.

16. Provisions

	Non Current		Current	
	March 31, 2020	March 31,2019	March 31, 2020	March 31,2019
Provision for employee benefits				
Provision for gratuity (Note 32)	406.53	308.58	43.12	35.05
Provision for leave benefits	-	-	494.05	401.97
Total	**406.53**	**308.58**	**537.17**	**437.02**

17. Other liabilities

	Non-current		Current	
	March 31, 2020	March 31,2019	March 31, 2020	March 31,2019
Advance from customers	-	-	190.94	157.41
Interest on GST payable			-	27.62
Interest on income tax	-	-	39.76	6.76
Deferred Government grants	354.43	365.12	76.36	76.36
Taxes and other statutory dues	-	-	397.09	240.69
Unearned interest income	-	-	-	29.12
Total	**354.43**	**365.12**	**704.16**	**537.97**

18. Trade Payables

	Non-Current		Current	
	March 31, 2020	March 31,2019	March 31, 2020	March 31,2019
Trade payables (including acceptances)				
Dues to micro and small enterprises	-	-	-	-
Total outstanding dues of creditor other than micro enterprises and small enterprises				
- Related parties (refer note 31) *	-	-	6.50	4,168.98
- Others	-	-	10,513.30	15,989.31
	-	**-**	**10,519.80**	**20,158.29**
*** includes payable to following related parties:**				
Nikkei MC Aluminium Co. Ltd	-	-	-	1.93
Toyota Tsusho India Private Limited	-	-	-	4,167.05

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 0-90 days terms
For terms and conditions with related parties, refer note 31
For explanations on the Company’s credit risk management processes, refer note 35

Century Metal Recycling Limited

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020
(Amount in Rupees lacs, unless otherwise stated)

19. Revenue From Operations

	March 31, 2020	March 31, 2019
Revenue from contract with customers		
Sale of Products		
Manufactured goods	2,00,526.16	2,39,716.50
Traded products	2,181.48	362.87
Other operating revenue:		
Sale of service*	113.59	76.96
Sale of Scrap and others**	62,158.92	43,734.77
Export incentive	101.37	1.44
Sales tax/ GST subsidy	4.36	222.05
Total	**2,65,085.87**	**2,84,114.59**

* Sale of services is in the nature of job works executed.
** Sale of scrap & other is in the nature of segregated scrap, ash and residue sales.

20. Other income

	March 31, 2020	March 31, 2019
Interest on fixed deposits	71.07	56.76
Interest from related parties (Note 31)	8.96	2.63
Interest on income tax	5.23	-
Interest on receivables and others	566.64	350.35
Rental Income	1.11	1.06
Corporate guarantee commission (Note 31)	65.38	67.01
Technical Support fee	15.00	-
Manpower Services	60.00	-
Sundry balance written back (net)	-	28.16
Subsidy from government authorities	-	4.20
Profit on divestment in a subsidiary company (Note 49)	-	83.74
Profit on sale of non-current investment in an associate	-	235.51
Amortisation of deferred government grant	76.37	76.37
Liquidated damages debit on customer	300.00	-
Other non operating income	11.66	3.20
	1,181.42	**908.99**

Century Metal Recycling Limited

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

(Amount in Rupees lacs, unless otherwise stated)

21. Cost of raw materials consumed

	March 31, 2020	March 31, 2019
Inventory at the beginning of the year	26,928.46	20,791.33
Add : Purchases during the year	2,02,720.23	2,47,435.24
	2,29,648.69	2,68,226.57
Less : Inventory at the end of the year	18,088.36	26,928.46
Cost of raw materials consumed	**2,11,560.33**	**2,41,298.11**

22. Purchase of stock in trade

	March 31, 2020	March 31, 2019
Purchase of traded Goods	1,823.85	345.87
	1,823.85	**345.87**

23. Changes in inventory of finished goods

	March 31, 2020	March 31, 2019
Inventories at the end of the year		
Finished goods	3,054.61	4,141.82
Inventories at the beginning of the year		
Finished goods	4,141.81	1,761.81
Change in inventory	**1,087.20**	**(2,380.01)**

24. Employee benefits expenses

	March 31, 2020	March 31, 2019
Salaries, wages and bonus	9,300.12	6,680.34
Contribution to provident and other funds	197.72	168.01
Gratuity expense	105.93	76.47
Staff welfare expenses	498.34	424.71
	10,102.11	**7,349.53**

Disclosure in compliance with Ind AS-19 on Employee Benefits has been given in Note 32

25. Depreciation and amortization expense

	March 31, 2020	March 31, 2019
Depreciation of property, plant and equipment (Note 3)	2,250.67	2,049.04
Depreciation of Right of used assets (ROU)	626.91	-
Amortisation of intangible assets (Note 4)	77.12	65.45
	2,954.70	**2,114.49**

26. Finance Costs

	March 31, 2020	March 31, 2019
Interest expense*	2,899.73	3,390.86
Interest cost on leased liabilities	333.25	-
Exchange difference to the extent considered as an adjustment to borrowing cost	185.89	43.99
Other borrowing costs	44.44	75.63
	3,463.31	**3,510.48**
* including interest on income tax	39.76	16.55

(Amount in Rupees lacs, unless otherwise stated)

27. Other expenses

	March 31, 2020	March 31, 2019
Consumption of stores and spares	923.77	833.40
Consumption of packing materials	119.13	111.43
Power & fuel	8,084.73	8,830.45
Bank charges	354.28	207.34
Repair and Maintenance		
- Plant and equipment	1,222.36	1,143.35
- Buildings	220.72	161.13
- Others	210.22	187.26
Printing & stationery	27.78	29.64
Rent	364.62	802.31
Insurance charges	69.75	48.68
Rates and taxes	50.20	53.53
Advertisement, publicity and sales promotion	57.79	78.22
Travelling and conveyance expenses	293.39	262.26
Vehicle running and maintenance	41.46	40.53
Freight and cartage outward	1,601.33	1,241.02
Communication expenses	58.51	40.97
Payment to statutory auditor's (Refer details below)	41.22	34.54
Legal and professional expenses	287.18	312.86
Loss on disposal of property, plant & equipment (net)	13.87	23.21
Charity and donation	0.97	8.94
Security service expenses	175.08	121.82
Dross melting expenses	206.05	291.07
Dross processing expenses	16.08	65.08
Procurement commission	-	4.70
Brokerage and sales commission	61.76	60.13
Director sitting fees	23.00	10.50
Sundry balances written back (net)	385.97	-
Provision for doubtful security deposits	17.35	-
Provision for doubtful custom duty recoverable	1,954.04	-
Capital advances written off	464.99	-
Loss on commodity future contracts	180.36	-
Loss in foreign exchange fluctuation (Net)	338.08	185.52
Corporate social responsibility (Note 39)	30.12	-
Miscellaneous expenses	280.24	226.29
TOTAL	**18,176.40**	**15,416.18**

	March 31, 2020	March 31, 2019
Payment to statutory auditor:		
As auditors:		
Audit fee	33.46	30.73
Tax audit fee	1.00	1.00
In other capacity:		
Other services (certification etc.)	3.16	1.22
Reimbursement of expenses	3.60	1.59
Total	**41.22**	**34.54**

(Amount in Rupees lacs, unless otherwise stated)

28. Earnings Per Share (EPS)

Basic and diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year. There are no dilutive shares outstanding during the current as well as previous year.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2020	March 31, 2019
Profit attributable to equity holders of the Parent Company	**12,065.82**	**10,394.68**
Weighted Average number of equity shares used for computing Earning Per Share*	3,06,16,876	28,335,261*
Basic earning per share (Rs)	39.41	36.68
Diluted earnings per share (Rs)	39.41	36.68
Face value per share (Rs)	10.00	10.00

* The Board of Directors of the Parent Company in their meeting held on May 08, 2018 had approved issue of bonus shares in the ratio of 3:1 i.e. three equity shares for every one equity share held by the equity shareholders of the Parent Company and such bonus shares were allotted on May 14, 2018. The basic and diluted earnings per share for the previous year were calculated after considering the above said bonus.

The Parent Company had converted 114,222 CCPPS and 389,512 CCPPS held by Global Scrap Processors Limited into 4,56,888 equity shares and 1,558,048 equity shares on May 31, 2018 and September 05, 2018 respectively. The Parent Company had added conversion clause in the investment agreement vide letter dated May 29, 2018, GSPL on August 08, 2018 had transferred 1,027,110 CCPPS to GMRPL in accordance with terms and conditions of the SPA Amendment Agreement. Subsequent to such transfer, the Parent Company had converted such CCPPS into 4,108,440 equity shares vide resolution passed at the EGM dated August 14, 2018. Accordingly, the same were considered on pro rata basis while calculating Weighted Average number of equity shares for the previous year.

29. Disclosure of Leases

a. Leases as a lessee

Operating lease : Group as lessee
The Group has entered into operating leases for offices, factory land & buildings and guest houses with lease terms from 11 months to five nine.

The Group also has certain leases of guest houses and certain plant & equipment on lease with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases other than leases from related parties.

As on transition date i.e April 1, 2019, Right-of use assets of Rs. 5,219.45 lacs were recognised including reclassification of leasehold land from Property, plant and equipment of Rs. 1,266.89 presented separately in the balance sheet. Lease liabilities of Rs. 3,952.57 lacs were recognised and presented separately in the balance sheet.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during

Particulars	**Offices**	**Factory land and building**	**Guest Houses**	**Land - Reclassifcation from Property, plant and equipment**	**Total**
As at April 01, 2019	257.69	2,269.95	1,424.92	1,266.89	5,219.45
Depreciation expense	68.72	322.62	221.57	14.01	626.91
As at March 31, 2020	**188.97**	**1,947.33**	**1,203.36**	**1,252.88**	**4,592.54**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	**Rs. in lacs**
As at April 1, 2019	3,952.57
Accretion of interest	333.25
Payments	753.72
As at March 31, 2020	**3,532.10**
Current lease liabilities	475.19
Non current lease liabilities	3,056.91

Considering the lease term of the leases, the effective interest rate for lease liabilities is considered at 9%

The following are the amounts recognised in statement of profit and loss:

Particulars	**Rs. in lacs**
Depreciation expense of right-of-use assets	626.91
Interest expense on lease liabilities	333.25
Expense relating to short-term leases (included in other expenses) *	364.62
Total amount recognised in profit or loss	**1,324.78**

* excluding Rs. 11.44 lacs recognised as pre-operative expenses
For maturity analysis of lease liability, refer note 35 Financial risk management framework and policies under maturities of financial liabilities.

The Group had total cash outflows for leases of Rs. 1,118.34 lacs in the year ended March 31, 2020. There are no future cash outflows relating to leases that have not yet commenced.

Extension and termination options are included in a number of leases. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Payments associated with short-term leases other than leases from related parties are recognised on a straight-line basis as an expense in statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less.

30. Capital and other commitments

(a) Capital Commitment

Particulars	**March 31, 2020**	**March 31, 2019**
Estimated amount of contracts (net of advances) remaining to be executed on Capital Account and not provided for	1,568.60	3,419.74

(b) Contingent Liabilities

Particulars	**March 31, 2020**	**March 31, 2019**
(A) Demands*		
i) Under Customs Act, 1962		
- The Customs Authorities have been increasing the value of imported aluminium scrap for the purpose of levy of duty of Customs thereon against the Group. The Group has paid additional Customs duty for clearing of such consignments under protest. The total amount of customs duty paid under protest is Rs. 2,358.59 lacs which is appearing under the head "Balance with statutory/government authorities" in "Other Current Assets" in Note 9 to the Financial Statements The Group has been filing appeals with Commissioner (Appeals) for all the customs duty paid under protest. In case of unfavourable orders, the Group has preferred appeals at CESTAT. In certain cases, the Group has received favourable orders from Commissioner (Appeals) and CESTAT against which the department has preferred Appeal with higher Authorities. However, during the current year, the Group on a conservative basis, has made a provision of amount of customs duty paid under protest as at March 31, 2020 in the said matter.	-	2,358.59
- Other demands of the Parent Company under appeals	46.26	46.26
	46.26	**2,404.85**
ii) Under Central Excise Act, 1944		
- Demand raised in Parent Company by Commissioner of Central Excise , Alwar disallowing CENVAT credit for the period 13.11.2014 to 30.09.2015 (including penalty) on the ground that Cenvat credit on imported aluminium scrap has been taken on the basis of Excise challans issued by the Dadri Division of the Parent Company, are not valid documents for taking Cenvat credit. Further, demand for the period from 2012-13 to 31 July 2015 was raised on the ground that sales of segregated items from aluminium scrap are liable for reversal of Cenvat credit. The Parent Company filed an appeal before the CESTAT, New Delhi and against the said order. CESTAT vide order dated 23/11/2017 set aside the order passed by the Commissioner Central Excise, Alwar and remanded back the case to the Commissioner of Central Excise, Alwar with a direction to allow Cenvat Credit after verification that the goods have been received in the factory of the Parent Company at Bhiwadi and also to reconsider the reversal of Cenvat credit on sales of segregated items on the basis of circular issued by CBEC clarifying that segregation of unusable items from brass scrap amounts to manufacture and the sale of such segregated items is liable to be taxed on the basis of sale value thereof at the rate of duty applicable on the items sold. The Parent Company has also received a order in its favour for a similar case. However, the department has preferred an appeal in the High Court of Rajasthan.	1,812.14	1,812.14

(Amount in Rupees lacs, unless otherwise stated)

- In the Parent Company, demands (including penalty) raised based on a special audit of the Parent Company on account of: (a) Non-payment / short payment of service tax on services received by the Parent Company under reverse charge (b) Non-payment / short payment of service tax on services provided by the Parent Company (c) Non reversal of CENVAT Credit on input removal as such and on capital goods sold after use. (d) Wrong availment of CENVAT Credit of central excise duty on ineligible inputs and input services. The Parent Company has filed an appeal.	290.52	290.52
- Demand raised in Parent Company by excise authorities for disallowance of CENVAT credit for the period 01.10.2015 to 01.06.2017 (inlcuding penalty) alleging that Cenvat credit on shredded aluminium scrap has been taken basis the Excise challans which were issued by CMR, Dadri without registration number and which were subject to different jurisdiction. The Parent Company had filed an appeal before CESTAT and had received favourable order in the said matter. However, the department has preferred an appeal in the High Court of Rajasthan.	1,382.60	-
- Demand (including penalty) raised in Parent Company for the period from August 01, 2015 to June, 2017 was raised on account of non reversal of Cenvat credit on sales of segregated items on the ground that segregated items from aluminium scrap are unsuitable for the manufacture of their finished goods i.e., Aluminium Ingot or molten and does not constitute a manufacturing activity. The Parent Company had filed an appeal before CESTAT and had received favourable order in the said matter. However, the department has preferred an appeal in the High Court of Rajasthan.	330.27	-
- In the Parent Company, demand (including penalty) raised on the shortages noted during the search conducted by the Excise officers of the factory premises of the Parent Company. The Parent Company had filed an appeal and now the matter has been referred back to the divisional bench.	122.85	122.85
- Other demands of Parent Company raised under Central Excise Act, 1944 under appeals.	182.87	182.87
	2,408.37	**2,408.37**

iii) Demands raised under Sales Tax Act under appeal for various years - In Parent Company , demand raised (including equal amount of interest) on wrong availment of Input tax credit on against Input tax paid on the purchase of DEPB License. The Parent Company is in appeal.	170.98	170.98
- Other demands of Parent Company raised under Sales Tax Act /Entry Tax Act under appeals	14.93	14.93
In one of the subsidiary company, a notice has been received from the Sales Tax Department according to which the place of business was audited by the Enforcement Wing Officials who noticed certain defects based on which certain proposals for additions have been made on account of (a) ineligible ITC credit on capital goods, (b) Difference in purchase turnover which is liable to tax/reversal, (c) Non availability of C Forms from registered and unregistered dealers, (d) Short excise duty paid on job-work (sales of services). The notice required the said company to file its objections which were duly filed by the Company in the stipulated time as per the notice. Post filing of objections by the said company, no further notice of demand/Show Cause Notice/Any other communication has been received by the said company. During the current year, the said subsidiary company has received a favourable order in this matter.	-	774.50
- In one of the subsidiary company, demand raised (including interest) under Sales Tax/ VAT subject to genuineness verification of manual C Forms for assessment year 2015-2016 and proceedings pending before The Assistant collector (Excise & Taxation), Rewari, Haryana	63.04	-
- In one of the subsidiary company, demand raised (including interest) under Sales Tax/ VAT subject to genuineness verification of manual C Forms for assessment year 2016-2017 and proceedings pending before The Joint Excise & Taxation Commissioner (A), Faridabad, Haryana	33.17	-
- In one of the subsidiary company, demand raised (including interest) under Sales Tax/ VAT subject to genuineness verification of manual C Forms for assessment year 2017-2018 and proceedings pending before The Joint Excise & Taxation Commissioner (A), Faridabad, Haryana	3.02	-
	285.14	**960.41**
iv) Demand raised under Income Tax Act, 1961:		
- In one of the subsidiary company, demand raised under Section 69 C of Income Tax Act, 1961 and the said subsidiary company has paid Rs 67.50 lacs as 20% of the total demand under protest.	337.30	-
	337.30	**-**
(v) Other Miscellaneous demands - In one of the subsidiary claim not acknowledged as debts	5.39	4.55
	5.39	**4.55**

*Based on the favourable decisions in similar cases, assessment of in-house legal advisor, discussions with the consultants and legal opinions obtained by the Group in case of (i) to (v) above , the Group believes that it has good merits on the matters and hence no provision there-against is considered necessary.

(c) There are numerous interpretative issues relating to the Supreme Court (SC) judgment on PF dated 28th February, 2019. As a matter of caution, the Group has prospectively changed the PF policy. The same shall be updated, if required on receiving further clarity on the subject.

31. In accordance with the requirements of IND AS -24 'Related Party Disclosures' , names of the related parties, related party relationship, transactions and outstanding balances where control exsists and with whom transactions have taken place during the year are:

(i) Names of related parties and related party relationship

(a) Key management personnel and their relatives

Shri Gauri Shankar Agarwala- Chairman in CMRT and CMR and Director in CMRN
Shri Mohan Agarwal- Managing Director (Parent Company)
Shri Akshay Agarwal - Relative of Mohan Agarwal and Gauri Shankar Agarwal and Director in Parent Company w.e.f. November 17, 2017)
Shri Raghav Agarwal- Relative of Shri Mohan Agarwal and Shri Gauri Shankar Agarwala and Director (w.e.f September 21, 2019)
Smt. Mandakni Agarwal - Relative of Akshay Agarwal
Smt. Kalawati Agarwal- Relative of Shri Mohan Agarwal and Shri Gauri Shankar Agarwala
Smt. Pratibha Agarwal- Relative of Shri Mohan Agarwal and Shri Gauri Shankar Agarwala
Shri Rajat Jain - Group Chief Financial Officer (w.e.f. January 01, 2018 and upto May 14,2018)
Shri Rajat Jain - Group Chief Financial Officer (w.e.f. January 09, 2019 and upto September 21,2019)
Shri Sandeep Gupta - Group Chief Financial Officer (w.e.f. February 19, 2020)
Shri Pradeep Singh- Group Secretary
Mohan Agarwal (HUF)
Gauri Shankar Agarwal (HUF)
Akshay Agarwal Family Private Trust
GS Agarwala Family Private Trust
K Agarwal Family Private Trust
Raghav Agarwal Family Private Trust
Shri P.M.Gautam - Group Chief Executive Officer
Shri Ankur Singh - Director (w.e.f.March 2, 2020)
Mr.Vegulaparanan Kasi Viswanathan - Independent Director (w.e.f. Sepetember 30, 2014 and upto May 30, 2020)
Mr.Balvinder Kumar - Independent Director
Ms. Nina Chatrath - Independent Director
Mr. Gyan Mohan - Independent Director
Ms. Poonam Gautam - Wife of Group Chief Executive Officer

(b) Associate

Suvridhi Financial Services Limited (till October 23 , 2018)

(c) Enterprises owned or significantly influenced by key management personnel and their relatives

Grand Metal Industries Private Limited
Grand Metal Recycling Private Limited
Sanjivani Non Ferrous Trading Private Limited (w.e.f. May 31,2018)
Suvridhi Financial Services Limited (w.e.f October 24 , 2018)
CMR Tech Solutions Private Limited (w.e.f May 13, 2019)

(d) Joint Venture Partners of Subsidiaries

(i) Joint Venture Partner in CMR-Nikkei India Private Limited: Nikkei MC Aluminium Company Limited
(ii) Joint Venture Partner in CMR-Toyotsu Aluminium India Private Limited :- Toyota Tshusho Corporation

(e) Subsidiaries of Joint Venture Partners

(i) Toyota Tsusho India Private Limited - Subsidiary company of Toyota Tshusho Corporation (w.e.f September 29, 2018)

(f) Joint Venture of the Group

CMR-Chiho Recycling Technologies Private Limited (w.e.f. February 01,2019)
CMR Chiho Industries India Private Limited (w.e.f December 3,2020)
Nikkei CMR Aluminium India Private Limited (w.e.f December 3,2019)

(g) Additional related parties as per Companies Act 2013, with whom transactions have taken during the year

Admya Solutions - Propritary Concern of Poonam Gautam

CMR: Century Metal Recycling Private Limited
CMRT: CMR-Toyotsu Aluminium India Private Limited
CMRN: CMR-Nikkei India Private Limited
SNFT: Sanjivani Non-Ferrous Trading Private Limited
TTC: Toyota Tshusho Corporation

(ii) The following table provides the total value of transactions that have been entered into with related parties during the year:

Particulars	Key management personnel & their relatives	
	March 31, 2020	March 31, 2019
Remuneration Paid ***		
Mr Mohan Agarwal*	255.11	192.80
Mr G.S Agarwala*	269.05	42.47
Mr Akshay Agarwal	292.71	37.95
Mr Raghav Agarwal	281.59	31.23
Mrs. Mandakini Agarwal	18.00	-
Mr Pradeep Singh	15.82	12.79
Mr Rajat Jain	40.07	29.20
Mr.P.M Gautam	95.12	92.42
Mr. Sandeep Gupta	11.49	-
Mr. Ankur Singh	9.03	-
Mr. Satish Kaushik	-	19.36
* including rent free accommodation paid to landlords (related parties) already disclosed above and excluding provision for gratuity and leave encashment.		
Payment against lease liabilities		
Smt. Kalawati Agarwal	33.00	-
Shri Mohan Agarwal	216.00	-
Smt. Pratibha Agarwal	36.00	-
Rent Paid		
Smt. Kalawati Agarwal	-	33.00
Smt. Pratibha Agarwal	-	36.00
Shri Mohan Agarwal	-	72.00
Capital advance paid against purchase of property, plant & equipment		
Shri Mohan Agarwal	-	61.70
Sh. P.M. Gautam	5.00	-
Sale Consideration received on account of divestment in a subsidiary company (refer		
Smt. Kalawati Agarwal	-	238.46
Smt. Pratibha Agarwal	-	238.46
Sales of investments in associate to : **		
- Smt. Kalawati Agarwal	-	64.90
- Smt. Partibha Agarwal	-	74.80
-Shri Mohan Agarwal	-	81.31
-Shri G.S Agarwala	-	32.78
-Mr Raghav Agarwal	-	4.95
-Mr Akshay Agarwal	-	4.95
Sitting Fees		
Mr.Vegulaparanan Kasi Viswanathan	6.50	7.25
Mr.Balvinder Kumar	4.50	5.00
Ms. Nina Chatrath	6.00	7.00
Mr. Gyan Mohan	6.00	8.25
Commission Paid		
Mr.Vegulaparanan Kasi Viswanathan	5.00	-
Mr.Balvinder Kumar	5.00	-
Ms. Nina Chatrath	5.00	-
Mr. Gyan Mohan	5.00	-
Professional Consultancy Fees		
Admya Solutions	9.89	19.18
Professional Consultancy Fees		
Poonam Gautam	8.35	12.00

**The Parent Company, during the previous year, sold its shares held in an associate company Suvridhi Financial Services Limited on October 23, 2018. The said company was no longer as associate of the Parent Company with effect from that date. The Parent Company had received a consideration of Rs 263.56 lacs and earned a profit of Rs 235.19 lacs on such sale which had been accounted for in the previous year under "other income".

*** including Rs. 400.00 lacs payable to directors of the Parent Company, which is subject to approval of shareholders. Further, the Parent Company has, during the year, accounted for performance based commission and commission of Rs. 420.00 lacs out of previous year's profits after taking necessary approvals from shareholders.

(Amount in Rupees lacs, unless otherwise stated)

Particulars	Enterprises owned or significantly influenced by key management personnel and their relatives	
	March 31, 2020	March 31, 2019
Rent Received		
Grand Metal Industries Private Limited	-	0.09
Purchase of raw material		
Sanjivani Non - Ferrous Trading Private Limited	35,973.18	1,788.96

Particulars	Joint Venture Partners of Subsidiaries	
	March 31, 2020	March 31, 2019
Corporate Guarantee Commission		
Nikkei MC Aluminium Co. Limited *	21.84	18.19
Toyota Tshusho Corporation	43.54	48.82
* Transaction amount is exclusive of service tax/ goods and service tax		
Issue of shares		
Toyota Tshusho Corporation	-	2,145.00
Sale of goods		
Nikkei MC Aluminium Co. Limited	52.93	-
Toyota Tshusho Corporation	1,339.72	-

Particulars	Subsidiaries of Joint Venture Partners	
	March 31, 2020	March 31, 2019
Sales Commission		
Toyota Tshusho India Private Limited	61.76	60.12
Procurement Commission		
Toyota Tshusho India Private Limited	-	4.70
Purchase of goods		
Toyota Tshusho India Private Limited	1,945.43	-
Freight Expenses		
Toyota Tsusho India Private Limited	3.88	-

Particulars	Joint Venture	
	March 31, 2020	March 31, 2019
Loan given		
CMR-Chiho Recycling Technologies Private Limited	-	120.52
Loan Received Back		
CMR-Chiho Recycling Technologies Private Limited	120.52	-
Investment made		
CMR-Chiho Recycling Technologies Private Limited (Refer Note 5(b)) *	-	365.68
CMR Chiho Industries India Private Limited (Refer Note 5(b))**	720.00	-
Nikkei-CMR Aluminium Private Limited (Refer Note 5(b))***	25.00	-
Interest Received		
CMR-Chiho Recycling Technologies Private Limited	8.24	2.63
CMR Chiho Industries India Private Limited	0.72	-
Sale of goods		
CMR-Chiho Recycling Technology Private Limited	1.82	-
Sale of property,plant and equipment		
CMR-Chiho Recycling Technology Private Limited	4.02	-
Sale of store items		
CMR-Chiho Recycling Technology Private Limited	0.35	-
Purchase of raw materials and traded goods		
CMR-Chiho Recycling Technology Private Limited	107.75	-
Expenses made on behalf of related Party		
Nikkei MC Aluminium Company Limited	31.47	-
CMR-Chiho Recycling Technologies Private Limited	612.15	-
CMR-Chiho Industries India Private Limited	139.52	-

* The Parent Company had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG had subscribed 36,56,750 equity shares each in the equity share capital of CMR-CHIHO Recycling Technologies Private Limited and shares were issued on February 21, 2019.

*** The Parent Company has, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG had subscribed 72,00,000 equity shares each in the equity share capital of CMR - Chiho Industries India Private Limited and 2,50,000 equity shares were issued December 12, 2019 and balance 69,50,000 equity shares were issued on February 5, 2020.

*** The Parent Company had, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with Nikkei MC Aluminium Company Limited ("NMA"), Japan. Pursuant to the said agreement, the Parent Company and NMA had subscribed 250,000 equity shares each in the equity share capital of Nikkei CMR Aluminium India Private Limited and shares were alloted on 3rd December, 2019.

Century Metal Recycling Limited

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020
(Amount in Rupees lacs, unless otherwise stated)

(iii) Balances as at the year end

Particulars	Key management personnel & their relatives	
	March 31, 2020	March 31, 2019
Salary Payable		
Shri Gauri Shankar Agarwala	111.42	-
Shri Mohan Agarwal	48.35	8.37
Shri Akshay Agarwal	125.91	1.35
Smt. Mandakni Agarwal	0.54	-
Shri Raghav Agarwal	125	0.68
Shri P.M. Gautam	1.87	12.00
Shri Pradeep Singh	1.38	0.88
Shri Sandeep Gupta	5.62	-
Shri Ankur Singh	4.82	-
Mr Rajat Jain	-	2.57
Loans to Employees		
Shri Mohan Agarwal	-	12.61
Shri G.S Agarwala	-	4.43
Shri Raghav Agarwal	-	-
Mr. Pradeep Singh	-	0.04
Shri Akshay Agarwal	-	2.33
Capital Advance		
Shri Mohan Agarwal	-	391.10
Other Payable		
Shri Mohan Agarwal	90.96	51.92
Expenses payable		
Shri Mohan Agarwal	1.41	-
Shri Akshay Agarwal	0.08	-
Shri Pradeep Singh	0.02	-
Lease liabilities (at amortised cost)		
Smt. Kalawati Agarwal	146.82	-
Shri Mohan Agarwal	952.33	-
Smt. Pratibha Agarwal	160.16	-
Trade payable		
Sitting fees payable		
Shri V.K. Vishwanathan	2.00	-
Shri Balvinder Kumar	1.50	-
Shri Gyan Mohan	1.50	-
Ms. Naina Chatrath	1.50	-

Particulars	Enterprises over which Directors and their relatives have significant influence	
	March 31, 2020	March 31, 2019
Advance to suppliers		
Grand Metal Industries Private Limited	8.35	9.47
Grand Metal Recycling Private Limited	-	0.15
Suvridhi Financial Services Limited	1.74	-
Other financial assets		
Sanjivani Non - Ferrous Trading Private Limited	1,611.95	3,081.73
Other assets		
Sanjivani Non - Ferrous Trading Private Limited	6,104.86	-

Particulars	Joint Venture Partners of Subsidiaries	
	March 31, 2020	March 31, 2019
Corporate guarantee commission receivable		
Nikkei MC Aluminium Co. Limited	41.34	55.42
Toyota Tshusho Corporation	67.48	66.82
Trade payables		
Toyota Tsusho India Pvt Ltd	-	4,167.05
Nikkei MC Aluminium Co. Limited	-	1.93
Advance to suppliers		
Toyota Tsusho India Pvt Ltd	94.64	-
Other financial assets		
Nikkei MC Aluminium Co. Limited	31.53	-

Particulars	Joint Venture of Group	
	March 31, 2020	March 31, 2019
Interest receivable		
CMR-Chiho Recycling Technologies Private Limited	8.24	2.63
CMR Chiho Industries India Private Limited	0.72	
Loan given		
CMR-Chiho Recycling Technologies Private Limited	-	120.52
Other Financial Assets		
CMR-Chiho Industries India Private Limited	137.60	-
CMR-Chiho Recycling Technologies Private Limited	45.52	-
Nikkei-CMR Aluminium Private Limited	1.10	-

Notes:

(i) Property situated at Millennium Plaza Ltd. 001B and 001C, Tower"A" Ground Floor, Sector 27, owned by Shri Gauri Shankar Agarwala and Shri Mohan Agarwal, promoter directors has been mortgaged for term loans and cash credit limits including bill discounting facilities and vendor financing facilities utilized by the Parent Company.

(ii) Property situated at Nav Shakti Co-operative Group Housing Society B-43, Plot No.5, Sector - 9, Rohini, New Delhi owned by Shri Mohan Agarwal, promoter director has been mortgaged for term loans and cash credit limits including bill discounting and vendor financing facilities utilized by the Parent Company.

(iii) Shri Mohan Agarwal and Shri Gauri Shankar Agarwala, promoter directors have given personal guarantee for the term loans and cash credit limits including bill discounting facilities and vendor financing utilized by the Parent Company and one of the subsidiary.

(iv) Nikkei MC Aluminium Co. Limited has given corporate guarantee for term loan and working capital loans borrowed by CMR Nikkei India Private Limited, a subsidiary.

(v) The remuneration to the key managerial personnel and relatives as disclosed above does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

(vi) The Company has, during the current year, written off an amount of Rs. 391.10 lacs paid as a captial advance to the Managing Director of the Company (Refer note 51).

Terms and conditions of transactions with related parties

The sale and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured. For the year ended March 31, 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment in undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

32 Statement of Employee Benefits

Employee Benefits have been classified as under:

A. Defined Contribution Plans - Provident Fund

Provident Fund
The group makes contribution towards employees' provident fund .

The group has contributed the following amounts to:

Particulars	March 31, 2020	March 31, 2019
Employer's Contribution to Provident Fund (Including Employee's Pension Scheme 1995)*	171.57	141.96

* Net of benefit of Rs. 3.64 Lacs (March 31, 2019 : Rs 1.70 lacs) received under Pradhan Mantri Rojgar Prosthan Yojana.

B. Defined Benefit Plans

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Particulars	March 31, 2020 Gratuity (Unfunded)	March 31, 2019 Gratuity (Unfunded)
Change in benefit obligation		
Opening defined benefit obligation	343.63	263.53
Interest cost	26.32	21.27
Current service cost	79.61	55.20
Benefits paid	(22.64)	(12.18)
Actuarial (gain)/loss on obligation	22.73	16.66
Amount pertaining to subsidiary company in which divestment was made (refer note. 48)	-	(0.85)
Present value of obligation at the end of the year	**449.65**	**343.63**
Liability recognized in the financial statements	**449.65**	**343.63**

Amount recognised in Statement of Profit and Loss:

Particulars	March 31, 2020	March 31, 2019
Current service cost	79.61	55.20
Interest cost on benefit obligation	26.32	21.27
Amount recognised in Statement of Profit and Loss	**105.93**	**76.47**

(Amount in Rupees lacs, unless otherwise stated)

Amount recognised in Other Comprehensive Income:

Particulars	March 31, 2020	March 31, 2019
Actuarial Loss on arising from Change in Demographic Assumption	0.24	-
Actuarial changes arising from changes in financial assumptions	48.56	2.20
Experience adjustments	(26.07)	14.46
Amount of loss recognised in Other Comprehensive Income	**22.73**	**16.66**

The principal assumptions used in determining gratuity liability for the group's plans are shown below:

(in %)

Particulars	March 31, 2020	March 31, 2019
Discount rate (%)	6.76 - 6.79	7.66 - 7.76
Future salary increases (%)	5.50 - 9.00	5.50 - 9.00
Retirement Age (Years)	58 - 60	58 - 60
Withdrawal rate		
Up to 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Mortality Table as per	IALM (2012-14)-IALM (2006-08)	IALM (2006-08)

A quantitative sensitivity analysis for significant assumptions are shown below :-
Gratuity Plan

Assumptions		**Discount rate**		**Future salary increase**	
Discount rate		**0.5% increase**	**0.5% decrease**	**0.5% increase**	**0.5% decrease**
Impact on defined benefit obligation	As at 31 March 2020	(29.78)	33.11	32.33	(29.41)
Impact on defined benefit obligation	As at 31 March 2019	(22.57)	22.70	22.35	(22.47)

The sensitivity analyses above has been determined based on the method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.
Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated. Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The maturity profile of defined benefit obligation are as follows:

	31 March 2020	31 March 2019
Within the next 12 months (next annual reporting period)	43.12	27.20
Between 1 and 2 years	27.80	5.45
Between 2 and 3 years	23.27	5.61
Between 3 and 4 years	13.07	5.67
Between 4 and 5 years	8.34	14.86
Between 5 and 6 years	13.23	28.18
Beyond 6 years	320.82	256.66
Total expected payments	**449.65**	**343.63**

The average duration of the defined benefit plan obligation at the end of the reporting period is 17.78 - 21.80 years (Previous year 17.81 - 22.27 years).

Century Metal Recycling Limited

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

(Amount in Rupees lacs, unless otherwise stated)

33 . Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

	Carrying value		Fair value	
	As at March 31,2020	As at March 31,2019	As at March 31,2020	As at March 31,2019
Financial assets				
A. FVPL financial instruments:				
Investment in Other Equity Instruments	0.24	0.24	0.24	0.24
Derivative Assets	16.77	-	16.77	-
	17.01	**0.24**	**17.01**	**0.24**
B. Amortised Cost:				
Security deposits	265.60	208.96	265.60	208.96
Loans/Advances to employees	3.07	3.54	3.07	3.54
Interest accrued on fixed deposits	25.74	16.56	25.74	16.56
	294.41	**229.06**	**294.41**	**229.06**
Total	**311.42**	**229.30**	**311.42**	**229.30**
Financial liabilities				
A. Amortised Cost:				
Derivative liability	5.65	28.40	5.65	28.40
Security deposits from customers/ others	22.20	11.70	22.20	11.70
Borrowings	2,263.61	2,793.50	2,263.61	2,793.50
	2,291.47	**2,833.60**	**2,291.47**	**2,833.60**

The management assessed that trade receivables, Non Current fixed deposits, capital creditors, trade payables, and other current financial assets and liabilities (except derivative assets/ derivative liability) approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Derivative financial instruments -

The fair value of foreign exchange forward contracts is determined using the foreign exchange spot and forward rates at the balance sheet date.
The derivatives are entered into with the banks / counterparties with investment grade credit ratings.

Borrowings:-

The fair values of the Group's interest bearing borrowings are determined by using discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year.

Investment in equity shares : -

The fair value of investment in equity instruments other than above approximates the carrying value and hence, the valuation technique and inputs have not been given.

Loan to employees, security deposits , Borrowings other than Interest Free Borrowings and Interest accrued on fixed deposits:-

The fair value of loan to employees, security deposit, borrowings other than interest free borrowings and interest accrued on fixed deposits approximates the carrying value and hence, the valuation technique and inputs have not been given.

(Amount in Rupees lacs, unless otherwise stated)

34. Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2020:

			Fair value measurement using		
	Date of valuation	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial assets					
A. FVTPL financial instruments:					
Investment in equity shares (unquoted)	March 31, 2020	0.24	-	-	0.24
Derivative Assets	March 31, 2020	16.77	-	16.77	-
B. Amortised Cost:					
Security deposits paid	March 31, 2020	265.60	-	265.60	-
Loans to employees	March 31, 2020	3.07	-	3.07	-
Interest accrued on fixed deposits	March 31, 2020	25.74	-	25.74	-
		311.42	**-**	**311.18**	**0.24**
Financial liabilities					
A. Amortised Cost:					
Derivative liability	March 31, 2020	5.65	-	5.65	-
Security deposit from customers/ others	March 31, 2020	22.20	-	22.20	-
Borrowings	March 31, 2020	2,263.61	-	2,263.61	-
		2,291.47	**-**	**2,291.47**	**-**

There have been no transfers between Level 1 and Level 2 during the period year March 31, 2020.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2019:

			Fair value measurement using		
	Date of valuation	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial assets					
A. FVTPL financial instruments:					
Investment in equity shares	March 31,2019	0.24	-	-	0.24
B. Amortised Cost:					
Security deposits paid	March 31,2019	208.96	-	208.96	-
Loans/Advances to employees	March 31,2019	3.54	-	3.54	-
Interest accrued on fixed deposits	March 31,2019	16.56		16.56	
		229.30	**-**	**229.06**	**0.24**
Financial liabilities					
A. Amortised Cost:					
Derivative liability	March 31,2019	28.40	-	28.40	-
Security deposits from customers/ others	March 31,2019	11.70	-	11.70	-
Borrowings	March 31,2019	2,793.50	-	2,793.50	-
		2,833.60	**-**	**2,833.60**	**-**

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2019

The fair value of investment in other equity instruments appearing under Level III approximates the carrying value and hence, the valuation technique and inputs with sensitivity analysis have not been given.

(Amount in Rupees lacs, unless otherwise stated)

35. Financial risk management objectives and policies

The Group's principal financial liabilities comprise of borrowings, lease liabilities, trade payables, derivative liability, security deposits received, capital creditors and employee related payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include trade and other receivables, derivative assets and cash & cash equivalent that derive directly from its operations. The Group also enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is responsible to ensure that Group's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price. Market risk comprise of interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

The sensitivity analysis in the following sections relate to the position as at March 31, 2020, and March 31,2019.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	**Effect on profit before tax**
US dollar Borrowings		
March 31, 2020		
USD Borrowings	+0.5	(3.92)
USD Borrowings	-0.5	3.92
March 31,2019		
USD Borrowings	+0.5	-
USD Borrowings	-0.5	-

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Fair value sensitivity analysis for fixed rate instruments :-

The Group has not disclosed interest rate risks on any fixed rate financial liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would neither affect profit or loss nor affect equity.

(Amount in Rupees lacs, unless otherwise stated)

(b) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD and Euro. Foreign exchange risk arises from future commercial transactions and recognised asset and liabilities denominated in a currency that is not the Group's functional currency. The Group imports raw materials which exposes it to foreign currency risk. The Group holds derivative foreign currency forward contracts to mitigate the risk of change in exchange rate on foreign currency exposure if required. The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Below is the Group's exposure to foreign currency risk changes.

March 31, 2020	**Change in USD rate**	**Effect on profit before tax**
	+5%	(528.17)
	-5%	528.17
	Change in CNY rate	
	+5%	(4.57)
	-5%	4.57
March 31,2019	**Change in USD rate**	**Effect on profit before tax**
	+5%	(340.14)
	-5%	340.14
	Change in CNY rate	
	+5%	(5.98)
	-5%	5.98

The above assumed movement in the basis points for foreign exchange sensitivity analysis is based on foreign risk exposure risk in the past.

(c) Commodity price risk

The operating activities of the Group require the ongoing purchase of aluminium and scrap. The purchase price of the aluminium scrap depends on the global metal market. However, Group is not exposed to commodity price risk as any change in the price of commodity is subsequently recovered by the Group from its customers, thus safeguarding itself from any fluctuation in the price of commodity.

(d) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

(i) Trade Receivable

Customer credit risk is managed as per the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding

(Amount in Rupees lacs, unless otherwise stated)

An impairment analysis is performed at each reporting date on an individual basis for major customers. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low on the basis of past default rates of its customers.

The ageing of trade receivables at the reporting date was:

Particulars	31 March 2020	31 March 2019
Due 0-180 days	37,869.47	29,620.97
Above 180 days	71.37	66.41

Movement in provisions of doubtful debts

Particulars	31 March 2020	31 March 2019
Opening provisions	-	299.54
Add: Additional provision made	-	-
Less: Provision written off	-	299.54
Closing provisions	-	-

ii) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the Balance Sheet as at March 31, 2020.

Particulars	31 March 2020	31 March 2019
Security Deposits (Current & Non Current)	307.33	456.39
Loan to employees (Current & Non Current)	48.35	60.46
Trade receivables	37,940.84	29,687.38

(Amount in Rupees lacs, unless otherwise stated)

Liquidity risk

The Group monitors its risk of a shortage of funds doing a liquidity planning exercise.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short term borrowing facilities like bank overdraft, cash credit facility and buyers credit facility. The Group's treasury function reviews the liquidity position on an ongoing basis. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and surplus cash and cash equivalent on the basis of expected cash flow. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payment :

As at March 31, 2020

Particulars	On demand	Less than 12 months	1-5 years	>5 years	Total undiscounted contractual cash flows	Carrying amount of liabilities
Borrowings	5,554.15	20,714.81	2,263.61	-	28,532.58	28,532.58
Lease liabilities	-	768.03	3,394.72	406.03	4,568.79	3,532.10
Trade payables	-	10,519.80	-	-	10,519.80	10,519.80
Interest accrued and due on borrowings	-	12.33	-	-	12.33	12.33
Interest accrued but not due on borrowings	-	61.81	-	-	61.81	61.81
Payable for capital goods	-	616.81	-	-	616.81	616.81
Security deposit from customers/ others	-	208.09	22.20	-	230.29	230.29
Interest payable on others	-	-	-	-	-	-
Corporate Guarantee Commission payable	-	90.96	-	-	90.96	90.96
Derivative liability	-	5.65	-	-	5.65	5.65
Employee related liabilities	-	747.35	-	-	747.35	747.35
	5,554.15	**33,745.63**	**5,680.53**	**-**	**45,386.36**	**44,349.66**

As at March 31, 2019

Particulars	On demand	Less than 12 months	1-5 years	>5 years	Total undiscounted contractual cash flows	Carrying amount of liabilities
Borrowings	6,098.07	23,543.73	2,793.50	-	32,435.30	32,435.30
Trade payables	-	20,158.29	-	-	20,158.29	20,158.29
Interest accrued and due on borrowings	-	29.54	-	-	29.54	29.54
Interest accrued but not due on borrowings	-	50.76	-	-	50.76	50.76
Payable for capital goods	-	767.82	67.03	-	834.85	834.85
Security deposit from customers/ others	-	168.43	11.70	-	180.13	180.13
Interest payable on others	-	15.46	-	-	15.46	15.46
Corporate Guarantee Commission payable	-	51.92	-	-	51.92	51.92
Derivative liability	-	28.40	-	-	28.40	28.40
Payable against investment in CMR-CHIHO Recycling Technologies Private Limited	-	365.68	-	-	365.68	365.68
Employee related liabilities	-	317.77	-	-	317.77	317.77
	6,098.07	**45,497.79**	**2,872.23**	**-**	**54,468.10**	**54,468.10**

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to development affecting a particular industry. The Group is not exposed to excessive concentration since the customers of the Group are not engaged in similar business activities. The Group derives its revenues and corresponding trade receivables from varied number of customers.

(Amount in Rupees lacs, unless otherwise stated)

36. Segment information

As per Ind AS 108 identification of segment is based on the manner in which the entity's Chief Operating decision makers' (CODM) review the business components regularly to make decisions about allocating resources to segment and in assessing its performance.

The chief operating decision maker reviews business performance at an overall group level as one segment "Aluminium ingots and zinc ingots".

Primary Segments: Business Segment
The Group manufactures and sells aluminium and zinc based alloys and does trading and job work of these products. The products have the same risks and returns which are predominantly governed by market condition i.e. demand and supply position and hence have been considered as representing a single business segment.

Secondary Segments : Geographical Segment
The analysis of geographical segment is based on geographical location of its customers. The following table shows the distribution of revenue by Geographical segment.

a) Summary of total revenue by Geographical area are as follows:

Products and services

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue From External Customers		
India	2,62,235.75	2,83,999.35
Outside India	2,850.12	115.24
Total	**2,65,085.87**	**2,84,114.59**

b) Summary of non- current assets by geographical location is as follows:

Particulars	31 March 2020	31 March 2019
Property plant and equipment		
India	28,435.64	20,640.01
Outside India		
Right-of-use assets		
India	4,592.54	-
Outside India	-	-
Intangible assets		
India	155.02	220.86
Outside India		
Capital Work-in-progress		
India	1,928.22	5,689.74
Outside India		
Non-Current Investments		
India	1,045.91	361.98
Outside India		
Other Non current assets		
India	1,947.37	2,464.38
Outside India		
Total	**38,104.69**	**29,376.96**

c) Revenue from major customer

Revenues from major customer of the Group are as follows :

Name of The Customer	Year ended March 31, 2020		Year ended March 31, 2019	
	Revenue	Revenue %	Revenue	Revenue %
Jindal Stainless (Hisar) Limited	32,047.79	12.09%	11,942.27	4.20%
Sunbeam Lightweighting Solutions Private Limited	29,903.97	11.28%	36,397.18	12.81%
Rockman Industries Limited	21,881.42	8.25%	28,603.17	10.07%

(Amount in Rupees lacs, unless otherwise stated)

37 . Capital management

The Board's policy maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the level of dividend to shareholders.

For the purpose of the Group's capital management, capital includes issued equity capital general reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.
The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, *less* cash and cash equivalents.

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Trade payables (Note 18)	10,519.80	20,158.29
Other financial liabilities (Note 15)	1,765.19	1,874.51
Lease liabilities (Note 29a)	3,532.10	-
Borrowings (Note 14)	28,532.58	32,435.30
Less: Cash and cash equivalents (Note 12(a))	(2,032.84)	(44.84)
Net debts	**42,316.82**	**54,423.26**
Total equity	67,002.28	53,583.70
Capital and Net Debt	**1,09,319.11**	**1,08,006.96**
Gearing ratio (%)	**38.71%**	**50.39%**

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2020.

Century Metal Recycling Limited

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

(Amount in Rupees lacs, unless otherwise stated)

38. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	31 March 2020	31 March 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period/year .	-	-
	-	**-**
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.		-
The amount of interest accrued and remaining unpaid at the end of each accounting period/year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006.		-

39. Expenditure of Corporate Social Responsibility (CSR)

Particulars	March 31, 2020	March 31, 2019
(a) Gross amount required to be spent	269.61	164.35
(b) Amount spent on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	30.12	-

40. The Haridwar unit of the Parent Company was exempt from excise duty (GST with effect from July 01, 2017) for 10 years from the date of commercial production i.e. September 1, 2008 vide notification no. 50/2003.C.E dated 10.06.2003. The said exemption was expired in the previous year.

41(a) Investment in associates

The Group had 22.82% interest in Suvridhi Financial services Limited (Company over which the Group excercises significant influence and has been consolidated on equity method.

The Parent Company, had during the previous year, sold its shares held in the associate company Suvridhi Financial Services Limited on October 23, 2018. The said company was no longer as associate of the group with effect from that date. The Parent Company had received a consideration of Rs 263.56 lacs and earned a profit of Rs 235.51 lacs on such sale which had been accounted for in the previous year under "other income".

The summarised financial information of associate upto the date of associate are provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of profit and loss :

Particulars	For the period ended October 23, 2018
Income	
Revenue from operations (net)	17.28
Other income	0.05
Total Revenue	**17.33**
Expenses:	
Employee benefits expense	5.72
Finance costs	0.01
Other expenses	5.38
Total Expenses	**11.12**
Profit before tax	**6.22**
Tax expenses:	
Current tax	1.72
Income tax adjustment related to earlier period	(0.11)
Deferred tax	(0.21)
Profit for the year from continuining operations	**4.81**
Other comprehensive loss for the period	4,880.98
Income tax effect	(1,277.61)
Total Comprehensive Income	**3,603.37**
Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period)	**3,608.18**
Proportion of the Group's ownership	**22.82%**
Proportionate Profit	823.39
Less: Elimination of Fair Valuation gain of CMR (net of tax)	**(822.29)**
Group’s share of profit for the period	**1.10**

There were no contingent liabilities and capital commitments in associate.

41(b) Investment in joint venture

The Parent Company had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG have subscribed 36,56,750 equity shares each in the equity share capital of CMR-CHIHO Recycling Technologies Private Limited and shares had been issued on February 21, 2019.

CMR-Chiho Recycling Technologies Private Limited
Summarised statement of profit and loss :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income		
Revenue from operations (Net)	835.56	-
Other income	16.36	-
Total Revenue	**851.92**	**-**
Expenses:		
Finance costs	16.76	2.63
Other expenses	1,000.23	8.02
Total Expenses	**1,016.99**	**10.65**
Profit/(Loss) before tax	**(165.07)**	**(10.65)**
Tax expenses:		
Current tax	-	-
Deferred tax	(42.93)	(2.77)
Profit/(Loss) for the year from continuining operations	**(122.14)**	**(7.88)**
Proportion of the Group's ownership	**50.00%**	**50.00%**
Proportionate Profit/(Loss)	**(61.07)**	**(3.94)**

Summarised balance sheets :

Particulars	March 31,2020	March 31,2019
Non-current assets	93.57	731.35
Current assets	951.56	115.27
Non Current Liabilities	-	-
Current Liabilities	443.80	123.15
Total equity	601.33	723.47

There are no contingent Liabilty in joint venture.
Estimated amount of contracts (net of advances) remaining to be executed on Capital Account and not provided for is Rs. 203.72 lacs (Previous year: Nil)

The Parent Company has, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG had subscribed 72,00,000 equity shares each in the equity share capital of CMR - Chiho Industries India Private Limited and 2,50,000 equity shares were issued December 12, 2019 and balance 69,50,000 equity shares were issued on February 5, 2020.

(Amount in Rupees lacs, unless otherwise stated)

CMR Chiho Industries India Private Limited
Summarised statement of profit and loss :

Particulars	For the year ended March 31,2020	For the year ended March 31,2019
Income	-	-
Revenue from operations (Net)	-	-
Other income	-	-
Total Revenue	-	-
Expenses:		
Finance costs	-	-
Other expenses	-	-
Total Expenses	-	-
Profit/(Loss) before tax	-	-
Tax expenses:	-	-
Current tax	-	-
Deferred tax	-	-
Profit/(Loss) for the year from continuining operations	-	-
Proportion of the Group's ownership	-	-
Proportionate Profit	-	-

Summarised balance sheets :

Particulars	March 31,2020	March 31,2019
Non-current assets	740.20	-
Current assets	1,345.02	-
Non Current Liabilities	-	-
Current Liabilities	645.22	-
Total equity	1,440.00	-

There are no contingent Liabilty and capital commitments in joint venture.

The Parent Company had, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with Nikkei MC Aluminium Company Limited ("NMA"), Japan. Pursuant to the said agreement, the Parent Company and NMA had subscribed 250,000 equity shares each in the equity share capital of Nikkei CMR Aluminium India Private Limited and shares were alloted on 3rd December, 2019.

Nikkei CMR Aluminium India Private Limited
Summarised statement of profit and loss :

Particulars	For the year ended March 31,2020	For the year ended March 31,2019
Income	-	-
Revenue from operations (Net)	-	-
Other income	-	-
Total Revenue	-	-
Expenses:	-	-
Finance costs	-	-
Other expenses	-	-
Total Expenses	-	-
Profit/(Loss) before tax	-	-
Tax expenses:	-	-
Current tax	-	-
Deferred tax	-	-
Profit/(Loss) for the year from continuining operations	-	-
Proportion of the Group's ownership	-	-
Proportionate Profit	-	-

Summarised balance sheets :

Particulars		
Non-current assets	50.00	
Current assets	-	
Non Current Liabilities	-	
Current Liabilities	-	
Total equity	50.00	

There are no contingent Liabilty and capital commitments in joint venture.

(Amount in Rupees lacs, unless otherwise stated)

42 Disclosure required under Section 186(4) of the Companies Act 2013

a) Particulars of Corporate Guarantees given as required by Section 186(4) of the Companies Act, 2013 - Nil

CMR-Chiho Recycling Technologies Private Limited*	March 31, 2020	March 31, 2019
Opening Loan	120.52	-
Loan Given	-	120.52
Loan Repayment	120.52	-
Balance Outstanding	-	120.52

* The loan was given to fulfil the initial working capital requirement to payoff 3 months advance rent to Mascot Infrastructure Gujarat LLP and to meet the incorporation and share issue expenses.

b) Details of investments made :

Particulars	DSJ Communication Limited	Mardia Steel Limited	Usha India Limited	CMR-Chiho Recycling Technologies Private Limited	CMR Chiho Industries India Private Limited	Nikkei CMR Aluminium India Private Limited	Total
As on 31st March 2019	**0.08**	**0.06**	**0.10**	**361.74**	**-**	**-**	**361.98**
Add: Investments made during the year (Refer Note 5b)	-	-	-		720.00	25.00	**745.00**
Add: Share in profits/(losses) for the year	-	-	-	-61.07	-	-	**-61.07**
As on 31st March 2020	**0.08**	**0.06**	**0.10**	**300.67**	**720.00**	**25.00**	**1,045.91**

Details of Investment made (No. of Shares)
I. Equity Shares

Particulars	DSJ Communication Limited	Mardia Steel Limited	Usha India Limited	CMR-Chiho Recycling Technologies Private Limited	CMR Chiho Industries India Private Limited	Nikkei CMR Aluminium India Private Limited
As on 31st March 2019	25,000	4,900	10,000	36,56,750	-	-
Investments made during the year (Refer Note 5b)	-	-	-	-	72,00,000	2,50,000
As on 31st March 2020	**25,000**	**4,900**	**10,000**	**36,56,750**	**72,00,000**	**2,50,000**

Century Metal Recycling Limited

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020
(Amount in Rupees lacs, unless otherwise stated)

43 Group Information

Information about subsidiaries and joint ventures

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Subsidiaries:

Name	Principal Activity	Country of Incorporation	Percentage of Ownership (As at March 31, 2020)	Percentage of Ownership (As at March 31, 2019)
CMR Nikkei India Private Limited	Producers of Aluminium based Die Cast Alloys	India	74.00%	74.00%
CMR Welfare Foundation	Corporate Social Work	India	90.00%	90.00%
CMR-Toyotsu Aluminium India Private Limited	Producers of Aluminium based Die Cast Alloys	India	70.00%	70.00%
CMR Aluminium Private Limited *	Producers of Aluminium based Die Cast Alloys but operations are yet to be started	India	100%	Nil

*The Parent Company has, during the current year, invested in 9,999 equity shares of CMR Aluminium Private Limited, making it as a 100% subsidiary of the Company w.e.f January 15, 2020. However, the Parent Company has paid the amount against issue of equity shares, subsequent to the year end.

The details of the Joint venture companies over which the Group exercises significant influence, which has been consolidated on "Equity Method" are as follows:

Joint Venture:

Name	Principal Activity	Country of Incorporation	Percentage of Ownership (As at March 31, 2020)	Percentage of Ownership (As at March 31, 2019)
CMR Chiho Industries India Private Limited*	Segregation, recycling, treatment and disposal of metal waste	India	50%	Nil
Nikkei CMR Aluminium India Private Limited**	Segregation, recycling, treatment and disposal of metal waste	India	50%	Nil
CMR-Chiho Recycling Technologies Private Limited***	Segregation, recycling, treatment and disposal of metal waste	India	50%	50%

* The Parent Company has, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG had subscribed 72,00,000 equity shares each in the equity share capital of CMR - Chiho Industries India Private Limited and 2,50,000 equity shares were issued December 12, 2019 and balance 69,50,000 equity shares were issued on February 5, 2020.

**The Parent Company had, during the current year, entered into a 50:50 Joint Venture agreement ("Agreement") with Nikkei MC Aluminium Company Limited ("NMA"), Japan. Pursuant to the said agreement, the Parent Company and NMA had subscribed 250,000 equity shares each in the equity share capital of Nikkei CMR Aluminium India Private Limited and shares were alloted on 3rd December, 2019.

*** The Parent Company had, during the previous year, entered into a 50:50 Joint Venture agreement ("Agreement") with CHIHO Environmental Group Limited ("CEG"), Hong Kong. Pursuant to the said agreement, the Parent Company and CEG had subscribed 36,56,750 equity shares each in the equity share capital of CMR-CHIHO Recycling Technologies Private Limited and shares were issued on February 21, 2019.

(Amount in Rupees lacs, unless otherwise stated)

44. Material Partly owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling

Name	Country of Incorporation and operation	March 31,2020	March 31,2019
CMR Nikkei India Private Limited	India	26.00%	26.00%
CMR-Toyotsu Aluminium India Private Limited	India	30.00%	10.00%

Information regarding non-controlling interest

Name	March 31,2020	March 31,2019
Accumulated balances of material non-controlling interest		
CMR Nikkei India Private Limited	3,856.40	3,167.17
CMR-Toyotsu Aluminium India Private Limited	4,172.88	3,491.68
Total Comprehensive income allocated to material non-controlling interest		
CMR Nikkei India Private Limited	689.23	486.36
CMR-Toyotsu Aluminium India Private Limited	681.20	360.65
Sanjivani Non Ferrous Trading Private Limited*	-	97.90
Addition of Share Capital in Non Controlling interest		
CMR Nikkei India Private Limited	-	780.00
CMR-Toyotsu Aluminium India Private Limited	-	2,145.00
Share application money received from minority shareholders		
CMR Nikkei India Private Limited	-	(780.00)
Adjustment on account of change in Percentage holding of Non Controlling interest		
CMR-Toyotsu Aluminium India Private Limited	-	216.71
Adjustment on account of divestment in subsidiary company		
Sanjivani Non Ferrous Trading Private Limited*	-	-2,580.33

* include share of profits on cross holding by the Subsidiary Company in the Parent Company.

(Amount in Rupees lacs, unless otherwise stated)

45. The summary of financial information of the subsidiaries are provided below. This information is based on amounts before inter company eliminations,

(A1) Summarised statement of profit and loss of CMR Nikkei India Private Limited

	Particulars	March 31,2020	March 31,2019
A	**REVENUE**		
	Revenue from operations	57,263.70	56,437.98
	Other income	321.43	340.74
	Total revenue (A)	**57,585.12**	**56,778.72**
B	**EXPENSES**		
	Cost of raw materials consumed	46,117.67	48,061.80
	Purchase of traded goods	1,968.39	2,133.47
	(Increase) in inventories of finished goods	314.73	(1101.76)
	Employee benefits expenses	1,491.00	1,019.28
	Finance costs	621.46	459.11
	Depreciation and amortization expense	693.71	481.57
	Other expenses	3,181.42	2,784.47
	Total expenses (B)	**54,388.37**	**53,837.94**
C	**Profit before tax (A-B)**	**3,196.75**	**2,940.78**
D	**Tax expenses**		
	Current tax	688.84	634.57
	MAT Credit entitlement	-	(171.46)
	Adjustment of tax for earlier years	301.47	7.66
	Deferred tax charge relating to earlier years	(310.08)	19.64
	Deferred tax charge	(134.32)	577.41
	Total tax expense	**545.91**	**1,067.82**
E	**Profit for the year (C-D)**	**2,650.84**	**1,872.95**
F	**Other Comprehensive Income**		
	Items that will not be reclassified to profit or loss		
	Re-measurement gain/(loss) on defined benefit plans	0.05	(3.62)
	Income tax effect	(0.01)	1.26
		0.04	**(2.35)**
G	Total Comprehensive Income for the year (E + F) (Comprising Profit and Other Comprehensive Income for the year)	**2,650.88**	**1,870.60**

(A2) Summarised balance sheet of CMR Nikkei India Private Limited

Particulars	March 31,2020	March 31,2019
Non-current assets	10,180.85	9,274.44
Current assets	15,572.40	15,867.00
Non Current Liabilities	2,510.48	2,372.64
Current Liabilities	8,410.48	10,587.39
Total Equity	14,832.30	12,181.41

(Amount in Rupees lacs, unless otherwise stated)

(B1) Summarised statement of profit and loss of CMR Toyotsu Aluminium India Private Limited

	Particulars	March 31,2020	March 31,2019
A	**REVENUE**		
	Revenue from operations	49,672.56	50,076.51
	Other income	238.50	41.07
	Total revenue (A)	**49,911.06**	**50,117.58**
B	**EXPENSES**		
	Cost of raw materials consumed	36,273.34	41,270.01
	Purchase of traded goods	3,693.78	201.49
	(Increase)/decrease in inventories	(486.08)	303.86
	Employee benefits expense	1,731.25	1,313.45
	Depreciation and amortization expense	570.10	569.60
	Finance costs	530.09	541.80
	Other expenses	4,157.22	3,156.61
	Total expenses (B)	**46,469.70**	**47,356.81**
C	**Profit before tax (A-B)**	**3,441.35**	**2,760.77**
D	**Tax expenses**		
	Current tax	1,579.82	595.97
	MAT Credit entitlement		(595.97)
	Deferred tax (Credit)/charge relating to earlier periods	(10.09)	
	Deferred tax (Credit)/charge	(397.61)	967.23
	Total tax expense	**1,172.12**	**967.23**
E	**Profit for the year (C-D)**	**2,269.23**	**1,793.54**
F	**Other Comprehensive Income**		
	Items that will not be reclassified to profit or loss		
	Re-measurement (losses)/gain on defined benefit plans	2.20	3.64
	Income tax effect	(0.77)	(1.27)
		1.43	**2.37**
G	Total Comprehensive Income for the year (E + F) (Comprising Profit and Other Comprehensive Income for the year)	**2,270.66**	**1,795.91**

(B2) Summarised balance sheet of CMR Toyotsu Aluminium India Private Limited

Particulars	March 31,2020	March 31,2019
Non-current assets	8,622.80	7,120.54
Current assets	13,862.44	15,014.86
Non Current Liabilities	702.79	315.27
Current Liabilities	7,872.81	10,181.13
Total Equity	**13,909.65**	**11,638.99**

Century Metal Recycling Limited

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

(Amount in Rupees lacs, unless otherwise stated)

46 : Statement containing salient features, pursuant to Schedule III of the Companies Act 2013, of subsidiaries as per Separate financial statements of each entity :

Name of the entity in the group	March 31,2020							
	Net Assets i.e. total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	(Amount in Rs. lacs)	As % of Consolidated Profit & Loss	(Amount in Rs. lacs)	As % of Consolidated Other Comprehensive Income	(Amount in Rs. lacs)	As % of Consolidated Total Comprehensive Income	(Amount in Rs. lacs)
Parent								
Century Metal Recycling Limited	87.61%	51,665.13	72.03%	8,691.38	105.84%	(18.70)	71.98%	8,672.68
Indian Subsidiaries								
CMR-Toyotsu Aluminium India Private Limited	23.59%	13,909.65	18.81%	2,269.23	-8.10%	1.43	18.85%	2,270.66
CMR-Nikkei India Private Limited	25.15%	14,832.30	21.97%	2,650.84	-0.23%	0.04	22.00%	2,650.88
CMR Welfare Foundation	0.01%	8.19	-0.03%	(4.22)	-	-	-0.04%	(4.22)
Non controlling Interests in subsidiaries								
CMR-Toyotsu Aluminium India Private Limited	7.08%	4,172.88	-5.64%	(680.77)	2.43%	(0.43)	-5.65%	(681.20)
CMR-Nikkei India Private Limited	6.54%	3,856.40	-5.71%	(689.22)	0.06%	(0.01)	-5.72%	(689.23)
Joint Venture								
CMR - Chiho Recycling Technologies Private Limited	-0.11%	(65.01)	-0.51%	(61.07)	-	-	-0.51%	(61.07)
CMR Chiho Industries India Private Limited	-	-	-	-	-	-	-	-
Nikkei CMR Aluminium India Private Limited	-	-	-	-	-	-	-	-
Inter co elimination/adjustments in consolidation	-49.86%	(29,406.55)	-0.91%	(110.35)	0.00%	-	-0.92%	(110.35)
TOTAL		**58,973.00**		**12,065.82**		**(17.67)**		**12,048.15**

Name of the entity in the group	March 31,2019							
	Net Assets i.e. total assets minus total		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	(Amount in Rs. lacs)	As % of Consolidated Profit & Loss	(Amount in Rs. lacs)	As % of Consolidated Other Comprehensive Income	(Amount in Rs. lacs)	As % of Consolidated Total Comprehensive Income	(Amount in Rs. lacs)
Parent								
Century Metal Recycling Limited	91.62%	42,992.45	74.32%	7,725.74	100.27%	(11.41)	74.30%	7,714.33
Indian Subsidiaries								
CMR-Toyotsu Aluminium India Private Limited	24.80%	11,638.99	17.25%	1,793.55	-20.83%	2.37	17.30%	1,795.92
CMR-Nikkei India Private Limited	25.96%	12,181.40	18.02%	1,872.94	20.72%	(2.36)	18.02%	1,870.58
Sanjivani Non-Ferrous Trading Private Limited	0.00%	-	0.06%	6.53	-5.27%	0.60	0.07%	7.13
CTA Trading Company	0.00%	-	0.00%	-	0.00%	-	0.00%	-
CMR Foundation	0.03%	12.40	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Non controlling Interests in subsidiaries								
CMR-Toyotsu Aluminium India Private Limited	-7.44%	(3,491.68)	-3.47%	(360.18)	4.17%	(0.47)	-3.47%	(360.65)
CMR-Nikkei India Private Limited	-6.75%	(3,167.17)	-4.68%	(486.99)	-5.56%	0.63	-4.68%	(486.36)
Sanjivani Non-Ferrous Trading Private Limited	0.00%	-	-0.93%	(97.17)	6.46%	(0.73)	-0.94%	(97.90)
Associates								
Suvridhi Financial Services Limited	0.00%	-	0.01%	1.10	0.00%	-	0.01%	1.10
Joint Venture								
CMR - Chiho Recycling Technologies Private Limited	-0.01%	(3.94)	0.00%	(3.94)	0.00%	-	-0.04%	(3.94)
Inter co elimination/adjustments in consolidation	-28.21%	(13,237.60)	-0.55%	(56.88)	0.05%	(0.01)	-0.55%	(56.88)
TOTAL		**46,924.85**		**10,394.68**		**(11.38)**		**10,383.30**

47. The Commissioner of Central Excise, Delhi ("CE") passed an order dated 27.10.2011 against the Parent Company alleging that, the Parent Company had availed CENVAT Credit, under the Cenvat Credit Rules, 2004, for an aggregate amount of Rs 1,585.80 lacs on purchase of aluminium scraps which were utilized in clandestine manner and without proper accounting. Additionally the Parent Company was directed to pay an amount of Rs 417.60 lacs on account of duty short paid on clearance of alluminium dross in the guise of ash and residue . The Parent Company filed appeal against the said order of CE before Customs, Excise and Service Tax Appellate Tribunal, Principal Bench, New Delhi ("CESTAT") and the CESTAT after careful perusal of the facts and circumstances of the case and appreciation of the evidence available and attending circumstances passed an order dated 04.12.2015 in the favor of the Parent Company by setting aside all the allegations of the CE for the reason same being baseless and uncorroborated. CE filed a prosecution case in the Court of Chief Judicial Magistrate, Faridabad in the year 2016 u/s 9 and 9AA of the Central Excise Act, 1944. Section 9 and 9AA lays down the provision about criminal prosecution, imprisonment and penalty. The amount of penalty referred under Section 9 and 9AA of the Central Excise Act, 1944 cannot be ascertained since this purely depends upon the discretion of the judge, therefore the question of quantification of contingent liability doesnot arise at this juncture at all. Moreover in prosecution cases the focus of the courts are more on imprisonment not monetary recovery for which appeal is the right remedy. The Parent Company based on in-house assessment does not expect any liability on account of above .

48. The Parent Company in its meeting of Board of Directors dated May 14, 2018 held in the previous year had resolved to divest 100% investment in one of the subsidiary Company namely Sanjivani Non Ferrous Trading Private Limited ('SNFT') and sold the said investment on May 30, 2018 at a consideration of Rs 476.92 lacs and as a result, the said subsidiary was not a part of the Group with effect from that date.

The major classes of assets and liabilities of Sanjivani Non Ferrous Trading Private Limited as at May 30, 2018 were, as follows:

	Amounts
Assets	
Non-current assets	
Property, plant and equipment (refer note 3)	116.13
Intangible assets (refer note 4)	0.95
Financial Assets	
(i) Investments	156.20
(ii)Other financial assets	2.22
Deferred tax assets (net) (refer note.8)	24.99
Other non current assets	476.92
Current assets	
Inventories	559.30
Financial Assets	
(i) Trade receivables	1,429.37
(ii) Cash and cash equivalents (refer note.12)	3.83
(iii) Bank balances other than (iii) above	1.24
(iv) Loans	31.74
(v) Other financial assets	0.20
Other Current Assets	2,809.06
Total Assets	**5,612.15**
Liabilities	
Non Current Liabilities	
Non-controlling interests	
Borrowings (refer note 14) *	66.23
Long term provisions	0.85
Current Liabilities	
Financial Liabilities	
(i) Borrowings (refer note 14) *	227.42
(ii) Trade payables	342.20
(iii) Other financial liabilities (refer note 15)*	65.55
Short term provisions	5.58
Other liabilities	4,213.72
Current tax liabilities (net)	4.85
Total Liabilities	**4,926.40**
Net assets directly associated with disposal group	**685.75**

The net cash flows incurred by Sanjivani Non Ferrous Trading Private Limited were, as follows:

	Amounts
Operating	(51.24)
Investing	2.43
Financing	37.44
Net cash (outflow)/inflow	**(11.37)**

*** Borrowings comprised of vehicle loan of Rs. 94.72 lacs having an interest rate of 7.90% which is repayable by monthly instalments till June, 2021 and fixed rate loan of Rs. 227.42 lacs having an interest rate ranging from 9~12% which was repayable on demand.**

49. The computation of profit on divestment of a subsidiary company namely Sanjivani Non Ferrous Trading Private Limited ('SNFT') during the previous year March 31, 2019 is as given below:-

Particulars	**Amounts**
Consideration Received (refer note 48)	476.92
Release of Capital Reserve	1,039.35
Release of Non - Controlling interest	2,580.33
Net asset value of SNFT* (refer note 48)	(685.76)
Restatement of equity share capital held by SNFT (cross holding)	(66.77)
Restatement of securities premium, cross held	(952.38)
Total	**2,391.69**

Less: Profit on account of cross holding by SNFT in the equity share capital of the Company transferred to general reserve	2,307.95
Net profit on divestment after tax	**83.74**

*after adjusting investment value in the Parent Company by SNFT.

50. The Parent Company had entered into sales and purchases transactions in current year as well as earlier years at a very low margin with its erstwhile subsidiary Company, namely Sanjivani Non Ferrous Trading Private Limited (SNFT). The customs authorities have been increasing the value of imported aluminum scrap for the purpose of levy of custom duty thereon against the Company & SNFT. As at March 31, 2020, an amount of Rs.1,611.95 lacs (March 31, 2019- Rs.3,081.73 lacs) is receivable by the Company from SNFT on account of enhanced Customs duty paid by the SNFT on materials purchased for sales to the Company. Since, there is a back to back arrangement, SNFT would pay to the Company such amount (without interest) as and when it receives the said amount from the customs department since SNFT is not getting any interest on receivable from customs department.

51. As per Agreement to sell dated 10.03.2011, Mr. Mohan Agarwal (Managing Director of the Parent Company) purchased property situated at Flat no. 409, 410 and 411, Fourth Floor, Tower B2 , Abacus Technopark, Village Sarai Khawaja, Faridabad, Haryana from Crown Realtech Private Limited [“CRPL”]. Vide Agreement to Sell dated 05th June 2014, Mr. Mohan Agarwal agreed to sell the said property to the Company. That, in pursuance of said Agreement, the Parent Company has paid an amount of Rs 391.10 lacs till March 2019, to Mr. Mohan Agarwal. Considering the current scenario, the construction of said premises is on hold. there is no certainty as to when will be the possession of the said flat be received. Hence the Parent Company, after internal reviews and discussions with the Board of Directors, has written off the above said amount of capital advance of Rs. 391.10 lacs.

52. In the month of July 2019, the Parent Company placed an order for an Eddy Current Separator machine from Longi Magnet Co. Ltd. [Longi], China, and started communication with them for specifications and other related terms of the transaction. Unfortunately, the e-mail account of Longi’s authorized official, with whom the Parent Company was interacting, was hacked and the Parent Company, based on communication received from the hacked account, transferred an amount of USD 103,068 (or Rs. 73.89 lacs) on 4th December 2019 to the fraudulent account personated to be Longi’s Bank Account in London, held with HSBC Bank. The Parent Company has since filed an FIR against Longi on December 23, 2019 and the cyber-crime branch of Faridabad took cognizance of the matter and wrote several communications to HSBC Bank, London and Longi. Furthermore, the Parent Company wrote to Ministry of External Affairs and Embassy of China, in India for their interposition and support in the matter. Though, the Parent Company is putting in its best efforts to recover the amount, the management on a conservative basis has written off the said advance amount of Rs. 73.89 lacs.

53. The Parent Company had, during the previous year, applied for approval of its R&D unit as an eligible R&D unit with Department of Scientific and Industrial Research ("DSIR"). DSIR has recognised in House R&D Units of the Parent Company vide approval dated April 10, 2019 w.e.f January 29, 2019 to March 31, 2021.
Research and development expenses incurred by the Parent Company comprises of the following:

Particulars	March 31,2020	March 31,2019
Capital Expenditure on plant and equipment	50.26	-
Salary, wages and bonus	189.47	37.18
Contribution to provident and other funds	9.95	2.20
Legal and professional expenses	4.25	7.00
Travelling & Conveyance	10.01	-
Miscellaneous expenses	0.85	0.90
Total*	**264.79**	**47.28**

* Excluding contribution to gratuity fund and provision for leave encashment.

54. World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Group temporarily suspended the operations in all the units of the Group in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Group by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc. during the lock-down period which has been extended till May 31, 2020. However, production and supply of goods has commenced during the month of April 2020 on various dates at all the manufacturing locations of the Group after obtaining permissions from the appropriate government authorities.
The major customers of the Group are OEMs of automobile industry and the automobile industry was already reeling under severe de-growth, which was followed by a majority of the auto companies announcing a shutdown of their manufacturing units in the last week of March 2020, due to concerns over ensuring workplace safety & health of their employees. However, the Group has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these consolidated financial statements. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

55. The Board of Directors of the Parent Company has subsequent to the year end approved a scheme of arrangement under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and accordingly the Parent Company, Grand Metal Recycling Private Limited, Suvridhi Financial Services Limited, Sanjivani Non Ferrous Trading Private Limited, Ramayana Polymers Private Limited, Forever Multimedia Private Limited will merge into Grand Metal Industries Limited (Transferee company).
The appointed dates of merger are different. The impact of merger would be given once the approved scheme is filed with the registrar of the Parent Company.

56. Figures of the current year are not comparable mainly with those of the previous year due to (i) divestment of one of the subsidiary company on May 30, 2018 and (ii) setting up of two capital projects at Gujarat and one capital project at Chennai by Parent Company and its subsidiary companies.

OTHER FINANCIAL INFORMATION

Accounting ratios

The accounting ratios required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Fiscal 2019 (Proforma)	Fiscal 2020 (Proforma)	Fiscal 2021
Earnings per share before exceptional deferred tax charge on goodwill (basic and diluted)* (in ₹)	0.02	0.05	8.86
Return on net worth (%)	0.23%	0.57%	2.84%
Earnings per share (basic and diluted)* (in ₹)	0.02	0.05	0.98
Net Asset Value per Equity Share**	9.14	9.19	34.45
EBITDA (in ₹ million)	(0.14)	(0.09)	3,365.34

** After considering the impact of issue of bonus Equity Shares on September 21, 2021 and sub-division of each equity share of a face value of ₹ 10 each to five Equity Shares of a face value of ₹ 2 each on September 4, 2021.*
*** Net Asset Value per share calculated as Net Worth (attributable to equity holders of parent) / total shares after impact of sub-division and bonus*

Non-GAAP Measures

Certain non-GAAP measures such as EBITDA, EBITDA Margin, net worth, return on net worth, ROCE, total borrowings, total debt to total net worth ratio and interest coverage ratio ("**Non-GAAP Measures**") presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company's operating performance. In addition, we have also, in this Draft Red Herring Prospectus, included certain non-GAAP measures of CMR. Also see "*Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, net worth, return on net worth, ROCE, total borrowings, total debt to total net worth ratio and interest coverage ratio have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 56 and 514, respectively.

Reconciliation of EBITDA and EBITDA Margin to profit for the year

The table below reconciles profit for the year to EBITDA with respect to our Company derived from the Restated Financial Information.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2021
Profit for the year	407.29
Adjustments:	
Add: Total tax expense	653.01
Add: Finance costs	365.64
Add: Depreciation and amortization expense	338.94
Add: Exceptional deferred tax charge on goodwill	1,743.51
Less: Share in Profit of Associates and Joint Venture (net of tax)	(1.99)
Less: Other income	(141.06)
EBITDA (A)	**3,365.34**
Revenue from operations (B)	29,131.90
EBITDA Margin (A/B) (%)	**11.55%**

Reconciliation of net worth (attributable to the equity holders of parent) and return of net worth

The table below reconciles the net worth (attributable to the equity holders of parent) and return of net worth with respect to our Company derived from the Restated Financial Information.

(*₹ million, unless otherwise stated*)

Particulars	As at March 31, 2019 (Proforma)	As at March 31, 2020 (Proforma)	As at March 31, 2021
Equity			
- Equity Share Capital	3.93	3.93	3.27
- Equity share capital suspense account	-	-	8,702.91
Total (A)	**3.93**	**3.93**	**8,706.18**
Other Equity			
- Retained Earnings	197.00	198.24	(1,207.26)
- Statutory Reserve (pursuant to Section 45 (IC) of RBI Act, 1934)	-	-	8.44
- Securities Premium	14.58	14.58	115.71
Total (B)	**211.58**	**212.82**	**(1,083.11)**
Consolidated Net Worth (attributable to the equity holders of parent) (C=A+B)	**215.51**	**216.75**	**7,623.07**
Profit before exceptional deferred tax charge on goodwill attributable to equity holder of parent (D)	0.49	1.23	1,959.68
Return on Net Worth (before exceptional deferred tax charge on goodwill) (%) (E = D/C)	**0.23%**	**0.57%**	**25.71%**
Profit for the year (attributable to the equity holder of parent) (F)	0.49	1.23	216.17
Return on Net worth (%) (G = F/C)	**0.23%**	**0.57%**	**2.84%**

** Net worth is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off but does not include capital reserves, reserves created out of revaluation of assets, foreign currency translation reserve, write-back of depreciation and amalgamation.*

Reconciliation of return on capital employed

The table below reconciles return on capital employed with respect to our Company derived from the Restated Financial Information.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2021
EBITDA (A)	3,365.34
Adjustments:	
Add: Other income (B)	141.06
Less: Depreciation and amortization expense (C)	338.94
EBIT (D=A+B-C)	**3,167.46**
Consolidated Net Worth (attributable to the equity holders of parent) (E)	7,623.07
Non-Controlling Interest (F)	994.79
Total Borrowings (G)	4,811.78
Capital Employed (H=E+F+G)	**13,429.64**
ROCE = D / H (%)	**23.59%**

Note:

1. *ROCE is an indicator of a company's return on total capital employed in business which includes both debt and equity. EBIT represents earnings before interest and tax and is used for calculating ROCE.*
2. *Total borrowings include non-current borrowings, current borrowings and current maturities of long-term borrowings.*

Reconciliation of total borrowings

The table below reconciles total borrowings with respect to our Company derived from the Restated Financial Information.

(*₹ million*)

Particulars	Fiscal 2021
Long Term Borrowings (A)	505.18
Short Term Borrowings (B)	3,956.65
Current maturities of long term borrowings (C)	349.95
Total Borrowings (A+B+C)	**4,811.78**

Reconciliation of total debt / total equity ratio

The table below calculates total debt to total equity ratio, with respect to our Company derived from the Restated Financial Information.

(*₹ in million, unless otherwise stated*)

Particulars	Fiscal 2021
Total Borrowings (A)	4,811.78
Consolidated Net Worth (attributable to the equity holders of parent) (B)	7,623.07
Non-Controlling Interest (C)	994.79
Total Equity (D=B+C)	8,617.86
Total Debt / Total Equity (A/D)	**0.56**

Interest Coverage Ratio

The table below calculates interest coverage ratio with respect to our Company derived from the Restated Financial Information.

(*₹ in million, unless otherwise stated*)

Particulars	Fiscal 2021
Profit for the year (A)	407.29
Add: Total tax expense (B)	653.01
Add: Finance costs (C)	365.64
Less: Interest income (D)	55.42
Add: Exceptional deferred tax charge on goodwill (E)	1,743.51
Profit before interest and tax [F = (A + B + C –D + E)]	3,114.03
Interest Coverage Ratio* (in times) (F / C)	**8.52**

Note:

1. *Interest Coverage Ratio indicates the safety cover available for payment of interest on debt during a particular period. It measures how many times a company can cover its current interest payment with its available earnings.*
2. *Interest income includes interest on fixed deposit, interest from related parties, interest on receivables and others and dividend income.*

In accordance with the SEBI ICDR Regulations, the audited financial statements for Fiscals 2019, 2020 and 2021 of our Company and CMRN and CMRT, our Material Subsidiaries (collectively, the **"Audited Financial Statements**") are available on our website at www.cmr.co.in.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements and the reports thereon, do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements and the reports thereon, should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 - Related Party Disclosures, read with the SEBI ICDR Regulations for the Fiscals ended March 31, 2021, March 31, 2020 (proforma) and March 31, 2019 (proforma), on an consolidated basis and as reported in the Restated Financial Information, see "*Restated Financial Information – Annexure XXXX: Notes to Restated Ind AS Consolidated Summary Statements - Related Party Disclosures*" beginning on page 317.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as of March 31, 2021, derived from our Restated Financial Information:

(in ₹ million)

Particulars	Pre-Offer as at March 31, 2021	As adjusted for the Offer*
Borrowings		
Current borrowings (I)	3,956.65	[●]
Non-current borrowings (including current maturities of long-term borrowings) (II)	855.13	[●]
Total borrowings (III = I + II)	**4,811.78**	**[●]**
Equity		
Equity share capital (IV)	3.27	[●]
Equity share capital suspense account (V)	8,702.91	[●]
Other equity (VI)	8,046.70	[●]
Non-controlling interest (VII)	994.79	[●]
Total Equity (VIII = IV + V + VI + VII)	**17,747.67**	**[●]**
Total non-current borrowings (including current maturities of long-term borrowings) / Total Equity (IX = II / VIII)	**4.82%**	**[●]**
Total borrowings / Total Equity (X = III / VIII)	**27.11%**	**[●]**

Notes:

1. *The above has been computed on the basis on amounts derived from the restated consolidated summary statement of assets and liabilities of our Company as at March 31, 2021.*
2. *The Company is proposing to have public issue of Equity Shares comprising an Offer for Sale by the Selling Shareholders and an issue of fresh Equity Shares.*
3. *The corresponding post-Offer capitalization data is not determinable at this stage pending the completion of the book building process and hence has not been furnished in the above statement. To be updated upon finalization of the Offer Price.*
4. *Pursuant to the board resolution dated September 2, 2021, and shareholders' resolution dated September 4, 2021, equity shares of face value of ₹ 10 each of our Company were sub-divided into equity shares of face value of ₹ 2 each.*
5. *Pursuant to the resolution dated September 21, 2021 of our Board of Directors, our Company issued and allotted 202,633,321 Equity Shares by way of a bonus issue of 11 Equity Shares for every Equity Share held by the existing Shareholders of the Company.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Information which is included in this Draft Red Herring Prospectus. Our Restated Financial Information differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods. Accordingly, the degree to which our Restated Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS.

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 "Forward-Looking Statements" on page 17 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 as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. Also read "Risk Factors" and "– Significant Factors Affecting our Results of Operations" on pages 29 and 516, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

*Our Company, GMRPL, SFSL, SNFTPL, RPPL, FMPL, the erstwhile Century Metal Recycling Limited ("**CMR**" and along with GMRPL, SFSL, SNFTPL, RPPL and FMPL, the "**Transferor Companies**") and their respective shareholders filed a scheme of arrangement (the "**Scheme of Arrangement**") under Sections 230-232 before the NCLT, for the amalgamation of the Transferor Companies into our Company. Our Company and the Transferor Companies were part of the 'CMR Group', which was primarily engaged in the business of metal recycling and the manufacture of metal products. Upon the conclusion of the Scheme of Arrangement, the name of our Company was changed from 'Grand Metal Industries Limited' to its current name, 'CMR Green Technologies Limited'. Accordingly, unless otherwise indicated or the context requires otherwise, the information included herein refers to our Company, on a consolidated basis, as it stands upon the conclusion of the Scheme of Arrangement. For details, also see "Capital Structure" and "History and Certain Corporate Matters – Mergers or amalgamation" on pages 82 and 182, respectively.*

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from the Restated Financial Information included in this Draft Red Herring Prospectus. Further, our restated consolidated financial statements as at and for the years ended March 31, 2019 (proforma) and March 31, 2020 (proforma) included in this Draft Red Herring Prospectus, do not take into account the impact of the Scheme of Arrangement and accordingly, such financial statements may not be comparable to the restated consolidated financial statements of the Company as at and for the years ended March 31, 2021 included in this Draft Red Herring Prospectus.

We have also, in this section, included certain financial information, non-GAAP measures and other statistical and other information with respect to operations and financial performance of CMR for the Fiscals ended March 31, 2020 and March 31, 2019. These information have been derived from CMR Consolidated Audited Financial Statements, and may not be comparable to the Restated Financial Information that has been included in this Draft Red Herring Prospectus. Accordingly, the investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares.

*The industry and market data used in this section, unless otherwise indicated, has been derived from the report "Assessment of secondary aluminium industry in India" dated September 2021 (the "**CRISIL Report**") prepared and released by CRISIL Research and commissioned by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Our Fiscal ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12 months ended March 31 of that year.

In this section, unless the context otherwise requires, a reference to "we", "us", "our", "the Group" or "the Company" is a reference to our Company on a consolidated basis.

Overview

We are the largest metal recycler in the domestic aluminium recycling industry and amongst the largest in the world. (*Source: CRISIL Report*) We are primarily focused on the recycling of aluminum, which involves the processing of aluminium based metal scrap to manufacture aluminium alloys and supplying them both in liquid form as well as solid ingots, and on the manufacturing of zinc alloys. Among the major key end-use industries, demand from the automotive industry forms a large portion of total volumes of secondary aluminium in India and this demand is expected to grow at 14-15% CAGR over Fiscal 2021 and Fiscal 2025. (*Source: CRISIL Report)* Within the automotive segment of recycled aluminium industry in India, while we occupied an estimated market share of 26-30% in Fiscal 2020, CRISIL estimated our contribution to improve to 28-30% in Fiscal 2021. (*Source: CRISIL Report*) In addition to aluminium recycling, we focus on segregation and recycling of other metals such as stainless steel, copper, brass, zinc, magnesium and steel that form part of the mixed metal scrap that we procure, and recycling of end of life vehicles ("**ELVs**") where we undertake dismantling, shredding and sorting of ELV parts.

We currently operate through 12 manufacturing facilities of which, 10 facilities undertake aluminium recycling operations, targeted towards the automotive manufacturing sector in India and overseas. These 10 manufacturing facilities, each of which is situated in key auto clusters in north, west and south India, are strategically located close to our customers' manufacturing facilities allowing us to optimise our deliveries, reduce lead times and facilitate greater interaction with our customers. We are also in the process of setting up a cold refining plant in Gujarat to create further operational efficiency and reduce logistics cost. In addition, we set up a facility at Balasar, Gujarat in Fiscal 2020 through which, we undertake the business of dismantling of electric motors, primarily catering to local recycling industry and metal traders. Further, we are in the process of setting up a facility in the district of Kheda, Gujarat pursuant to our joint venture agreement dated July 16, 2020 with Kent Industrial Park Private Limited ("**Kent**") which is intended to undertake dismantling, shredding and sorting of parts of ELVs. We are India's largest recycler of aluminium and zinc alloy ingots with a combined annual capacity of 310,700 MT as of Fiscal 2021, and our installed capacities accounted for approximately 13-15% of the aggregate installed capacity, domestically, as of Fiscal 2021 as compared to 4-5% for the nearest competitor. (*Source: CRISIL Report*) Additionally, we have a stainless steel recycling capacity of 60,000 MT, as of Fiscal 2021. (*Source: CRISIL Report*)

We are a customer centric company, constantly striving to create value for our customers through products offered and committed deliveries. Our customers primarily include OEMs and Tier 1 companies in the automotive manufacturing sector. Tier 1 companies are companies that directly supply to OEMs. Some of our OEM customers include Maruti Suzuki India Limited, Honda Cars India Limited, Bajaj Auto Limited, Hero MotoCorp Limited, Royal Enfield Motors Limited and India Yamaha Motor Private Limited, while our customers, who are Tier 1 companies include Toyota Industries Engine India Private Limited, Rockman Industries Limited, Sunbeam Lightweighting Solutions Private Limited, Endurance Technologies Limited, Rico Auto Industries Limited, Minda Industries Limited, Jaya Hind Industries Private Limited, Samvardhana Motherson Auto Component Private Limited, Craftsman Automation Limited, Gabriel India Limited and Ahresty India Private Limited, among others. In our segregation and recycling of metal segment, we sell stainless steel, copper, brass, zinc and other metals to various manufacturers that further use these metals as raw material for their foundries. Some of such customers that we cater to include Jindal Stainless Limited and Agrawal Metal Works Limited. We believe we have a de-risked and diversified business model and as per CRISIL, our revenue streams are diversified geographically with north, west and south India, contributing 65-70%, 10-15% and 15-20% to our total revenue in Fiscal 2021 and exports accounting for approximately 4.67%. to our revenue from operations in Fiscal 2021.

We are one of the initial suppliers of liquid aluminium in automotive segment and per CRISIL estimates, accounted for approximately 35-40% of the total secondary aluminium demand through molten route in India, in Fiscal 2021. (*Source: CRISIL Report*) We started supplying liquid aluminium, through our manufacturing facilities situated adjacent to the premises of our customers in September 2008, and through road transport in November 2013. Our ability to supply liquid aluminium in addition to ingots, has allowed us to be flexible in our manufacturing operations and capitalize on the increasing trend of supplying liquid aluminium owing to several operational advantages to manufacturers as well as consumers. For instance, in addition to saving inventory handling costs, supply of liquid aluminium eliminates the re-melting process thereby minimising oxidation losses and reducing power and fuel consumption for our customers. Further, as per the industry estimates, the usage of liquid metal results in about ₹ 10 - 12 per kilogram savings. (*CRISIL Report*) Our strategically located manufacturing facilities allow us to supply liquid aluminium to our customers, in side-by-side facilities and, to customers located up to a distance of 20 - 25 kilometers, over the road, using specialized containers and specially designed trucks, thereby enabling us to not only adhere to their round the clock delivery schedules but also develop interdependence between us and our customers. In the past, we have achieved up to 99 deliveries of liquid aluminium to a particular customer and up to 120 deliveries of liquid aluminium to multiple customers in a single day.

Our facilities employ an extensive and stringent quality control mechanism at each stage of the recycling process to ensure that our finished product conforms to the exact requirement of our customers. As on the date of this Draft Red Herring Prospectus, certain of our other manufacturing facilities have received the IATF 16949:2016 accreditation for quality management systems. The facilities at Vanod, Halol and Vallam are accredited with ISO 9001:2015 certifications. Further, our facilities also have received ISO 14001:2015 for environmental management systems and ISO 45001:2018 for occupational health and safety management systems.

Our Promoter Gauri Shankar Agarwala has substantial experience in the field of law, finance and taxation, among others. Our Promoter Mohan Agarwal, who is our Chairman and Managing Director, has over 27 years of experience in the aluminium alloys recycling industry. In addition, we also have an experienced management team which has brought in organizational and operational changes in our Company over the past few years. This team is backed by a core technical team that has substantial experience in manufacturing and the technical know-how.

Our total income and our restated profit before exceptional deferred tax charge on goodwill was ₹ 29,272.96 million and ₹ 2,150.80 million, respectively, in Fiscal 2021. Profit for the year ended Fiscal 2021 was ₹ 407.29 million. Further, our EBITDA and EBITDA Margin was ₹ 3,365.34 million and 11.55% during the Fiscal 2021, respectively. We had total assets, total equity and total borrowings (including non-current borrowings, current borrowings and current maturities of long term borrowings) of ₹ 29,246.19 million, ₹ 17,747.67 million and ₹ 4,811.78 million, as at Fiscal 2021, respectively. In addition, as of March 31, 2021, our total borrowings (including non-current borrowings, current borrowings and current maturities of long term borrowings) net of cash and cash equivalents and other bank balances and our total debt / total equity ratio was ₹ 4,535.08 million and 0.56, respectively. Our Company incurred an aggregate capital expenditure on purchase of property, plant and equipment, intangible assets including capital work in progress amounting to ₹ 629.07 million during Fiscal 2021 of which, ₹ 98.46 million was incurred for modernization of the manufacturing facilities. Our return on net worth (before exceptional deferred tax charge on goodwill) and return on capital employed in Fiscal 2021 was 25.71% and 23.59%, respectively. For the Fiscal ended March 31, 2021, our Company's total volume of sale of liquid aluminium alloys, aluminium alloy ingots and zinc alloys, combined was 85,979.21 MT, 67,678.53 MT and 4,353.29 MT, respectively. Our Company generated a revenue of ₹ 20,574.67 million, ₹ 3,406.07 million and ₹ 1.99 million from aluminium recycling, recycling of stainless steel and recycling of ELVs which accounted for 70.62%, 11.69% and 0.01%, respectively of our revenue from operations for Fiscal 2021.

Significant Factors Affecting Our Results of Operations and Financial Condition

We believe that the following factors have significantly affected our results of operations and financial condition during the periods under review, and may continue to affect our results of operations and financial condition in the future:

Maintaining our customer relationships

A significant portion of our revenue from operations arises from sales of our products to our customers (which includes manufactured and traded products), with a proportion arising from sale of scrap and also sale of services which are in the nature of job works executed. We have over the years established long-term relationships with our customers leading to recurrent business engagements with them. As on July 31, 2021, some of our OEM customers include Maruti Suzuki India Limited, Honda Cars India Limited, Royal Enfield Motors Limited and India Yamaha Motor Private Limited, while our customers, who are Tier 1 companies include Toyota Industries Engine India Private Limited, Rockman Industries Limited and Sunbeam Lightweighting Solutions Private Limited, among others. Our major customers comprise Tier 1 companies as well as OEMs, some of whom have been with us for the last ten Fiscals.

We believe that our continued relationships with these customers plays a significant role in our growth and results of operations. We believe that our customer retention levels reflect our ability to provide quality products as per the customer specification, and our consistent customer servicing standards have enabled us to increase our customers' dependence on us. We strive to understand our customers' business needs and provide products to meet their requirements. We will continue to work with these Tier 1 companies and OEM customers as well as our customers in the segregation and recycling of metal segment, in order to develop and supply customised products. We anticipate that our product offerings, the quality thereof and leadership in key product segments will help us in increasing our share of business amongst our existing customers as well as increase our customer base.

However, our customers are dependent on general trends in the automotive industry and we expect new investments by these customers to increase our revenue, while a slow-down in demand for these customers' products would likely have an adverse effect on our revenues and results of operations.

Change in customer preferences, market conditions and industry trends affecting the auto industry

We derive our revenue primarily from sales to the automotive industry. Sales of most of our products are directly related to the production and sales of auto components by our customers, which are impacted by global economic conditions, general macro-economic or industry conditions, including seasonal trends in the automobile manufacturing sector, volatile fuel prices, rising employee expenses and challenges in maintaining amicable labour relations as well as evolving regulatory requirements, government initiatives, trade agreements and other factors.

For instance, during Fiscal 2015 and 2020, the demand for secondary aluminium is estimated to have grown by 9-10% CAGR to 1.3 million tonne in Fiscal 2020. (*Source: CRISIL Report*) This was primarily supported by rising application of non-ferrous casting in the automotive sector, contributing to approximately 43-48% share in the total recycled aluminium sector. (*Source: CRISIL Report*) However, according to CRISIL Report, in Fiscal 2021, the demand for recycled aluminum is expected to have fallen by 4-6% as compared to Fiscal 2020 due to the economic contraction, labour shortage, and logistic disruptions in the automobile, construction, and consumer durables segments, in the first quarter of Fiscal 2021. The demand started reviving in the second quarter of Fiscal 2021 as the process of unlocking began and economic activities gradually revived. (*Source: CRISIL Report*) Demand is likely to revive in the long term and expected to grow at 9-11% CAGR, supported by revival in the auto industry, pick-up in execution of construction projects, recovery in consumer durable spending, and increased demand from the packaging segment. (*Source: CRISIL Report*)

Going forward, the automotive industry is expected to drive majority of the recycled aluminium demand throughout the period between Fiscals 2020 to 2025. (*Source: CRISIL Report*) As per CRISIL, secondary aluminium demand from automotive segment is expected to grow by 14-15% CAGR from Fiscal 2021 to Fiscal 2025. Moreover, the intensity of aluminium per vehicle is expected to witness a gradual rise, as OEMs aim to optimise vehicle's weight to strength ratio and improve fuel efficiency, as per the CRISIL Report. In addition, increasing acceptance and government incentives on the electric vehicles may also propel aluminum demand as this category has higher intensity of aluminum usage than ICE vehicles. (*Source: CRISIL Report*) EV sales are expected to increase from approximately 157,000 units in Fiscal 2020 to approximately 2,700,000 in Fiscal 2025. (*Source: CRISIL Report*). The vehicle scrappage policy too is expected to boost secondary aluminium consumption in India by providing better impetus to commercial vehicle sales if more incentives are provided to promote scrappage of commercial vehicles as well as ensuring availability of auto-grade domestic aluminium scrap. (*Source: CRISIL Report*)

Our results of operations are dependent on our ability to anticipate, gauge and respond to the changes in customer preferences and supply new products or modify our existing products in line with the changes in trends as well as customer demands and preferences, especially with the anticipated entry of electric vehicles into the automotive industry. Additionally, we believe that the cyclical nature of general macro-economic conditions and, consequently, of the automotive industry implies that our results of operations can fluctuate substantially from period to period. We expect that these macro-economic factors and conditions in the automotive industry, particularly employment levels, fuel prices, consumer spending on passenger and commercial vehicles and interest rates, particularly in India, will continue to be one of the most important factors affecting our revenues and results of operations. Other factors, such as our competitiveness, quality and pricing, have an effect on our market share and our ability to retain customers in competitive situations, but the overall direction of the automotive industry is expected to have a more significant effect on our revenues and results of operations. We have also commenced exports to Japan, China and Bangladesh. In Fiscal 2021, 4.67% of our total revenue from operations was from exports. Further, in 2020, the European Union imposed anti-dumping duty on imports of aluminium extrusions from China and increasing local demand in China for aluminium owing to infrastructural developments can act as a huge growth potential for exports. (*Source: CRISIL Report*)

Cost of procuring raw materials and manufacturing our products

The essential raw material used by our manufacturing facilities is aluminium based and stainless steel based metal scrap, which are mostly imported by us. Our Company has the capability to procure and process a variety of aluminium based scrap such as zorba, taint tabor, tense troma, turning, tally, among others. We have been procuring metal scrap from over 195 global suppliers, including, from the United States, United Kingdom, New

Zealand, Australia, Europe, Africa, South Africa, Thailand and the UAE, among others, as well as from certain domestic suppliers. The scrap prices vary from market to market, and our buying team, accordingly analyses the arbitrage in different markets to take possible advantages of such variations by purchasing more from the cheaper source. Our cost of raw materials consumed including purchase of traded goods and changes in inventories of finished and traded goods was ₹ 22,963.91 million, which represented 78.83% of our revenue from operations, respectively.

We import most of our raw materials and payments are made in foreign currencies. This exposes us to currency fluctuation risk. The prices of our raw materials used by us are volatile and are subject to various factors including commodity prices, global economic conditions and market speculation, among others. We do not enter into any firm commitment long-term contracts with our suppliers. As a practice, the alloy prices are generally fixed on a monthly basis by one of our major OEM customers, which generally forms the basis for most of our customers. Various factors including movements in scrap prices and currency and average of scrap prices and forex rates of the preceding month are considered while fixing the alloy prices. Further, we make our payments to our raw materials suppliers approximately 30 days prior to the sale of our finished goods. This pricing method accepted by our customers helps give us a natural hedge against price and forex fluctuations to a large extent.

Since we have long lead times in our supply chain due to high imports, the scrap markets and forex rate may fluctuate in the intervening time and we may not be able to adjust prices of our finished products against what we would have paid for our raw materials. We may not be able to effectively hedge ourselves from the fluctuations in scrap prices and foreign exchange rate and this may have an adverse impact on our profitability. Further, volatility in prices of our raw materials can significantly affect our raw material costs and if we are not able to compensate for or pass on our increased costs to customers, such price increases could have a material adverse impact on our result of operations, financial condition and cash flows. It should also be noted that as an industry practice, most of the players negotiate rates on a monthly basis and all price fluctuations are passed on to the customers. (*Source: CRISIL Report*)

Growing demand for liquid aluminium

We supply liquid aluminium through our Haridwar Unit, Bhiwadi Unit, Halol Unit and Gurugram Unit, located adjacent to the facility of our customers, using ladles mounted on forklifts and these deliveries are made on a round-the-clock basis, throughout the year. We also supply liquid metal over the road , through our Bawal Unit, Chennai Unit, Vallam Unit, Halol Unit, Vanod Unit and Manesar Unit, in ladles placed in specially designed trucks. Transportation of liquid aluminium can typically be carried out for destinations within a distance of up to 20 - 25 kilometers. We believe that our endeavour to continually deliver, within short timelines, creates a great interdependency between us and our customers, thereby creating a virtual customer lock in and entry barrier into our industry. Over the years, the share of sale of liquid aluminium as part of our total sales has been rising consistently. At the industry level, as per the CRISIL Report, the total production in the liquid form is estimated to account for only approximately 15-20% of the total secondary aluminium demand in the country annually, with a majority of the market share being held by us. We had a market share of about 35-40% of the total secondary aluminium demand through molten route, in the country in Fiscal 2021. (*Source: CRISIL Report*)

The usage of liquid metal creates a total cost savings of ₹ 10-12 per kilogram as per CRISIL Report, which is shared between us and our customers. In addition, liquid aluminium provides several operational benefits to our customers including such as elimination of re-melting process, reduced oxidation losses, reduced power and fuel consumption and reduction of inventory handling costs. (*Source: CRISIL Report*) Liquid aluminium also results in savings of up to approximately 3% in terms of melt loss and another approximately 2-3% in terms of energy savings. (*Source: CRISIL Report*) Accordingly, we expect a significant rise in the demand for liquid aluminium on account of such operational advantages and environmental benefits.

We introduced supply of liquid aluminium in south India in Fiscal 2017 through the manufacturing facility of our Subsidiary, CMRT, situated in Chennai. Subsequently, another facility was set up through CMRT in Vallam, Tamil Nadu, to undertake aluminium recycling operations. Through these facilities, we have become a leading producer of aluminium alloys in south India and are the single largest supplier in molten metal supply in the region. (*Source: CRISIL Report*) Our volume of sale of liquid aluminium alloy in south India was 9,421.62 MT, accounting for 30.21% in Fiscal 2021, of our total aluminium alloy sales volume by facilities in south India. With an objective to establish a strong presence in western India, we recently commenced operations in our manufacturing facilities situated at Vanod and Halol, in the state of Gujarat. Both of these facilities are situated either next to our customers' facilities or in proximity to them to facilitate an efficient delivery of liquid aluminium to our customers. Our volume of sale of liquid aluminium alloy in the region was 11,591.93 MT for Fiscal 2021, accounting for 48.60%, of our total aluminium alloy sales volume by facilities in west India. This resulted in our market share increasing from 26-30% in Fiscal 2020 to 28-30% in Fiscal 2021. (*Source: CRISIL Report*) We have also outperformed the auto sector growth from Fiscal 2016 to Fiscal 2020 during which production of two wheelers and passenger vehicles grew at a CAGR of 2-3% and (0.2)%, respectively, in comparison with our aluminium production CAGR of 6-7%. (*Source: CRISIL Report*)

Accordingly, we have, in the past focused significantly on the supply of liquid metal and therefore have been able to create greater interdependency between us and our customers. This has enabled us to grow with our customers, gradually enabling us to capture the largest market share in the industry in India. However, if we are unable to anticipate any changes in the industry standards and to successfully develop and introduce new and enhanced products on a timely basis, we may lose market share and consequently, our business, financial condition, and results of operations may be adversely affected.

Competition

The Indian aluminium recycling industry is dominated by the unorganised sector comprising of medium and small sized players. These medium and small sized players incur significantly lower capital expenditure to set up manufacturing facilities as compared with large sized players, primarily on account of low level of mechanisation and less adherence to necessary compliance, as per the CRISIL Report. This sometimes results in faster break-even period for these players as price differential between large and small players is typically minimal. This, however, results in a low bargaining power of a majority of recyclers, especially the small scale recyclers. We set up manufacturing facilities in new and developing markets and not in markets which are already being supplied to, by these existing suppliers.

Further, we believe that post GST implementation, stringent compliance requirements will lead to increasing compliance costs for the unorganised segment and consequently, a shift in the industry from unorganised to organised, in the long run. Increasing aluminization of ICE vehicles, higher penetration of EVs and such shift of business from small to large scale players, we believe, is expected to impact us favourably. However, we may face a reduction in the supply for our products in the event that any major Tier 1 companies and OEMs that we currently supply to decide to manufacture any or all of their products in-house.

Foreign currency fluctuations

Our financial statements are presented in Indian Rupees. However, our expenditure and revenue are influenced by the currencies that we export in as well as by currencies of countries from where we procure our raw materials and plant and machinery. In Fiscal 2021, the expenses incurred towards raw materials imported by us amounted to ₹ 19,279.28 million, accounting for 79.29%, of our total purchase. Further, for the year ended March 31, 2021, the revenue from operations located in India geographical segment as per Ind AS 108 amounted to ₹ 27,769.99 million, reflecting 95.33% of our revenue from operations, whereas the revenue from operations located outside India geographical segment as per Ind AS 108 amounted to ₹ 1,361.91 million, reflecting 4.67% of our revenue from operations, respectively during the same period.

The exchange rate between the Indian Rupee and these currencies has fluctuated in the past and our results of operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future. Appreciation or depreciation of the Indian rupee against the U.S. Dollar and other foreign currencies may affect our results of operations. Volatility in the exchange rate and/or sustained appreciation of the Indian Rupee may negatively impact our revenue and operating results.

Significant Accounting Policies

- ***Basis for Consolidation***

The consolidated financial statements relate to the Parent company and its subsidiaries (collectively hereinafter referred to as "**Group**") and its joint ventures. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries, its associates and its joint ventures.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the group i.e. March 31, 2021

b) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

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) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).

Profit or loss and each component of other comprehensive income ("**OCI**") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

- ***Investment in joint ventures***

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment in joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

- ***Summary of significant accounting policies and Changes in Accounting policies & disclosures***

The accounting policies, as set out below, have been consistently applied, by the Group, to all the years presented in the consolidated financial statements except as mentioned below:

1. New and amended standards and interpretations

The Ministry of Corporate Affairs ("**MCA**") has carried out amendments to the following accounting standards. The effect on adoption of following mentioned amendments had no impact on the consolidated Ind AS financial statements. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

i) Ind AS 116: Covid-19-Related Rent Concessions:

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the April 01, 2020. The Group has applied the practical expedient with effect from April 01, 2020. The Group has accounted the unconditional rent concessions of Rs. 10.33 million during the year ended March 31, 2021 in the schedule of "other income" in the statement of profit and loss.

i) Ind AS 103: Business Combinations
ii) Ind AS 1 and Ind AS 8: Definition of Material
iii) Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

MCA issued notification dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by a Group in its consolidated financial statements. These amendments are effective for financial years starting on or after April 01, 2021.

Ministry of Corporate Affairs (MCA) has amended Section 135 of the Companies Act 2013 vide The Companies (Amendment) Act 2020, wherein sub-Section (5) of Section 135 of the Act has been amended by Companies (Amendment) Act, 2019 whereby, any amount remaining unspent under sub-section (5), pursuant to an activity other than any ongoing project as per section 135(6) has to transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Accordingly, the Group made a provision for CSR amount to be deposited in fund of Rs. 22.43 million and presented the same as other financial liability in the consolidated Ind AS financial statements.

2. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle
ii) Held primarily for the purpose of trading
iii) Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

i) It is expected to be settled in normal operating cycle
ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

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.

3. Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

4. Fair value measurements

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

5. Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

Sale of products

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Group collects Goods & Service Tax (GST)/ on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue.

Variable consideration includes trade discounts, volume rebates and incentives, etc. The Group estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Group adjusts estimate of revenue at the earlier of when the most likely amount of consideration expected to receive changes or when the consideration becomes fixed.

Sale of services

Revenue from job work in process is recognised by reference to the stage of completion. Stage of completion is measured by reference to job work in process at the year end and is recognized at measured value of conversion charges. The Group collects service tax/ GST on job work on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Interest income

Interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

Interest income on delayed payment from customers is recognised when there is no significant uncertainty regarding the ultimate collection of such interest from customers.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms.

Export incentive

Export entitlements in the form of Duty Drawback and MEIS (Merchandise Exports from India Scheme) are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

6. Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income on a systematic basis.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government Subsidies in respect of Halol Plant related to Industrial Promotion policy, is recognized when there is no significant uncertainty regarding the ultimate collection of the relevant subsidy

7. Income Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

Current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the income tax returns with respect to situations in which applicable tax regulations are subject to interpretations and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
(b) In respect of taxable temporary differences associated with investments in subsidiaries and joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, if any. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

(a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
(b) In respect of deductible temporary differences associated with investments in subsidiaries and joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets and MAT credit entitlement is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in 'OCI' or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

8. Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating decision maker reviews business performance at an overall Group level as one segment "Aluminium ingots and zinc ingots".

9. Property, plant and equipment ("PPE")

An item of PPE is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably.

Capital work in progress and PPE are initially recognised at cost net of accumulated depreciation, if any. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes and excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, freehold land is carried at historical cost and other items of PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts are required to be replaced at regular intervals, the Group recognises such parts as separate component of assets and depreciates separately based on their specific useful life. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised.

The expenditures those are incurred after the item of PPE is available for use, such as repairs and maintenance, are charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where such expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on PPE is provided on straight line basis using the rates as specified in Part C of Schedule II of the Companies Act, 2013, as set out below except for certain components of plant and machinery useful lives of which have been taken as 8-9 years based on independent assessment of professionals undertaken by Group's management.

Asset	Useful life
Roads	05-10 years
Office and non-factory Building	60 years
Factory Buildings	30 years
Plant and equipment	05-25 years
Office equipment	05 years
Computers	03 years
Servers	06 years
Furniture and fixtures	10 years
Vehicles	08 years

The assets acquired pursuant to Scheme of Arrangements are being depreciated over their balance useful live on straight line basis after considering the rate specified in Part C of schedule II of the Companies Act 2013.

Lease hold improvements are depreciated on a straight line basis over the useful life of asset or the unexpired lease period ranging from 2.5 to 10 years, whichever is lower.

Individual items of property, plant and equipment costing up to Rs. 10,000/- is charged to the statement of profit and loss in the year in which it is purchased or acquired.

The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of principal asset.

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at each reporting date. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted for prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised at April 01, 2020 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and capital work-in-progress.

The cost of capital work-in-progress is presented separately in the balance sheet.

10. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the annexures.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

11. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Software is capitalised at the amounts paid to acquire the respective license for use and is amortised over the period of license not exceeding six years from the date when the asset is available for use.

The amortisation expense on intangible assets is recognised in the statement of profit and loss on straight line basis over the estimated useful lives of intangible assets from the date they are available for use. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each balance sheet date. If expected useful life is significant different from previous assessment, the change in useful life is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its intangible assets recognised at April 01, 2020 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

12. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

13. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("**CGU**") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses, if any, are recognized in Statement of Profit and Loss as a component of depreciation and amortisation expense.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the statement of profit and loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

Goodwill acquired pursuant to Scheme of Arrangement is recognised in accordance with Part D of Scheme of Arrangement.

14. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets:

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Particulars	**Life in years As at March 31, 2021**
Offices	3.50 to 4.00 years

Factory land and building	5.50 to 9.00 years
Guest Houses/Residential Building	6.00 to 7.00 years
Leasehold Land	90 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies 3.13 on Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease or date of transition to Ind AS, whichever is earlier, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed separately in the balance sheet.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases except in case of lease contracts with related parties since there exist economic incentive for the Group to continue using the leased premises for a period longer than the 11 months and considering the contract is with the related parties, it does not foresee non-renewal of the lease term for future periods, thus basis the substance and economics of the arrangements, management believes that under Ind AS 116, the lease terms in the arrangements with related parties have been determined considering the period for which management has an economic incentive to use the leased asset (i.e. reasonable certain to use the asset for the said period of economic incentive). Such assessment of incremental period is based on management assessment of various factors including the remaining useful life of the asset as on the date of transition. The management has assessed period of arrangements with related parties as 5 to 6 years as at April 01, 2020. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Contingent rents are recognised as revenue in the period in which they are earned.

15. Inventories

Inventories are valued at the lower of cost and net realisable value.

Raw materials, traded goods and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, traded goods and stores and spares is determined on First in first Out (FIFO) basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

16. Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

17. Contingent Liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are disclosed in the consolidated financial statements only when an inflow of economic benefits is probable.

18. Employee benefits

The Group’s employee benefits mainly include wages, salaries, bonuses, contribution to plans, defined benefit plans and compensated absences. The employee benefits are recognised in the year in which the associated services are rendered by the Group’s employees.

i) Defined contribution plans – Provident fund

Provident fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards provident fund which are defined contribution plans. The Group has no obligation, other than the contribution payable to the funds. The Group recognises contribution payable to the fund scheme in the statement of profit and loss, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

ii) Defined benefit plans - Gratuity

The Group's gratuity benefit scheme is a defined benefit plan. The Group’s net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; this benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Group’s obligation under this plan is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements comprising of actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Curtailment gains and losses are accounted for as past service costs.

iii) Other employee benefits

The employees can carry forward a portion of the unutilized accrued compensated absences and utilise it in future service periods or receive cash compensation during termination of employment.

Compensated absence, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats compensated absences expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss.

The Group presents the leave liability as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

19. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

a) Financial assets carried at amortized cost (debt instrument)

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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 outstanding. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

ii) Financial assets at fair value through other comprehensive income (debt instrument)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates that are solely payments of principal and interest on principal amount outstanding. Further in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments the subsequent changes in fair value are recognized in other comprehensive income.

There are no financial instruments in the Group measured at fair value through other comprehensive income.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair value through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method or at fair value through profit or loss. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss if the criteria under Ind AS 109 are satisfied. All other financial liabilities are subsequently measured at amortised cost.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

a) Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

b) Borrowings

On initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability (or a part of the financial liability) is derecognized from the Group’s balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Group follows "simplified approach for recognition of impairment loss. The application of simplified approach does not require the group to track changes in credit risk.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

20. Derivatives

The Group uses derivative financial instruments such as forward exchange contracts and forward commodity contracts to hedge risks associated with foreign currency fluctuations and commodity price risks. The Group also holds commodity future contracts to mitigate the risk of changes in price of commodity.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

21. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group’s cash management.

22. Cash dividend

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

23. Earning per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Group (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year plus weighted average number of equity shares that would be issued in accordance with the Scheme of Arrangement. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the year plus weighted average number of equity shares that would be issued in accordance with the Scheme of Arrangement, are adjusted for the effects of all dilutive potential equity shares.

24. Research and Development

Research and Development expenses of the revenue nature are charged to the statement of profit and loss and of capital nature are shown as additions to respective property, plant and equipment.

25. Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group had elected to apply Ind AS accounting for business combinations prospectively from the date of transition to Ind AS i.e. April 1, 2020. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward to Ind AS financial statements on the transition date.

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

- ***Significant accounting judgements, estimates and assumptions***

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

b) Revenue recognition and presentation

The Group assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The Group has concluded that they are operating on a principal to principal basis in all its revenue arrangements.

In case of sales of products under provisional rate basis, the differential amount between final rate and provisional rate is accounted for once the rates are finalised.

Subsidy and interest income on delayed payment from customers is accounted for when right to receive credit as per the terms of Scheme is established in respect of subsidy from the Government and when there is no significant uncertainty regarding the ultimate collection of the relevant subsidy and such interest from customers.

Principal Components of revenue and expenditure

Income

Our total income comprises (i) revenue from operations; and (ii) other income.

Revenue from operations

Revenue from operations comprise the following:

(i) revenue from contract with customers, which comprise the following:

- revenue from sale of manufactured goods; and
- revenue from sale of traded goods

(ii) other operating income, which comprise:

- revenue from sale of service;
- revenue from sale of scrap and others; and
- revenue from export incentives

Other income

Other income primarily includes (i) interest on fixed deposits; (ii) interest from related parties; (iii) interest on receivables and others; (iv) gain in foreign exchange fluctuation (net); (v) amortisation of deferred government grant; (vi) corporate guarantee commission; (vii) technical support fee from related parties; (viii) manpower service fee from related parties; and (ix) rent concessions.

Expenses

Our expenses comprise the following:

(i) cost of raw materials consumed;

(ii) purchas of traded goods;

(iii) changes in inventories of finished and traded goods;

(iv) employee benefits expense, comprising (a) salaries, wages and bonus, (b) contribution to provident and other funds, (c) gratuity expense, and (d) staff welfare expenses;

(v) depreciation and amortisation expense comprising (a) depreciation on property, plant and equipment, (b) amortisation on intangible assets, and (c) depreciation of right-of-use assets;

(vi) finance costs comprising (a) interest expenses on borrowings and others, (b) interest to related parties, (c) interest cost on lease liabilities, (d) exchange difference to the extent considered as an adjustment to borrowing cost, and (e) other borrowing cost; and

(vii) other expenses comprising amongst others, (a) consumption of stores and spares, (b) consumption of packing materials, (c) power and fuel, (d) bank charges, (e) repair and maintenance of plant and equipment, buildings and others, (f) rent paid, (g) insurance charges, (h) rates and taxes, (i) travelling and conveyance expenses, (j) freight and cartage outward, (k) legal and professional expenses, (l) loss on disposal of property, plant and equipment (net), (m) security service expenses, (n) loss on commodity future contracts (net), (o) sundry balances written off (net), (p) corporate social responsibility, and (q) miscellaneous expenses, among others.

Non-GAAP Measures

Certain non-GAAP measures such as EBITDA, EBITDA Margin, net worth, return on net worth, ROCE, total borrowings, total debt to total net worth ratio and interest coverage ratio ("**Non-GAAP Measures**") presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company's operating performance. In addition, we have also, in this Draft Red Herring Prospectus, included certain non-GAAP measures of CMR.

Also see "*Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, net worth, return on net worth, ROCE, total borrowings, total debt to total net worth ratio and interest coverage ratio have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*" on page 56.

Reconciliation of EBITDA and EBITDA Margin to profit for the year

The table below reconciles profit for the year to EBITDA with respect to our Company derived from the Restated Financial Information.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2021
Profit for the year	407.29
Adjustments:	
Add: Total tax expense	653.01
Add: Finance costs	365.64
Add: Depreciation and amortization expense	338.94
Add: Exceptional deferred tax charge on goodwill	1,743.51
Less: Share in Profit of Associates and Joint Venture (net of tax)	(1.99)
Less: Other income	(141.06)
EBITDA (A)	**3,365.34**
Revenue from operations (B)	29,131.90
EBITDA Margin (A/B) (%)	**11.55%**

Reconciliation of net worth (attributable to the equity holders of parent) and return of net worth

The table below reconciles the net worth (attributable to the equity holders of parent) and return of net worth with respect to our Company derived from the Restated Financial Information.

(*₹ million, unless otherwise stated*)

Particulars	As at March 31, 2019 (Proforma)	As at March 31, 2020 (Proforma)	As at March 31, 2021
Equity			
- Equity Share Capital	3.93	3.93	3.27
- Equity share capital suspense account	-	-	8,702.91
Total (A)	**3.93**	**3.93**	**8,706.18**
Other Equity			
- Retained Earnings	197.00	198.24	(1,207.26)
- Statutory Reserve (pursuant to Section 45 (IC) of RBI Act, 1934)	-	-	8.44
- Securities Premium	14.58	14.58	115.71
Total (B)	**211.58**	**212.82**	**(1,083.11)**
Net Worth (attributable to the equity holders of parent) (C=A+B)	**215.51**	**216.75**	**7,623.07**
Profit before exceptional deferred tax charge on goodwill attributable to equity holder of parent (D)	0.49	1.23	1,959.68
Return on Net Worth (before exceptional deferred tax charge on goodwill) (%) (E = D/C)	**0.23%**	**0.57%**	**25.71%**
Profit for the year (attributable to the equity holder of parent) (F)	0.49	1.23	216.17
Return on Net worth (%) (G = F/C)	**0.23%**	**0.57%**	**2.84%**

** Net worth is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and* *miscellaneous expenditure not written off but does not include capital reserves, reserves created out of revaluation of assets, foreign currency translation reserve, write-back of depreciation and amalgamation.*

Reconciliation of return on capital employed

The table below reconciles return on capital employed with respect to our Company derived from the Restated Financial Information.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2021
EBITDA (A)	3,365.34
Adjustments:	
Add: Other income (B)	141.06
Less: Depreciation and amortization expense (C)	338.94
EBIT (D=A+B-C)	**3,167.46**
Consolidated Net Worth (attributable to the equity holders of parent) (E)	7,623.07
Non-Controlling Interest (F)	994.79
Total Borrowings (G)	4,811.78
Capital Employed (H=E+F+G)	**13,429.64**
ROCE = D / H (%)	**23.59%**

Note:

1. *ROCE is an indicator of a company's return on total capital employed in business which includes both debt and equity. EBIT represents earnings before interest and tax and is used for calculating ROCE.*
2. *Total borrowings include non-current borrowings, current borrowings and current maturity of long-term borrowings.*

Reconciliation of total borrowings

The table below reconciles total borrowings with respect to our Company derived from the Restated Financial Information.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2021
Long Term Borrowings (A)	505.18
Short Term Borrowings (B)	3,956.65
Current maturities of long term borrowings (C)	349.95
Total Borrowings (A+B+C)	**4,811.78**

Reconciliation of total debt / total equity ratio

The table below calculates total debt to total equity ratio, with respect to our Company derived from the Restated Financial Information.

(*₹ in million, unless otherwise stated*)

Particulars	Fiscal 2021
Total Borrowings (A)	4,811.78
Consolidated Net Worth (attributable to the equity holders of parent) (B)	7,623.07
Non-Controlling Interest (C)	994.79
Total Equity (D=B+C)	8,617.86
Total Debt / Total Equity (A/D)	**0.56**

Interest Coverage Ratio

The table below calculates interest coverage ratio with respect to our Company derived from the Restated Financial Information.

(*₹ in million, unless otherwise stated*)

Particulars	Fiscal 2021
Profit for the year (A)	407.29
Add: Total tax expense (B)	653.01
Add: Finance costs (C)	365.64

(₹ *in million, unless otherwise stated*)

Particulars	Fiscal 2021
Less: Interest income (D)	55.42
Add: Exceptional deferred tax charge on goodwill (E)	1,743.51
Profit before interest and tax [F = (A + B + C –D + E)]	3,114.03
Interest Coverage Ratio* (in times) (F / C)	**8.52**

Note:

1. *Interest Coverage Ratio indicates the safety cover available for payment of interest on debt during a particular period. It measures how many times a company can cover its current interest payment with its available earnings.*
2. *Interest income includes interest on fixed deposit, interest from related parties, interest on receivables and others and dividend income.*

Other Measures

Set out below are certain other measures including certain non-GAAP measures, with respect to CMR based on the CMR Consolidated Audited Financial Statements for the financial years ended March 31, 2019 and March 31, 2020.

(₹ *in million, except stated otherwise*)

Particulars	Fiscal 2019	Fiscal 2020
Revenue from operations (A)	28,411.46	26,508.59
Other income (B)	90.90	118.14
Total income (C)	28,502.36	26,626.73
Cost of raw material consumed (D)	24,129.81	21,156.03
Purchase of stock in trade (E)	34.59	182.39
Change in inventory of finished goods (F)	(238.00)	108.72
Depreciation and amortisation expense (G)	211.45	295.47
Finance costs (H)	351.05	346.33
Profit before tax (I)	1,736.61	1,703.83
Total tax expense (J)	602.71	360.25
Profit for the year (K)	1,133.90	1,343.58
Equity share capital (L)	306.17	306.17
Other equity (M)	4,386.32	5,591.13
Non - controlling interest (N)	665.89	802.93
Total equity (O = L + M + N)	5,358.37	6,700.23
Non current Borrowings (including current maturities of long term liabilities) (P)	480.25	309.15
Current borrowings (Q)	2,763.28	2,544.10
Total borrowings (R = P + Q)	3,243.53	2,853.25
Total fixed assets (property, plant and equipment + capital work in progress + right of use assets + intangible assets) (S)	2,655.06	3,511.13
Trade payables (T)	2,015.83	1,051.98
Inventory (U)	3,181.57	2,190.54
Trade receivables (V)	2,968.74	3,794.08
Cash and cash equivalents (W)	4.48	203.28
Bank balances (other than cash and cash equivalents) (X)	56.07	66.75
Net cash generated from operating activities (Y)	353.38	1,792.05
Net cash used in investing activities (Z)	(822.98)	(808.32)
Net cash flow (used in) / from financing activities (AA)	468.11	(784.92)
Ratios		
EBITDA (₹ million) (AB)	2,208.49	2,233.60
EBITDA margin (%) (AC)	7.77%	8.43%
Profit before tax margin (%) (AD)	6.09%	6.40%
Profit after tax margin (%) (AE)	3.98%	5.05%
RoE (%) (AF)	21.16%	20.05%
RoCE (%) (AG)	24.27%	21.52%
Net debt / EBITDA (x) (AH)	1.44	1.16
Total borrowings / total equity (x) (AI)	0.61	0.43

***Note**: These financial measures and other statistical and other information relating to the operations and financial performance of CMR have been derived from CMR Consolidated Audited Financial Statements, and these measurers and other information may not be comparable to the Restated Financial Information that has been included in this Draft Red Herring Prospectus. Accordingly, the investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. Further, these financial measures and other statistical and other information may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. Prospective investors should also refer to "Our Business", "Risk Factors", "Restated Financial Information" and "Other Financial Information" on pages 153, 29, 224 and 509, respectively, to have an informed view before making an investment decision.*

Reconciliation of EBITDA and EBITDA Margin to profit for the year

The table below reconciles profit for the year to EBITDA with respect to CMR derived from the CMR Consolidated Audited Financial Statements.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
Profit for the year	1,133.90	1,343.58
Adjustments:		
Add: Total tax expense	602.71	360.25
Add: Finance costs	351.05	346.33
Add: Depreciation and amortization expense	211.45	295.47
Less: Share in profits of Associate (net of tax)	0.11	0.00
Less: Share in profits / (losses) of Joint Ventures (net of tax)	(0.39)	(6.11)
Less: Other income	90.90	118.14
EBITDA (A)	**2,208.49**	**2,233.60**
Revenue from operations / contracts with customers (B)	28,411.46	26,508.59
EBITDA Margin (A/B) (%)	**7.77%**	**8.43%**

Profit before tax margin

The table below reconciles profit before tax margin with respect to CMR derived from the CMR Consolidated Audited Financial Statements.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
Profit before tax (A)	1,736.61	1,703.83
Total Revenue (B)	28,502.36	26,626.73
Profit before tax Margin (A/B) (%)	**6.09%**	**6.40%**

Profit after tax margin

The table below reconciles profit after tax margin with respect to CMR derived from the CMR Consolidated Audited Financial Statements.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
Profit for the year (A)	1,133.90	1,343.58
Total Revenue (B)	28,502.36	26,626.73
Profit after tax Margin (A/B) (%)	**3.98%**	**5.05%**

Reconciliation of return on equity

The table below reconciles return on equity with respect to CMR derived from the CMR Consolidated Audited Financial Statements.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
Profit for the year (A)	1,133.90	1,343.58
Total equity (B)	5,358.37	6,700.23
ROE (A / B) (%)	**21.16%**	**20.05%**

Reconciliation of return on capital employed

The table below reconciles return on capital employed with respect to CMR derived from the CMR Consolidated Audited Financial Statements.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
EBITDA (A)	2,208.49	2,233.60
Adjustments:		
Add: Other income (B)	90.90	118.14
Less: Depreciation and amortization expense (C)	211.45	295.47
EBIT (D=A+B-C)	**2,087.94**	**2,056.27**
Total equity (E)	5,358.37	6,700.23
Total Borrowings (F)	3,243.53	2,853.25
Capital Employed (G=E+F)	**8,601.90**	**9,553.48**
ROCE = D / G	**24.27%**	**21.52%**

Reconciliation of total equity

The table below reconciles total equity with respect to CMR derived from the CMR Consolidated Audited Financial Statements.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
Share capital (A)	306.17	306.17
Other equity (B)	4,386.32	5,591.13
Non controlling interest (C)	665.89	802.93
Total Equity (A+B+C)	**5,358.37**	**6,700.23**

Reconciliation of total borrowings

The table below reconciles total borrowings with respect to CMR derived from the CMR Consolidated Audited Financial Statements.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
Non current borrowings (A)	279.35	226.36
Current Borrowings (B)	2,763.28	2,544.10
Current Maturity of Long term borrowings (C)	200.90	82.79
Total Borrowings (A+B+C)	**3,243.53**	**2,853.25**

Reconciliation of total fixed assets

The table below reconciles total fixed assets with respect to CMR derived from the CMR Consolidated Audited Financial Statements.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
Property Plant and Equipment (A)	2,064.00	2,843.56
Capital Work in Progress (B)	568.97	192.82
Right of Use Assets (C)	-	459.25
Intangible Assets (D)	22.09	15.50
Total fixed assets (A+B+C+D)	**2,655.06**	**3,511.13**

Reconciliation of net debt / EBITDA

The table below reconciles net debt with respect to CMR derived from the CMR Consolidated Audited Financial Statements.

(*₹ million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
Total Borrowings (A)	3,243.53	2,853.25
Less: Cash and cash equivalent (B)	4.48	203.28
Less: Bank Balances other than Cash & cash equivalent (C)	56.07	66.75

(₹ *million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
Net Debt (D=A-B-C)	**3,182.98**	**2,583.22**
EBITDA (E)	2,208.49	2,233.60
Net Debt / EBITDA (D/E)	**1.44**	**1.16**

Reconciliation of total borrowings / total equity

The table below reconciles total borrowings with respect to total equity with respect to CMR derived from the CMR Consolidated Audited Financial Statements.

(₹ *million, unless otherwise stated*)

Particulars	Fiscal 2019	Fiscal 2020
Total Borrowings (A)	3,243.53	2,853.25
Total Equity (B)	5,358.37	6,700.23
Total Borrowings / Total Equity (A/B)	**0.61**	**0.43**

In addition, for Fiscal 2019 and Fiscal 2020, CMR (on a consolidated basis) contributed 99.80% and 106.00% to the total arithmetic sum of consolidated profit of all the entities merging into our Company pursuant to the Scheme of Arrangement.

In addition, the following table sets forth certain key performance indicators of our Company as well as of CMR:

Particulars	Fiscal 2019*	Fiscal 2020*	Fiscal 2021#
Supply of liquid aluminum	95,840.06 MT	88,554.28 MT	85,979.21 MT
Supply of aluminum alloy ingots	67,505.02 MT	67,833.59 MT	67,678.53 MT
Supply of zinc alloys	3,606.76 MT	5,944.56 MT	4,353.29 MT
Sale of liquid aluminium by region			
In north India	91,922.76 MT	79,660.12 MT	64,965.66 MT
As a % of total aluminium sales in north India	69.51%	72.51%	65.88%
In south India	3,915.57 MT	6,343.50 MT	9,421.62 MT
As a % of total aluminium sales in south India	12.96%	17.74%	30.21%
In west India	1.72 MT	2,550.66 MT	11,591.93 MT
As a % of total aluminium sales in west India	0.20%	23.65%	48.60%
Aggregate installed capacity at our manufacturing facilities			
Aluminium	230,000 MT	273,500 MT	302,000 MT
Zinc	6,500 MT	8,700 MT	8,700 MT
Zuric	48,000 MT	48,000 MT	60,000 MT
Modernization capital expenditure (₹ million)	264.49	268.72	98.46
Input Output ratio (%)	89.58%	91.72%	91.51%

* *Please note that these have been calculated considering CMR (on a consolidated basis) since it reflects the position prior to the completion of the Scheme of Arrangement.*

 # These refer to the information pertaining to our Company in the Fiscal ended March 31, 2021.

Results of Operations

The following table sets forth certain information with respect to the results of operations of our Company based on the Restated Financial Information, for the years indicated:

Particulars	Fiscal 2019 (Proforma)		Fiscal 2020 (Proforma)		Fiscal 2021	
	₹ in million	% of total income	₹ in million	% of total income	₹ in Million	% of total income
Revenue from operations	-	0.00%	-	-	29,131.90	99.52%
Other income	0.07	100.00%	-	-	141.06	0.48%
Total income	**0.07**	**100.00%**	**-**	**-**	**29,272.96**	**100.00%**
Expenses						
Cost of materials consumed	-	0.00%	-	-	23,054.97	78.76%
Purchase of traded goods	-	0.00%	-	-	146.69	0.50%
Changes in inventories of finished and traded goods	-	0.00%	-	-	(237.75)	(0.81%)
Employee benefits expense	-	0.00%	-	-	1,045.21	3.57%
Finance Cost	0.01	14.29%	0.01	-	365.64	1.25%

Particulars	Fiscal 2019 (Proforma)		Fiscal 2020 (Proforma)		Fiscal 2021	
	₹ in million	% of total income	₹ in million	% of total income	₹ in Million	% of total income
Depreciation and amortization expense	-	0.00%	-	-	338.94	1.16%
Other expenses	0.14	200.00%	0.09	-	1,757.44	6.00%
Total expenses	**0.15**	214.29%	**0.10**	-	**26,471.14**	90.43%
Profit before tax and share in profit of Associates and Joint ventures	**(0.08)**	**(114.29%)**	**(0.10)**	**-**	**2,801.82**	**9.57%**
Share in profit of Associates and Joint Ventures (net of tax)	**0.57**	**0.00%**	**1.33**	**-**	**1.99**	**0.01%**
Profits before tax	**0.49**	**0.00%**	**1.23**	**-**	**2,803.81**	**9.58%**
Tax expenses:						
Current tax	-	0.00%	-	-	214.22	0.73%
Income Taxes for earlier years (net)	-	0.00%	-	-	(4.87)	(0.02%)
Deferred tax charge	-	0.00%	-	-	442.44	1.51%
Deferred tax adjustment for earlier years (net)	-	0.00%	-	-	1.22	0.00%
Total tax expenses	**-**	**0.00%**	**-**	**-**	**653.01**	**2.23%**
Profit before exceptional deferred tax charge on goodwill	**0.49**	**700.00%**	**1.23**	**-**	**2,150.80**	**7.35%**
Exceptional deferred tax charge on goodwill	-	0.00%	-	-	1,743.51	5.96%
Profit for the year	**0.49**	**700.00%**	**1.23**	**-**	**407.29**	**1.39%**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Changes in fair value of investments which are classified at fair value through OCI	22.84	0.00%	250.98	-	-	0.00%
Share of associates	147.68	0.00%	569.07	-	-	0.00%
Re-measurement Gain/ (loss) on defined benefit plan	-	0.00%	-	-	1.15	0.00%
Income tax (loss)/credit relating to items that will not be reclassified to profit or loss	(5.31)	0.00%	(57.17)	-	(0.29)	0.00%
Share of joint venture (net of tax)	-	0.00%	-	-	0.03	0.00%
Other comprehensive gain / (loss)	**165.21**	**0.00%**	**762.88**	**-**	**0.89**	**0.00%**
Total comprehensive income for the year	**165.70**	**0.00%**	**764.11**	**-**	**408.18**	**1.39%**
Profit before exceptional deferred tax charge for the year attributable to:						
Equity holders of the parent	0.49	0.00%	1.23	-	1,959.68	6.69%
Non - controlling interest	-	0.00%	-	-	191.12	0.65%
Profit for the year attributable to:						
Equity holders of the parent	0.49	0.00%	1.23	-	216.17	0.74%
Non - controlling interest	-	0.00%	-	-	191.12	0.65%
Other Comprehensive Income for the year attributable to:						
Equity holders of the parent	165.21	0.00%	762.88	-	0.78	0.00%
Non - controlling interest	-	0.00%	-	-	0.11	0.00%
Total Comprehensive Income for the year attributable to:						
Equity holders of the parent	165.70	0.00%	764.11	-	216.96	0.74%
Non - controlling interest	-	0.00%	-	-	191.22	0.65%

Fiscal 2021 compared with Fiscal 2020

Set forth below is a discussion of our results of operations, on the basis of amounts derived from our Restated Financial Information, for the Fiscals ended 2021 and 2020.

Income

Our total income in Fiscal 2021 was ₹ 29,272.96 million on account of implementation of the Scheme of Arrangement. We did not have any income in Fiscal 2020.

Revenue from operations

Our revenue from operations in Fiscal 2021 was ₹ 29,131.90 million. Our revenue from operations comprised (i) revenue from sale of products, which comprised sale of manufactured goods, amounting to ₹ 21,508.18 million and sale of traded goods, amounting to ₹ 157.97 million, and (ii) other operating revenue, which comprised sale of service amounting to ₹ 72.29 million, sale of scrap and others amounting to ₹ 7,338.24 million and export incentives amounting to ₹ 55.22 million in Fiscal 2021.

We did not have any revenue from operations in Fiscal 2020.

Other income

Our other income in Fiscal 2021 was ₹ 141.06 million, comprising (i) interest on fixed deposits amounting to ₹ 14.84 million; (ii) interest from related parties amounting to ₹ 19.26 million; (iii) interest from income tax amounting to ₹ 0.04 million; (iv) interest on trade receivables and others amounting to ₹ 20.57 million; (v) dividend income amounting to ₹ 0.75 million; (vi) exchange differences (net) amounting to ₹ 33.49 million; (vii) rental income amounting to ₹ 0.14 million; (viii) provision for doubtful security deposits written back amounting to ₹ 1.74 million; (ix) amortisation of deferred government grant amounting to ₹ 8.70 million; (x) corporate guarantee commission amounting to ₹ 9.81 million; (xi) technical support fee from related parties amounting to ₹ 8.32 million; (xii) manpower service fee from related parties amounting to ₹ 10.82 million; (xiii) rent concessions amounting to ₹ 10.33 million; (xiv) other non-operating income amounting to ₹ 1.72 million; and (xv) dilution in share of joint venture amounting to ₹ 0.53 million.

We did not have any other income in Fiscal 2020.

Expenses

Our total expenses in Fiscal 2021 was ₹ 26,471.14 million on account of implementation of the Scheme of Arrangement, whereas our total expenses in Fiscal 2020 was ₹ 0.10 million.

Cost of materials consumed

Our cost of materials consumed in Fiscal 2021 was ₹ 22,963.91 million, comprising (i) purchase of traded goods, amounting to ₹ 146.69 million, (ii) cost of raw material consumed, amounting to ₹ 23,054.97 million, and (iii) changes in inventories of finished and traded goods, amounting to ₹ (237.75) million.

We did not incur any expenses towards cost of raw materials consumed in Fiscal 2020.

Employee benefits expense

Our employee benefits expense in Fiscal 2021 was ₹ 1,045.21 million, comprising (i) salaries, wages and bonus amounting to ₹ 950.79 million, (ii) contribution to provident and other funds amounting to ₹ 22.06 million, (iii) gratuity expense amounting to ₹ 11.91 million, and (iv) staff welfare expenses amounting to ₹ 60.45 million.

We did not incur any employee benefits expenses in Fiscal 2020.

Depreciation and amortization expenses

Our depreciation and amortization expenses in Fiscal 2021 was ₹ 338.94 million, comprising (i) depreciation of property, plant and equipment amounting to ₹ 267.60 million, (ii) amortisation of intangible assets amounting to ₹ 6.56 million, and (iii) depreciation of right-of-use assets amounting to ₹ 64.78 million.

We did not incur any depreciation and amortization expenses in Fiscal 2020.

Finance costs

Our finance costs were ₹ 365.64 million in Fiscal 2021 and ₹ 0.01 million in Fiscal 2020. In Fiscal 2021, our interest expense towards borrowings and others amounted to ₹ 307.12 million whereas, in Fiscal 2020, our interest expense towards borrowings and others amounted to ₹ 0.01 million. In addition, we incurred (i) interest expense towards income tax amounting to ₹ 6.16 million, interest expenses towards related parties amounting to ₹ 3.27 million, and interest expenses towards interest cost on lease liabilities amounting to ₹ 29.28 million, (ii) exchange difference to the extent considered as an adjustment to borrowing cost amounting to ₹ 12.61 million, and (iii) lead bank and annual processing fees etc. amounting to ₹ 7.20 million in Fiscal 2021.

Other than interest expense incurred towards borrowings and others, we did not incur any finance costs in Fiscal 2020.

Other expenses

Our other expenses were ₹ 1,757.44 million in Fiscal 2021 and ₹ 0.09 million in Fiscal 2020.

In Fiscal 2021, our other expenses comprised (i) rates and taxes amounting to ₹ 6.58 million, (ii) payment to statutory auditors amounting to ₹ 4.45 million, (iii) legal and professional expenses amounting to ₹ 34.29 million, (iv) consumption of stores and spares amounting to ₹ 127.76 million, (v) consumption of packing materials amounting to ₹ 12.23 million, (vi) power and fuel amounting to ₹ 831.61 million, (vii) bank charges amounting to ₹ 33.53 million, (viii) repair and maintenance of (a) plant and equipment amounting to ₹ 135.60 million, (b) buildings amounting to ₹ 16.22 million, and (c) others amounting to ₹ 18.79 million, (ix) printing and stationery amounting to ₹ 2.52 million, (x) rent paid amounting to ₹ 47.44 million, (xi) insurance charges amounting to ₹ 10.47 million, (xii) advertisement, publicity and sales promotion amounting to ₹ 1.52 million, (xiii) travelling and conveyance expenses amounting to ₹ 10.33 million, (xiv) vehicle running and maintenance amounting to ₹ 3.85 million, (xv) freight and cartage outward amounting to ₹ 198.63 million, (xvi) communication expense amounting to ₹ 6.31 million, (xvii) loss on disposal of property, plant and equipment (net) amounting to ₹ 40.18 million, (xviii) charity and donation amounting to ₹ 1.25 million, (xix) security service expenses amounting to ₹ 10.45 million, (xx) commission paid amounting to ₹ 1.78 million, (xxi) loss on commodity future contracts (net) amounting to ₹ 105.85 million, (xxii) sundry balances written off (net) amounting to ₹ 37.31 million, (xxiii) corporate social responsibility amounting to ₹ 31.46 million, (xxiv) procurement commission amounting to ₹ 0.69 million, (xxv) sales commission amounting to ₹ 4.32 million, and (xxvi) miscellaneous expenses amounting to ₹ 22.02 million, in Fiscal 2021.

In Fiscal 2020, our other expenses comprised (i) rates and taxes amounting to ₹ 0.03 million, (ii) payment to statutory auditors amounting to ₹ 0.04 million, and (iii) legal and professional expenses amounting to ₹ 0.02 million.

Profit before tax

On account of factors mentioned hereinabove, our restated profit before tax was ₹ 2,803.81 million in Fiscal 2021 and ₹ 1.23 million in Fiscal 2020.

Tax expense

Our total tax expenses in Fiscal 2021 was ₹ 653.01 million.

Our tax expenses comprised (i) current tax amounting to ₹ 214.22 million, (ii) income tax for earlier years (net) amounting to ₹ (4.87) million, (iii) deferred tax charge amounting to ₹ 442.44 million, and (iv) deferred tax adjustment for earlier years (net) amounting to ₹ 1.22 million in Fiscal 2021.

We did not incur any tax expenses in Fiscal 2020.

Profit for the year

For the reasons discussed above, our restated profit was ₹ 1.23 million in Fiscal 2020, and ₹ 407.29 million in Fiscal 2021.

Total comprehensive income for the year

Our total comprehensive income for the year was ₹ 764.11 million in Fiscal 2020, and ₹ 408.18 million in Fiscal

2021.

This was primarily on account of (i) changes in fair value of investments which are classified at fair value through OCI amounting to ₹ 250.98 million, and (ii) share of associates amounting to ₹ 569.07 million, in Fiscal 2020. This was partially offset by a re-measurement gain / (loss) on defined benefit plan amounting to ₹ 1.15 million in Fiscal 2021 as against ₹ 0.00 million in Fiscal 2020, Share of Joint Venture (net of tax) amounting to ₹ 0.03 million in Fiscal 2021 as against ₹ 0.00 million in Fiscal 2020 and income tax (loss) / credit relating to items that will not be reclassified to profit or loss amounting to ₹ (0.29) million in Fiscal 2021 as against ₹ (57.17) million in Fiscal 2020.

Fiscal 2020 compared with Fiscal 2019

Set forth below is a discussion of our results of operations, on the basis of amounts derived from our Restated Financial Information for the Fiscals ended 2020 and 2019.

Income

Our total income in Fiscal 2019 was ₹ 0.07 million. We did not have any income in Fiscal 2020.

Revenue from operations

We did not have any revenue from operations in Fiscal 2020 or in Fiscal 2019.

Other income

Except the other non-operating income amounting to ₹ 0.07 million received by our Company in Fiscal 2019, we did not have any revenue from other income in Fiscal 2019.

We did not have any other income in Fiscal 2020.

Expenses

Our total expenses in Fiscal 2019 were ₹ 0.15 million whereas our total expenses in Fiscal 2020 were ₹ 0.10 million.

Cost of raw materials consumed

We did not incur any cost of raw materials consumed in Fiscal 2020 or in Fiscal 2019.

Employee benefits expense

We did not incur any employee benefits expenses in Fiscal 2020 or in Fiscal 2019.

Depreciation and amortization expenses

We did not incur any depreciation and amortization expenses in Fiscal 2020 or in Fiscal 2019.

Finance costs

Our finance costs in Fiscal 2019 was ₹ 0.01 million and it remained unchanged in Fiscal 2020. This was on account of our interest expense on borrowings and others amounting to ₹ 0.01 million in Fiscal 2019 which remained unchanged in Fiscal 2020. Other than this, we did not incur any other expense towards finance costs in Fiscal 2019 or in Fiscal 2020.

Other expenses

Our other expenses in Fiscal 2020 was ₹ 0.09 million whereas in Fiscal 2019, our other expenses was ₹ 0.14 million.

Our other expenses comprised (i) rates and taxes amounting to ₹ 0.05 million in Fiscal 2019 and ₹ 0.03 million in

Fiscal 2020, (ii) legal and professional expenses amounting to ₹ 0.06 million in Fiscal 2019 and ₹ 0.02 million in Fiscal 2020, and (iii) payment to statutory auditors amounting to ₹ 0.03 million in Fiscal 2019 and ₹ 0.04 million in Fiscal 2020.

Except these expenses, we did not incur any other expense in Fiscal 2020 or in Fiscal 2019.

Profit before tax

On account of factors mentioned hereinabove, our restated profit before tax was ₹ 1.23 million in Fiscal 2020 and ₹ 0.49 million in Fiscal 2019.

Tax expense

We did not incur any tax expenses in Fiscal 2020 or in Fiscal 2019.

Profit for the year

For the reasons discussed above, our profit for the year was ₹ 0.49 million in Fiscal 2019, and ₹ 1.23 million in Fiscal 2020.

Total comprehensive income for the year

Our total comprehensive income for the year was ₹ 165.70 million in Fiscal 2019, and ₹ 764.11 million in Fiscal 2020.

This was primarily on account of (i) changes in fair value of investments which are classified at fair value through OCI amounting to ₹ 250.98 million in Fiscal 2020 as against ₹ 22.84 million in Fiscal 2019, and (ii) increase in share of associates amounting to ₹ 569.07 million in Fiscal 2020 as against ₹ 147.68 million in Fiscal 2019.

This was partially offset by income tax (loss)/credit relating to items that will not be reclassified to profit or loss amounting to ₹ (57.17) million in Fiscal 2020 as against ₹ (5.31) million in Fiscal 2019.

Liquidity and Capital Resources

We have maintained liquidity for our business operations primarily from the cash generated from operations, bank borrowings and issuance of shareholder equity. As of March 31, 2021, we had cash and bank balances and unutilized sanctioned fund based limits available for use in our operations of ₹ 2,918.20 million.

Based on our current level of expenditures, we believe that our current working capital, together with cash flows from operating activities and the proceeds from the offer contemplated herein, will be adequate to meet our anticipated cash requirements for capital expenditure and working capital for the next 12 months.

Cash flows

(₹ in million)

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021
Net cash (used in) operating activities	(0.12)	(0.11)	(851.46)
Net cash (used in) investing activities	-	-	(869.11)
Net cash flow from financing activities	0.10	0.10	1,583.55
Net change in cash and cash equivalents	**(0.02)**	**(0.01)**	**(137.02)**
Cash and cash equivalents at the beginning of the year	**0.08**	**0.06**	**0.05**
Add: Cash and cash equivalent acquired pursuant to the scheme of arrangement	**-**	**-**	**204.87**
Cash and cash equivalents at the end of the year	**0.06**	**0.05**	**67.90**

Cash used in Operating Activities

Fiscal 2021

Net cash used in operating activities was ₹ 851.46 million in Fiscal 2021. Profit before tax was ₹ 2,803.81 million in Fiscal 2021. Adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation and amortisation expense of ₹ 338.94 million, loss on disposal of property, plant and equipment (net) amounting to ₹ 40.18 million and interest expense amounting to ₹ 345.84 million. This was partially offset by interest income amounting to ₹ (54.71) million, amortisation of deferred government grant of ₹ (39.23) million, rent concessions amounting to ₹ (10.33) million, dividend income amounting to ₹ (0.75) million, provision for doubtful security deposits written back amounting to ₹ (1.74) million, profit of joint ventures amounting to ₹ (1.99) million, sundry balances written off (net) amounting to ₹ 37.31 million and dilution in share of joint venture amounting to ₹ (0.53) million. Operating profit before adjustments was ₹ 3,456.80 million in Fiscal 2021. The main adjustments in Fiscal 2021, included increase in trade receivables of ₹ (1,554.12) million, increase in inventories of ₹ (1,360.43) million both of which were on account of disproportionately higher sales during the fourth quarter of Fiscal 2021 due to lockdown in the first quarter of Fiscal 2021, increase in loans of ₹ (6.84) million and increase in financial and other assets of ₹ (1,531.02) million. This was partially offset by an increase in trade payables of ₹ 164.36 million, increase in financial and other liabilities of ₹ 152.23 million and an increase in provisions of ₹ 9.57 million. Direct taxes paid (net of refunds) amounted to ₹ (182.01) million in Fiscal 2021.

Fiscal 2020

Net cash used in operating activities was ₹ 0.11 million in Fiscal 2020. Profit before tax was ₹ 1.23 million in Fiscal 2020. Adjustments to reconcile profit before tax to net cash flows consisted of share in profit of associates amounting to ₹ (1.33) million which was partially offset by interest expense amounting to ₹ 0.01 million. Operating profit before adjustments was ₹ (0.09) million in Fiscal 2020. The adjustments in Fiscal 2020, included decrease in trade payables amounting to ₹ (0.03) million which was offset by decrease in financial and other assets amounting to ₹ 0.01 million. No direct taxes (net of refunds) were paid in Fiscal 2020.

Fiscal 2019

Net cash used in operating activities was ₹ 0.12 million in Fiscal 2019. Profit before tax was ₹ 0.49 million in Fiscal 2019. Adjustments to reconcile profit before tax to net cash flows consisted of share in profit of associates amounting to ₹ (0.57) million which was partially offset by interest expense amounting to ₹ 0.01 million. Operating profit before adjustments was ₹ (0.07) million in Fiscal 2019. The adjustments in Fiscal 2019, primarily included increase in financial and other assets amounting to ₹ (0.08) million which was partially offset by an increase in trade payables amounting to ₹ 0.02 million and an increase in financial and other liabilities amounting to ₹ 0.01 million. No direct taxes (net of refunds) were paid in Fiscal 2019.

Cash used in Investing Activities

Fiscal 2021

Net cash used in investing activities in Fiscal 2021 was ₹ 869.11 million. This was primarily on account of purchase of property, plant and equipment, intangible assets including capital work in progress amounting to ₹ 629.07 million, investment made amounting to ₹ 49.50 million, investments in fixed deposits amounting to ₹ 314.42 million and loan given to joint venture amounting to ₹ 680.39 million. This was partially offset by proceeds from disposal of property, plant and equipment, intangible assets and capital work in progress amounting to ₹ 10.99 million, maturity of fixed deposit amounting to ₹ 314.66 million, dividend received of ₹ 0.75 million, loan repaid by joint venture amounting to ₹ 443.54 million and interest received amounting to ₹ 34.33 million.

Fiscal 2020

We did not have any cash flow in Fiscal 2020.

Fiscal 2019

We did not have any cash flow in Fiscal 2019.

Cash flow from Financing Activities

Fiscal 2021

Net cash from financing activities in Fiscal 2021 was ₹ 1,583.55 million. This was primarily on account of proceeds from short term borrowings (net) amounting to ₹ 1,409.25 million and proceeds from long term borrowings amounting to ₹ 713.76 million. This was partially offset by repayment of long term borrowings amounting to ₹ (180.06) million, lease payments made amounting to ₹ (38.99) million, interest on lease payment amounting to ₹ (29.28) million and interest paid amounting to ₹ (291.13) million.

Fiscal 2020

Net cash from financing activities in Fiscal 2020 was ₹ 0.10 million which was on account of proceeds from short term borrowings (net).

Fiscal 2019

Net cash from financing activities in Fiscal 2019 was ₹ 0.10 million which was on account of proceeds from short term borrowings (net).

Historical and Planned Capital Expenditure

For the Fiscals ended March 31, 2021, our capital expenditure on purchase of property, plant and equipment, intangible assets including capital work in progress, was ₹ 629.07 million, on a consolidated basis.

As on the date of this Draft Red Herring Prospectus, our Company is in the process of expanding our existing capacities. We are setting up a cold refining facility in Vanod, Gujarat which will act as a feeder to our facilities in west India and will reduce our logistics costs. We have also signed a new joint venture agreement with Nikkei MC Aluminium Company Limited where our stake is 26%, to setup a facility in Pune. Further, we are looking to setup a new facility to supply aluminium billets and sheet ingots for electric vehicles.

Indebtedness

As of July 31, 2021, we had outstanding working capital facilities amounting to ₹ 5,587.54 million and outstanding term loan facilities amounting to ₹ 882.09 million. See "*Financial Indebtedness*" as on page 554.

There are a number of covenants in our financing agreements that we have entered into with our lenders. Further, some of our financing agreements include conditions and covenants that require us to obtain their consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business. Typically, we require, and may be unable to obtain, lender consents to incur additional secured debt, issue equity, change our capital structure, undertake any major expansion and for any change our management structure, whether or not there is any failure by us to comply with the other terms of such agreements.

The details of our indebtedness (on a consolidated basis) as on July 31, 2021 is provided below:

(in ₹ million)

Category of borrowing	Sanctioned amount	Outstanding amount*
Secured		
Term Loan	2,062.32	882.09
Working Capital Loan (including non-fund based facilities)	10,464.20	4,933.52
Unsecured (other than related parties)		
Working Capital Loan (including non-fund based facilities)	1,310.00	654.02
Total consolidated borrowings	**13,836.52**	**6,469.63**

* *Excluding unsecured loans taken from related parties*

Trade receivables

Trade receivables represent receivables from our customers. Our trade receivables were ₹ 5,311.36 million as of March 31, 2021.

Trade payables

Our trade payables was ₹ 2,168.05 million as of March 31, 2021.

Contractual Obligations and Commitments

The following table sets forth certain information relating to future payments due under known contractual commitments as of March 31, 2021, aggregated by type of contractual obligation:

Particulars	As of March 31, 2021			
	Payment due by period			
	Total	Less than 1 year	1-5 years	More than 5 years
	(₹ million)			
Trade Payables	2,168.05	2,168.05	-	-
Others	5,748.26	4,939.83	767.83	40.60
Total	**7,916.31**	**7,107.88**	**767.83**	**40.60**

Contingent liabilities and off-balance sheet arrangements

As of March 31, 2021, our contingent liabilities and guarantees identified under the Ind AS 37, on a consolidated basis, were as follows:

Particulars	As of March 31, 2021 (₹ in million)
Demands received Under Customs Act 1962	5.05
Demands received Under Central Excise Act 1944	421.85
Demands received Under Finance Act 1994	0.14
Demands received Under Sales Tax Act/Entry Tax Act under appeal for various years	28.53
Demands received Under Good and Service Tax Act under appeal for various years	1.26
Demands received Under Income tax Act 1961	149.61
Claim related to legal case filed by ex-workers	6.14
Liability on account of legal case on enhancement of land purchase price by farmers	13.70
Guarantee given	350.00

For details of our contingent liability and guarantees as at March 31, 2021 as per Ind AS 37, see "*Restated Financial Information – Annexure XXXIX: Notes to Restated Ind AS Consolidated Summary Statements - Commitments & Contingencies*" on page 312.

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Qualifications and Emphasis of Matter

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Information.

However, our Statutory Auditors have included an emphasis of matter in relation to our Company in their audit report on consolidated financial statements of our Company as at and for the year ended March 31, 2021. The Statutory Auditor has drawn attention to a specific note to the consolidated financial statements as at and for the year ended March 31, 2021, which describes the uncertainties and the impact of second wave of Covid-19 pandemic on the Group's operations and results as assessed by the management.

Our Statutory Auditors have also included an emphasis of matter in relation to CMR in their audit report on consolidated financial statements of CMR as at and for the year ended March 31, 2020. The Statutory Auditor has drawn attention to a specific note to the consolidated financial statements as at and for the year ended March 31, 2020, which describes the uncertainties and the impact of Covid-19 pandemic on the Group's operations and results as assessed by the management.

The opinion of our Statutory Auditors is not modified in respect of this matter.

In addition, our Statutory Auditors have also included certain observations in their reporting under Companies (Auditors Report) Order, 2016 ("**CARO**") on our audited standalone financial statements for Fiscal 2021. The Statutory Auditors stated that:

a) according to the information and explanations given by the management of our Company to them, the title deeds of immovable properties transferred under the Scheme of Arrangement by the Transferor Companies, were either in the process of being transferred / or have since been transferred in the name of our Company;

b) undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, GST, duty of custom, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

For details of records of our Company, the dues outstanding of income-tax, sales-tax, service tax, GST, customs duty, value added tax and cess on account of any dispute, see "*Restated Financial Information*" on page 224.

While the emphasis of matter or the CARO observations do not require any adjustments to the Restated Financial Information, there is no assurance that our audit reports for any future fiscal periods will not contain qualifications, matters of emphasis or other observations which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

For details, see, "*Risk Factors – Our Statutory Auditor has included an emphasis of matter in its audit report on consolidated financial statements as at and for the year ended March 31, 2021 and in their report on CMR Consolidated Audited Financial Statements as at and for the year ended March 31, 2020. Further, our Statutory Auditors have included certain observations in their reporting under Companies (Auditors Report) Order, 2016 ("CARO") on our audited standalone financial statements for Fiscal 2021.*" on page 53.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include rent payments, capital advances, repayment of advances given and remuneration paid to Directors.

For details, see "*Related Party Transactions*" on page 512. Also, see "*Risk Factors – We have entered into a number of related party transactions and may continue to enter into such transactions under Ind AS 24, in the future, and there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties.*" on page 55.

Quantitative and Qualitative Disclosures About Market Risk

Our management monitors and manages key financial risk relating to our operations by analysing exposures by degree and magnitude of risk. The risks include credit risk, liquidity risk, interest rate risk, commodity price and foreign currency exchange rate risk and inflation risk. Our Board of Directors has overall responsibility for the establishment and oversight of our risk management framework. Our risk management policies are established to identify and analyse the risks faced by us, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and our activities.

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Trade receivables are typically unsecured and are derived from revenue earned from customers. Our trade receivables for Fiscal 2021 was ₹ 5,311.36 million, respectively. We manage credit risk through credit approvals, by establishing credit limits and periodic review of the creditworthiness of customers to whom we grant credit in the normal course of business. We are also in the process of evaluating credit insurance options to better manage our credit risks.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. We have established a liquidity risk management framework for the management of our short-term, medium-term and long-term funding and liquidity management requirements. We manage liquidity risk by maintaining reserves by continuously monitoring forecast and actual cash flows. As of the March 31, 2021, cash and bank balances and unutilized balance of sanctioned fund based working capital including bill discounting limit of the Company is ₹ 2,918.20 million.

Interest rate risk

Interest rates for borrowings have been fluctuating in India in recent periods. Our current debt facilities typically carry variable rates of interest. Increase in interest rates would increase interest expenses relating to our outstanding borrowings and increase the cost of new debt. In addition, an increase in interest rates may adversely affect our ability to service long-term debt, which in turn may adversely affect our results of operations. We do not have a policy to enter into hedging arrangements against interest rate fluctuations.

Commodity price and foreign currency exchange rate risk

We import most of our raw materials and payments are carried out in foreign currencies. This exposes us to currency fluctuation risk. The prices of raw materials used by us are volatile and are subject to various factors including fluctuation in commodity prices, global economic conditions and market speculation, among other factors. Given the nature of the international scrap industry, we do not enter into any long-term contracts with our suppliers and our purchase contracts are made on spot prices. Since scrap prices are not quoted on an exchange, tools for commodity hedging, such as hedging on industrial metals trading platforms, are not available to us. As a result, we, to the extent possible, structure our sale contracts with our customers such that our exposure to forex and commodities associated risks are minimized.

As a trade practice, the alloy prices are generally fixed on a monthly basis by one of our major OEM customers, which generally forms the basis for most of our customers. Various factors including movements in scrap prices and currency and average of scrap prices and forex rates of the preceding month are considered while fixing the alloy prices. Considering we make our payments to our raw materials suppliers approximately 30 days prior to the sale of our finished goods, this gives us a natural hedge against price and forex fluctuations to a large extent. In addition to the above, our recent increase in exports, for which we receive contribution in foreign currency, also acts as a natural hedge to our risk of foreign currency fluctuation. It should also be noted that as an industry practice, most of the players negotiate rates on monthly basis and all price fluctuations are passed on to the customers. (*Source: CRISIL Report*)

In addition, we hedge our foreign currency loans, in accordance with the requirement of the lender, to minimize our exposure to adverse currency movements.

Inflation risk

In recent year, India has experienced relatively high rates of inflation. While we believe that inflation has not had any material impact on our business and results of operations in light of the growth of our revenues, inflation generally impacts the overall economy and business environment and hence could affect us.

Unusual or infrequent events or transactions

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Significant economic changes that materially affect or are likely to affect income from continuing operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "-*Significant Factors Affecting our Results of Operations and Financial Condition*" and the uncertainties described in the section "*Risk Factors*" on page 516 and 29, respectively.

Known trends or uncertainties

Other than as described in the section "*Risk Factors*" on page 29, to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future relationship between cost and income

Other than as described in the sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 29, 153 and 514, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

Publicly announced new products or business segments /material increases in revenue due to increased disbursements and introduction of new products

As on the date of the Draft Red Herring Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Significant dependence on single or few customers

Given the nature of our business operations, we do not believe our business is dependent on any single customer. We have over the years established long-term relationships with our customers leading to recurrent business engagements with them. However, reliance on a limited number of customers for our business may generally involve several risks including, but are not limited to, reduction, delay or cancellation of orders from our significant customers; failure to negotiate favourable terms with our key customers; all of which would have a material adverse effect on the business, financial condition, results of operations and future prospects of our Company. For Fiscal 2021, our top five customers contributed 40.24% to revenue from operations of our Company on a consolidated basis.

Seasonality of business

Our business is not seasonal in nature.

Competitive conditions

We operate in a competitive environment. Please refer to the sections "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 153, 115 and 29, respectively for further information on our industry and competition.

Change in accounting policies

Except as described in this Draft Red Herring Prospectus, there have been no changes in our accounting policies in the last three Fiscals.

Significant developments after March 31, 2021 that may affect our future results of operations

Except as set out in this Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially or adversely affect or are likely to affect, the trading or profitability of our Company, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Our Company avails loans and bank facilities in the ordinary course of its business for meeting its working capital and business requirements. For details of the borrowing powers of our Board, see "*Our Management – Borrowing Powers*" on page 200. Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking the Offer**.**

The details of our indebtedness (on a consolidated basis) as on July 31, 2021 is provided below:

(in ₹ million)

Category of borrowing	Sanctioned amount	Outstanding amount*
Secured		
Term Loan	2,062.32	882.09
Working Capital Loan (including non-fund based facilities)	10,464.20	4,933.52
Unsecured (other than related parties)		
Working Capital Loan (including non-fund based facilities)	1,310.00	654.02
Total consolidated borrowings	**13,836.52**	**6,469.63**

* *Excluding unsecured loans taken from related parties*

Principal terms of the borrowings availed by us

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financing documentation executed by us in relation to our indebtedness.

1. ***Interest:*** In terms of the facilities availed by us, the interest rate is typically linked to the one month, three months, six months or one year marginal cost of funds based lending rate of a specific lender, the repo rate prescribed by RBI or 'Mumbai Interbank Offered Rate' prescribed by NSE. In most of our facilities, a spread per annum is charged above these benchmark rates and the spread varies between different loans and lenders.

2. ***Penal Interest:*** We are bound to pay additional interest to the lender for any irregularity in payments or maintenance of accounts for our term loan and other fund based working capital facilities. This additional rate of interest is charged as per the terms of our financing documentation and typically ranges between 2% per annum and 6% per annum above the standard rate of interest, unless it is prescribed independent of the standard rate of interest.

3. ***Pre-payment penalty****:* In terms of some of our loan agreements, should we choose to pay some or all of the outstanding amount to the lender before its due date, we are required to pay a premium of 2% on the amount paid before it is due.

4. ***Security:*** Following are the securities that been created by our company to secure the borrowing facilities:

   a) Hypothecation charge on the whole of the current assets of the company
   b) Mortgage and / or hypothecation charge on all the fixed assets of the company
   c) Mortgage charge on some properties owned by Gauri Shankar Agarwala and Mohan Agarwal, as well as personal guarantees issued by them.

5. ***Validity and Repayment:*** The working capital facilities are typically repayable on demand or as per a repayment schedule mutually agreed between the lender and us as per the loan documentation. The validity of our working capital borrowing facilities typically ranges between 6 to 12 months and the repayment period for our term loans is typically 5 years.

6. ***Key Covenants:*** The financing documentation executed by our Company entail certain restrictive covenants and conditions restricting certain corporate actions, for which we are required to take the prior approval of the respective lender before carrying out such actions, including for:

   (a) effectuating any change in our capital structure, where the shareholding of the Promoters in our Company is diluted

(b) formulation of any scheme of amalgamation, reconstruction, merger or demerger or agree/authorise to settle any litigation/arbitration having a material adverse effect
(c) entering any borrowing arrangement with any other bank or financial institution or give guarantee on behalf of any other company which increases our borrowing above limits stipulated by our lenders
(d) any change in the practice of our Company regarding the remuneration of directors
(e) change the general nature of our business or undertake any expansion or invest in any other entity; and
(f) any transfer of a controlling interest in our Company, drastic changes in our management set-up (including our Key Managerial Personnel), or resignation of Promoter-Directors from our board.

We are also obliged to inform our lenders if our profits are going to be substantially lower than what was presented to the lending entity at the time of entering the borrowing arrangement.

For the purpose of the Offer, our Company has obtained the necessary consents required under the relevant financing documentation and does not require any further consents from our lenders for undertaking activities relating to the Offer.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding (i) criminal proceedings, (ii) actions by statutory or regulatory authorities, (iii) claims for any direct or indirect tax liabilities; or (iv) other pending litigation as have been determined to be material pursuant to the Materiality Policy (as disclosed herein below), involving our Company, Directors, Promoters or Subsidiaries.

In relation to (iv) above, our Board in its meeting held on September 18, 2021, has considered and adopted the Materiality Policy, inter alia, for identification of material litigation. In terms of the Materiality Policy, any outstanding litigation or arbitration proceeding:

a) involving our Company, our Subsidiaries, our Promoters and / or our Directors, in which the aggregate monetary claim made by or against our Company, our Subsidiaries, our Promoters and / or our Directors (individually or in the aggregate) is in excess of 0.1% of our revenue from operations, derived from the Restated Financial Information for the Fiscal ended March 31, 2021, would be considered as material. The restated revenue from operations, on a consolidated basis, of our Company for the Fiscal 2021 is ₹ 29,131.90 million, and accordingly, all litigation involving our Company, our Subsidiaries, our Promoters and / or our Directors, in which the amount involved exceeds ₹ 29.13 million have been considered as material, if any;

b) involving our Company, our Subsidiaries, our Directors and our Promoters, wherein the monetary liability is not quantifiable or which does not fulfil the thresholds specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company; and

c) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed 0.1% of the Company's revenue from operations derived from the Restated Financial Information for the Fiscal ended March 31, 2021, has been considered as material.

Further, except as disclosed in this section, there are no (i) disciplinary action taken against any of our Promoters by SEBI or any Stock Exchange in the five Fiscals preceding the date of this Draft Red Herring Prospectus; and (ii) any litigation involving any Group Company which may have a material impact on our Company.

For the purposes of the above, pre-litigation notices received by our Company, Subsidiaries, Directors, Group Company or Promoters from third parties (excluding those notices issued by statutory / regulatory / tax authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered material until such time that our Company, our Subsidiaries, or such Director, Group Company or Promoter, as the case may be, is impleaded as a defendant in litigation before any judicial/arbitral forum.

Further, in terms of the Materiality Policy, a creditor of our Company shall be considered 'material' if the amount due to such creditor exceeds 5% percent of the trade payables of our Company, on a consolidated basis, as at the end of the most recent period included in the Restated Financial Information. The trade payables of our Company as on March 31, 2021 was ₹ 2,168.05 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 108.40 million as on March 31, 2021.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

All terms defined in a particular litigation disclosure below are for that particular litigation only.

MATTERS INVOLVING OUR COMPANY

I. Litigation against our Company

(a) *Criminal Proceedings*

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings filed against our Company:

1. The Commissioner of Central Excise, Faridabad - II, ("**CE**") issued a show cause notice dated March 17, 2010 ("**SCN**") to CMR alleging, *inter* alia, that CMR had availed CENVAT credit, under the Cenvat Credit Rules, 2004, for an aggregate amount of ₹ 158.58 million on purchase of aluminium scraps which were utilised in a clandestine manner and without proper accounting. Additionally, CMR was directed to pay an amount of ₹ 41.76 million on account of duty short paid on clearance of aluminium dross in the guise of ash and residue. The CE passed an order dated October 27, 2011, ("**Order**") requiring CMR to return the CENVAT credit amount with additional penalty and interest thereon, and imposed penalties against Mohan Agarwal, our Promoter and our Chairman and Managing Director, and certain others as per Rule 26 of the Central Excise Rules, 2002. CMR, Mohan Agarwal and such other persons (collectively the "**Appellants**") filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal, Principal Bench, New Delhi ("**CESTAT**") challenging the Order. The CESTAT, pursuant to its order dated December 4, 2015, set aside the Order upon finding that the CE had not adduced any evidence to substantiate its allegations. The CE thereafter filed a criminal complaint dated February 26, 2016 (the "**Complaint**") before the Chief Judicial Magistrate, Faridabad ("**CJM**") reiterating the allegations made in its SCN and sought that the Appellants be deemed guilty of violation of the provisions of the Central Excise Act, 1944 and the Cenvat Credit Rules, 2004. CMR has filed a criminal petition ("**Petition**") before the Punjab and Haryana High Court ("**High Court**") and has demanded that the Complaint be quashed on the ground that CESTAT, which is the final fact finding authority, has already passed an order ruling that the CE has not substantiated its allegations with any evidence. CMR has filed an interim application dated May 19, 2018, before the High Court, seeking the preponement of its Petition and stay of the proceedings before CJM. Following the amalgamation of CMR into our Company, our Company has substituted CMR in the matter. The matter is currently pending before the CJM and the High Court.

2. Nanak Chand (the "**Complainant**"), a former employee of CMR, has lodged a first information report dated February 7, 2021 ("**FIR**") with the police station, Gadpuri, Palwal, Haryana against several of the employees of CMR and our Promoter and Director, Mohan Agarwal (the "**Accused**"). The Complainant has alleged that he was repairing a machine at our manufacturing unit when the same was switched on, due to which he suffered several injuries. Aggrieved by the same, the Complainant has sought, by way of the FIR, that investigation be initiated against the Accused under the provisions of the Indian Penal Code, 1860 in relation to the negligent or rash causing of grievous hurt and criminal intimidation. Our Company has filed a petition before the High Court of Punjab and Haryana, *inter alia*, for quashing the FIR and any proceedings arising out of the same. Following the amalgamation of CMR into our Company, our Company has substituted CMR in the matter. Police investigation in the matter is currently ongoing.

(b) ***Pending action by statutory or regulatory authorities against our Company***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there is no pending action by any statutory or regulatory authority against our Company:

1. The Enforcement Directorate, Chandigarh ("**ED**") had issued an order dated February 3, 2017 to SNFTPL and had requisitioned certain information including *inter alia* name and address of its directors, details of outward/inward remittances made by SNFTPL in past six months, cash deposited in SNFTPL's account and copies of correspondences made by exporter's bank to importer bank. Following several communications in this regard, the ED filed a complaint against SNFTPL dated November 18, 2019, alleging a contravention of the FEMA and certain master directions issued by RBI, to the extent of ₹ 152.02 million. Subsequently, the Enforcement Directorate, Mumbai has issued a show cause notice dated January 7, 2020 against SNFTPL, Gauri Shankar Agarwala and Mohan Agarwala in relation to the matter. Following the amalgamation of the SNFTPL into our Company, our Company has substituted CMR in the matter. The matter is currently pending.

(c) ***Tax proceedings***

Except as disclosed below, there are no pending direct or indirect tax proceedings involving our Company as on the date of this Draft Red Herring Prospectus.

Direct Tax

S.No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)
1	Income tax	1	14.40
Total		**1**	**14.40**

Indirect Tax

S.No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)
1	Sales tax	16	20.07
2	Excise duty	20	418.50
3	Customs	2	5.8
Total		**32**	**444.37**

(d) ***Civil Proceedings***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus there are no other proceedings pending against our Company, which have been considered material by our Company in accordance with the Materiality Policy:

Our Company is involved in arbitration proceedings initiated by Ugro Capital Limited ("**Ugro**") in relation to certain alleged dues by CMR under a supply chain finance facility ("**Facility**") that it had availed from Ugro in terms of a master facility agreement dated August 13, 2020. In terms of the Facility, CMR was entitled to have its bills for the sale of raw materials to Kiran Udyog Limited ("**Kiran Udyog**") discounted by Ugro. The amount borrowed in each tranche was to be paid within a period of 90 days and the borrowed amounts were backstopped by Kiran Udyog. Ugro has alleged that CMR has been in default of repayment of an amount of ₹ 34.37 million drawn under the Facility with effect from January 29, 2021, as well as interest on the same. Pursuant to the same, Ugro has initiated arbitration proceedings against CMR and Mohan Agarwal, our Promoter and Chairman and Managing Director, before the Centre for Alternate Dispute Resolution Excellence ("**CADRE**"), seeking (i) an award of a sum of ₹ 35.88 million, along with interest thereupon, and (ii) an enquiry into damages suffered by Ugro, and an award from sums as may be found due upon such enuiry, amongst others. CADRE appointed Arif Ali (the "**Sole Arbitrator**") to preside over the matter as a sole arbitrator. Subsequently, CMR filed a petition before the High Court of Calcutta against Ugro, CADRE and the Sole Arbitrator, seeking that the mandate of the Sole Arbitrator is terminated. The High Court of Calcutta has, pursuant to an order dated September 21, 2021, set aside the appointment of the Sole Arbitrator. Following the amalgamation of CMR into our Company, our Company has substituted CMR in the matter. The matter is currently pending.

II. **Litigation filed by our Company**

(a) ***Criminal Proceedings***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings filed by our Company.

1. CMR lodged a first information report dated October 28, 2016 before the police station, Sector 31, Faridabad, Haryana against Pinku Kumar, a former employee of CMR, and various transportation service providers (the "**Service Providers**") alleging criminal conspiracy, criminal breach of trust and cheating under the provisions of the Indian Penal Code, 1860 on account of the fact that the Service Providers had raised several fraudulent bills upon CMR in connivance with Pinku Kumar, who endorsed and approved the bills for release of payments for extraneous gains, thereby defrauding CMR of a sum of approximately ₹ 6.00 million. Following the amalgamation of CMR into our Company, our Company has substituted CMR in the matter. The matter is currently pending.

2. CMR lodged a first information report dated May 6, 2017 ("**FIR**") before the police station, Sadar, Palwal, Haryana against Parminder Kaushik, Puneet Kaushik and Bopon ("**Accused**") of M/s Interstate Transolution Private Limited. CMR alleged in the FIR that the Accused had conspired and fraudulently removed 410 kilograms of consignment of zinc dross scrap being transported by M/s Interstate Transolution Private Limited from Bawal to Tatarpur. The Company further alleged that a loss of ₹ 0.08 million was caused due to the act of theft, misappropriation, criminal conspiracy and forgery of documents by the Accused persons and prayed that investigation be conducted and Accused be charged under the provisions of the Indian Penal Code, 1860 regarding criminal conspiracy and the receipt of stolen property. Mr. Bopon was arrested on May 15, 2017 and he admitted to the charges levelled against him. Upon

conclusion of investigation and information provided by Bopon, the police concluded that one Jeet Ram, who was employed as security guard in the Company, had connived with the Accused and caused misappropriation of zinc dross scrap. Jeet Ram was arrested on May 17, 2017. Jeet Ram had filed for a bail application dated June 2, 2017 before Sessions Judge, Palwal. The Sessions Judge Palwal by order dated June 6, 2017, has allowed bail to him and trial in the case is currently pending.

3. CMR, through its Chief Security Officer, Rajeev Sinha, filed a first information report dated July 17, 2017 ("**FIR**") before the police chowki, Gadpuri, District Palwal, Haryana. The Company in the FIR has alleged that one Anil Singh, who was driving the container-truck hired from Ekam Transport, carrying aluminium scrap from ICD Palwal, mis-directed the container-truck and that certain persons, namely, Kartar, Lala, Channo, Mahesh and Umesh (collectively "**Accused**") have committed theft of such aluminium scrap in connivance with Anil Singh. The Company has in the FIR requested investigation against Ekam Transport and the Accused. Following the amalgamation of CMR into our Company, our Company has substituted CMR in the matter. Police investigation in the matter is currently ongoing.

4. CMR dispatched certain quantities of scrap from Hind Terminals logistic park, Palwal to its manufacturing facility situated in Haridwar through a transporter named Hind Carriers Private Limited. The value of the scrap being transported was ₹ 3.87 million. The concerned container along with the vehicle transporting the scrap got lost during transit and was later found empty. A first information report against the driver of the vehicle was lodged on September 22, 2018 before the officer in charge, police station at Palwal. Following the amalgamation of CMR into our Company, our Company has substituted CMR in the matter. Police investigation in the matter is currently ongoing.

5. CMR filed a first information report dated January 6, 2020 ("**FIR**") before the police station, Sector 31, Faridabad against Shyam Pratap, the proprietor of C. S. Enterprises and S. V. Enterprises. CMR, which engaged C. S. Enterprises and S. V. Enterprises for the supply of contract labour, has alleged that Shyam Pratap had submitted false, forged and fabricated documents through such entities for the purpose of claiming excess provident fund from CMR. Additionally, it was alleged that Shyam Pratap would claim goods and services tax from the Company through bills raised on the accounts of such entities and would not deposit the same with the relevant authorities. Upon being confronted for the same, Shyam Pratap admitted to his guilt and, through a letter of undertaking dated April 17, 2019, undertook to pay ₹ 1.30 million for short deposit of provident fund within a period of two months, and addition deposit a sum of ₹ 2.50 million with goods and services tax authorities within a period of one month. However, he did not abide by such undertakings, and continues to be in default. Accordingly, CMR filed the FIR, *inter alia*, for the offences of criminal breach of trust, cheating and forgery. Following the amalgamation of CMR into our Company, our Company has substituted CMR in the matter. Police investigation in the matter is currently ongoing.

6. Gyanendu Gyan (the "**Complainant**"), the Chief Security Officer of the Tatarpur plant of CMR, has lodged a first information report with the police station, Gadpuri, Palwal, Haryana against several employees of M/s Avi and Surya Roadlines ("**ASR**", and such employees, the "**Accused**"). The Complainant has alleged that on April 26, 2021, CMR engaged ASR for the transportation of 15,530 kilograms of scrap iron ore, some of which was misappropriated by the Accused, leading to a loss of ₹ 0.66 million for our Company. Accordingly, the Complainant filed the FIR, alleging the offence of criminal breach of trust in terms of the provisions of the Indian Penal Code, 1860. Following the amalgamation of CMR into our Company, our Company has substituted CMR in the matter. Police investigation in the matter is currently ongoing.

7. Pradeep Singh (the "**Complainant**"), on behalf of CMR, has lodged a first information report dated December 23, 2019 ("**FIR**") before the police station, Sector 31, Faridabad, Haryana against Ms. Amy (the "**Accused**"), an authorised representative of Longi Magnet Co. Ltd. ("**Longi**"). The Complainant has alleged that CMR had placed an order of certain machinery from Longi after discussions with the Accused, and transferred an amount of USD 0.10 million to Longi, However, Longi has claimed that the amount was not received by them and declined to dispatch such machinery to CMR. Accordingly, the Complainant has filed the FIR, alleging the offences of cheating and criminal breach of trust in terms of the provisions of the Indian Penal Code, 1860. Following the amalgamation of CMR into our Company, our Company has substituted CMR in the matter. Police investigation in the matter is currently ongoing.

(b) *Civil Proceedings*

As on the date of this Draft Red Herring Prospectus, there are no outstanding matters initiated by our

Company, which have been considered material by our Company in accordance with the Materiality Policy.

III. Details of dues to creditors and small scale undertakings

As of March 31, 2021, the Company owed a total sum of ₹ 2,168.05 million to a total number of 1,568 creditors based on a threshold amount of at least ₹ 108.40 million. The details of our outstanding dues to the (i) 'material' creditors of our Company determined in accordance with our Materiality Policy, (ii) MSMEs and (iii) other creditors, on a consolidated basis, as on March 31, 2021 are as follows:

Particulars	No. of creditors	Amount due (in ₹ million)
Micro, small or medium enterprises	Nil	Nil
'Material' creditors	3	622.84
Other Creditors	1,565	1,545.21

The details pertaining to the outstanding dues towards our material creditors as of March 31, 2021, along with the name and amount involved for each such material creditor, are available on the website of our Company at https://www.cmr.co.in/index.php/shareholders-information/. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

IV. Material Developments

Except as stated in the section "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 514 and elsewhere in this Draft Red Herring Prospectus**,** there have not arisen, since the date of the last Restated Financial Information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our trading or profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

MATTERS INVOLVING OUR SUBSIDIARIES

I. Litigation against our Subsidiaries

(a) *Criminal Proceedings*

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings against our Subsidiaries.

CMRN

6. CMRN has received a notice from the Chief Inspector of Factories, Haryana dated October 1, 2018, in relation to a fatal accident involving Dinesh Patel, a worker engaged by CMRN, at the factory of CMRN in Bawal, Haryana. The matter is currently pending.

(b) *Pending action by statutory or regulatory authorities against any of our Subsidiaries*

Except as disclosed below, there is no pending action by any statutory or regulatory authority against any of our Subsidiaries, on the date of this Draft Red Herring Prospectus:

CMRN

1. CMRN has filed a writ petition (the "**Petition**") against the State of Haryana, the Haryana State Industrial and Infrastructure Development Corporation Limited ("**HSIIDC**") and certain others (collectively, the "**Respondents**") before the High Court of Punjab and Haryana at Chandigarh, in relation to notices dated October 9, 2017 ("**First Notice**") and February 28, 2019 ("**Second Notice**" and along with the First Notice, "**Impugned Notices**") issued by HSIIDC, requiring us to pay an enhanced amount for one of our properties. The State of Haryana had acquired land pursuant to the provisions of the Land Acquisition Act, 1894 to establish the Industrial Growth Center, Bawal, for which it paid compensation to the land owners at a rate of ₹ 1.25 million per acre. CMRN acquired 20,160 square meters of land therein from HSIIDC pursuant to a conveyance deed dated October 1, 2013, for a total price of ₹ 100.80 million. Thereafter, two petitions were filed before the Additional District Judge, Rewari by several former landowners seeking for

an enhancement of the compensation to be awarded by the State of Haryana for the acquisition of their land, and *vide* awards dated August 22, 2017 ("**First Order**") and December 11, 2017 ("**Second Order**"), the compensation to be provided was enhanced to ₹ 1.93 million per acre. Pursuant to the First Order, HSIIDC issued the First Notice, requiring our Company to make additional payments at a rate of ₹ 402.79 per square meter as enhanced compensation, aggregating to ₹ 10.62 million. Thereafter, pursuant to the Second Order, HSIIDC issued the Second Notice, requiring our Company to make a further payment at a rate of ₹ 391.57 per square meter as enhanced compensation. CMRN has alleged (i) that the initial amount paid by it for such lands already accounted for such enhancements, and (ii) that it should only be liable to pay any compensation in relation to the Second Order as it has not acquired any lands that were the subject of the First Order, and yet, by way of the Impugned Notice, it is required to pay for both such petitions. Aggrieved by the same, CMRN has sought (i) that the First Notice be quashed, (ii) a writ directing the Respondents to charge a total amount of ₹ 7.89 million as enhanced compensation, amongst others. The matter is currently pending.

(c) ***Tax proceedings***

Except as disclosed below, there are no pending direct or indirect tax proceedings involving our Subsidiaries as on the date of this Draft Red Herring Prospectus.

Direct Tax

S.No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)
1	Income tax	1	33.70
Total		**1**	**33.70**

Indirect Tax

S.No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)
1	Excise duty	1	3.05
2	Sales tax	3	10.16
3	Service tax	1	1.43
Total		**5**	**14.64**

(d) ***Civil Proceedings***

As on the date of this Draft Red Herring Prospectus there are no other pending proceedings initiated against our Subsidiaries, which have been considered material by our Company in accordance with the Materiality Policy:

II. Litigation filed by our Subsidiaries

(a) ***Criminal Proceedings***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by our Subsidiaries:

CMRN

1. CMRN, through its Assistant General Manager, Corporate, Shiv Mahesh Panday filed a FIR dated July 11, 2015 with the Police Station, Kasola, District Rewari, Haryana, and the police upon investigation filed a Final Report Form dated September 30, 2015 before the Judicial Magistrate First Class, Rewari against M/s Ganpati Metal, Gurugram and M/s Bahubali Traders, Gurugram (collectively the "**Respondents**") alleging that the Respondents had defrauded CMRN by misplacing and stealing goods that were transported by the Respondents. CMRN has alleged that by conspiring with the truck drivers, Respondents changed number plates of the trucks by which the said goods were being transported, and thereby have caused a loss of ₹ 14.00 million to CMRN. The Judicial Magistrate First Class, Rewari by order dated November 30, 2016 charge-sheeted Abdul and Sahabudeen from the Respondents, for criminal conspiracy, theft and criminal breach of trust. The matter is currently pending before the Judicial Magistrate First Class, Rewari.

(b) ***Civil Proceedings***

As on the date of this Draft Red Herring Prospectus there are no other pending proceedings initiated by our Subsidiaries, which have been considered material by our Company in accordance with the Materiality Policy.

MATTERS INVOLVING OUR DIRECTORS

I. Litigation filed against our Directors

(a) Criminal Proceedings

Except as disclosed above in "*Matters involving our Company – Litigation against our Company – Criminal Proceedings*" on page 556, and as disclosed below, there are no outstanding criminal proceedings against any of our Directors as on the date of this Draft Red Herring Prospectus:

Mohan Agarwal

1. Ravi Malik, the proprietor of R. K. Container Logistics (the "**Complainant**"), filed a first information report dated February 3, 2021 ("**FIR**") before the police station, Loni Border, Ghaziabad against Mohan Agarwal, our Promoter and Chairman and Managing Director. CMR had engaged R. K. Container Logistics for the transportation of scrap metal. The Complainant has accused, *inter alia*, that (i) CMR required R. K. Container Logistics to place a security deposit of ₹ 0.2 million with CMR, and that despite the same, CMR had not provided any business to it since December 2019, (ii) CMR failed to pay an aggregate amount of ₹ 2.49 million as rent for the transportation of its products, and (iii) CMR made allegations that R. K. Container Logistics had adulterated the products that CMR had engaged it to transport, causing the Complainant mental anguish and subjecting it to a social stigma. Pursuant to the same, the Complainant has alleged, in the FIR, that Mohan Agarwal has *inter alia* committed offences under the Indian Penal Code, 1860 in relation to criminal breach of trust, cheating and criminal intimidation. Mohan Agarwal has filed a petition before the High Court of Allahabad, seeking that the FIR be quashed. The High Court of Allahabad, *vide* an order dated April 8, 2021, has directed that Mohan Agarwal may not be arrested in the matter until filing of the police report in the matter or the next date of listing, whichever is earlier. The matter is currently ongoing.

(b) Tax proceedings

There are no direct or indirect tax proceedings involving our Directors as on the date of this Draft Red Herring Prospectus.

(c) Pending action by statutory or regulatory authorities against any of our Directors

Except for proceedings involving Mohan Agarwal, as disclosed above in "*Matters involving our Company – Litigation against our Company – Pending action by statutory or regulatory authorities against our Company*" on page 557, as on the date of this Draft Red Herring Prospectus, here are no other pending actions by statutory or regulatory authority against any of our Directors as on the date of this Draft Red Herring Prospectus.

(d) Civil Proceedings

Except for proceedings involving Mohan Agarwal, as disclosed above in "*Matters involving our Company – Litigation against our Company – Civil Proceedings*" on page 558, as on the date of this Draft Red Herring Prospectus, there are no other pending proceedings initiated against any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

II. Litigation filed by our Directors

(a) Criminal Proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings filed by any of our Directors.

(b) ***Civil Proceedings***

As on the date of this Draft Red Herring Prospectus there are no other pending proceedings initiated by any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

MATTERS INVOLVING OUR PROMOTERS

I. Litigation filed against our Promoters

(a) ***Criminal Proceedings***

Except for criminal proceedings involving Mohan Agarwal, as disclosed above in "*Matters involving our Directors – Litigation against our Directors – Criminal Proceedings*" on page 562 and "*Matters involving our Company – Litigation against our Company – Criminal Proceedings*" on page 556, there are no criminal proceedings against any of our Promoters as on the date of this Draft Red Herring Prospectus.

(b) ***Tax proceedings***

There are no direct or indirect tax proceedings against our Promoters as on the date of this Draft Red Herring Prospectus.

(c) ***Pending action by statutory or regulatory authorities against any of our Promoters***

Except as disclosed in relation to Gauri Shankar Agarwala and Mohan Agarwal in sub-section "*Matters Involving our Company - Pending action by statutory or regulatory authorities against our Company*" on page 557, there are no other pending actions by statutory or regulatory authority against any of our Promoters as on the date of this Draft Red Herring Prospectus.

(d) ***Civil Proceedings***

Except for proceedings involving Mohan Agarwal, as disclosed above in "*Matters involving our Company – Litigation against our Company – Civil Proceedings*" on page 558, as on the date of this Draft Red Herring Prospectus there are no other pending proceedings initiated by any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

(e) ***Disciplinary action taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange***

As on the date of this Draft Red Herring Prospectus, no disciplinary action has been taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus either by SEBI or any stock exchange.

II. Litigation filed by our Promoters

(a) ***Criminal Proceedings***

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings filed by any of our Promoters.

(b) ***Civil Proceedings***

As on the date of this Draft Red Herring Prospectus, there are no other pending proceedings initiated by any of our Promoters, which have been considered material by our Company in accordance with the Materiality Policy.

MATTERS INVOLVING OUR GROUP COMPANIES

There is no litigation proceeding involving any Group Company which may have a material impact on our Company.

GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein, our Company and our Material Subsidiaries have obtained all material consents, licenses, registrations, permissions and approvals from various governmental, statutory and regulatory authorities, which are necessary for undertaking our Company's current business activities and operations. Except as disclosed below, no further approvals are material for carrying on the present business operations of our Company. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies in India" on page 176.

For Offer related approvals, see "Other Regulatory and Statutory Disclosures" on page 566 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 181.

Material approvals in relation to the business and operations of our Company and our Material Subsidiaries

Business related approvals

Our Company and our Material Subsidiaries is required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. For information on our business operations, see "*Our Business*" on page 153. The approvals / licenses we require include:

a) Environmental approvals, including consents to operate under the Air (Prevention and Control of Pollution) Act, 1981, consents to operate under the Water (Prevention and Control of Pollution) Act, 1974 and authorisations to handle hazardous waste under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.

b) Labour related approvals, including registration as the principal employer of the contract labour employed at our manufacturing units under the Contract Labour (Regulation and Abolition) Act, 1970, and the registration of our employees and factories under the Employees State Insurance Act, 1948 and the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

c) Approvals in relation to operating our manufacturing units, including licenses to work our factories under the Factories Act, 1948, no-objection certificates under various state fire services laws, no objection certificates for ground water extraction under the Environment (Protection) Act, 1986, and licenses to import and store petroleum and explosives under the Petroleum Act, 1934 and the Explosives Act, 1884.

These approvals and/or licenses may differ on the basis of the locations in which our facilities are set up as well as the jurisdictions where we market or sell our products.

Tax related approvals

Our Company has obtained various tax related approvals, including a permanent account number and a tax deduction account number issued under the Income Tax Act, 1961; goods and services tax registrations issued under the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 and various state goods and services tax statutes; and registrations issued under certain state professional tax legislations, as applicable.

Material approvals applied for, including renewal applications

Certain approvals and licenses that are required for our business operations expire in the ordinary course of business, we apply for their renewal from time to time. Our Company and our Material Subsidiaries undertakes to obtain all material approvals, licenses and permissions required to operate our present business activities. As on the date of this Draft Red Herring Prospectus, the following are the material approvals for which applications have been made by our Company and our Material Subsidiaries:

Nature of material approval	Issuing authority	Date of acknowledgement of renewal application / date of renewal application
Balasar Unit		
Fire Safety no objections certificate	Regional Fire Office	September 13, 2021
Vanod Unit		
Fire Safety no objections certificate	Regional Fire Office	March 18, 2021
Ahmedabad Unit		
Employees State Insurance License	Employees State Insurance Corporation	July 21, 2020
Employees Provident Fund License	Employees Provident Fund Organisation	July 21, 2020

Further, several material approvals and material licenses required for our business operations are currently in the name of the entities that have amalgamated into our Company pursuant to the Scheme of Arrangement. Our Company has made applications to the relevant authority, intimating them of the Scheme of Arrangement, and accordingly we are in the process of seeking revised licenses or approvals in the name of our Company.

Material approvals to be applied for, including renewal applications

As on the date of this Draft Red Herring Prospectus, there are no material approvals for which applications are yet to be made by our Company and our Material Subsidiaries

Intellectual property

Our Company has obtained trademark registration under class 6 for the logo "CMR" under the Trade Marks Act, 1999 and rules thereunder.

Further, our Company has filed applications for receiving a patent over: (i) intelligent ladle transport safety monitoring system and method, and (ii) a process for electric degassing of molten aluminium, under the provisions of the Patents Act, 1970.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by a resolution of our Board dated September 9, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated September 20, 2021.

Our Board and IPO Committee have each approved this Draft Red Herring Prospectus pursuant to their resolutions dated September 23, 2021 and September 26, 2021, respectively.

Each of the Selling Shareholders has, severally and not jointly, authorized and confirmed inclusion of their portion of the Offered Shares as part of the Offer for Sale, as set out below:

S. No.	Name of the Selling Shareholder	Offered Shares up to	Date of Selling Shareholders' Consent Letter
Promoter Selling Shareholders			
1.	Gauri Shankar Agarwala	3,432,730 Equity Shares	September 18, 2021
2.	Mohan Agarwal	3,009,235 Equity Shares	September 18, 2021
3.	Kalawati Agarwal	3,344,870 Equity Shares	September 18, 2021
4.	Pratibha Agarwal	3,009,235 Equity Shares	September 18, 2021
Other Selling Shareholders			
5.	Gauri Shankar Agarwala (HUF)*	538,885 Equity Shares	September 18, 2021
6.	Mohan Agarwal (HUF)*	165,045 Equity Shares	September 18, 2021
Investor Selling Shareholder			
7.	Global Scrap Processors Limited	19,914,138 Equity Shares	September 24, 2021^

** Through its karta.*

^ The participation of Global Scrap Processors Limited in the Offer has been approved pursuant to the resolution of its Board dated September 23, 2021.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group, each of the Selling Shareholders, and each of the persons in control of our Company have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group and each of the Selling Shareholders are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent in force and applicable.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market. There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is undertaking the Offer in accordance with the Regulation 6(2) of the SEBI ICDR Regulations, which states the following:

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.

We are an unlisted company not complying with the conditions specified in Regulation 6(1) of the SEBI ICDR

Regulations and are therefore required to meet the conditions detailed under Regulation 6(2) of the SEBI ICDR Regulations.

We undertake to comply with Regulation 6(2) of the SEBI ICDR Regulations. Not less than 75% of the Offer is proposed to be allocated to QIBs and in the event that we fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable law.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000; and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoters, members of our Promoter Group, our Directors or any of the Selling Shareholders are debarred from accessing the capital markets by the SEBI.

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.

(c) None of our Company, our Promoters or Directors is a wilful defaulter.

(d) None of our Promoters or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

(e) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Each Selling Shareholder, severally and not jointly, confirms that it is in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS 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 THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, ICICI SECURITIES LIMITED, AXIS CAPITAL LIMITED AND JM FINANCIAL LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (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 THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND EACH SELLING SHAREHOLDER (TO THE EXTENT OF STATEMENTS CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES AND FOR

THEIR RESPECTIVE PORTION OF THE OFFERED SHARES) DISCHARGES THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 26, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY 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 OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft 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.cmr.co.in, or the website of any affiliate of our Company, would be doing so at his or her own risk. Each of the Selling Shareholders and their respective directors, partners, affiliates, associates and officers accept or undertake no responsibility for any statements other than those undertaken or confirmed by such Selling Shareholder in relation to themself and their respective portion of the Offered Shares.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs 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 Shareholders or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Bidders in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, 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 Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, 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 Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties 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, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Haryana only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

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.

Eligibility and Transfer Restrictions

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

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

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to the BSE and NSE for the listing and trading of the Equity Shares.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, legal counsel to the Company, legal counsel to the Book Running Lead Managers, legal counsel to the Investor Selling Shareholder, Bankers to our Company, the BRLMs, the Registrar to the Offer, CRISIL Research, V. Gokulakrishnan, Chartered Engineer and Chordiya & Co., Chartered Accountants, for inclusion of the statement of special tax benefits available to our Material Subsidiaries, have been obtained; and consents in writing of the Syndicate Members, Public Offer Account Bank, Sponsor Bank, Escrow Collection Bank(s) and Refund Bank(s) 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 the Companies Act and such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with the RoC.

Expert to the Offer

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

Our Company has received written consent dated September 26, 2021 from S. R. Batliboi & Co. LLP, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated September 23, 2021 on our Restated Financial Information; and (ii) their report dated September 23, 2021 on the 'Statement of possible special tax benefits available to the Company and its Shareholders' in this Draft Red Herring Prospectus, each included in this DRHP and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under the U.S. Securities Act.

Additionally, our Company has also received a letter dated September 23, 2021 from V. Gokulakrishnan, Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013.

Particulars regarding public or rights issues by our Company during the last five years and performance *vis-à-vis* objects

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Last issue of Subsidiaries and Promoters

Our Company does not have any corporate Promoters. Our Subsidiaries have not made any public issue or rights issue during the ten years immediately preceding the date of this Draft Red Herring Prospectus.

Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by our Company

Our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by listed group companies, subsidiaries or associates of our Company

None of our Subsidiaries are listed and have undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus. Except for Toyota Tsusho Corporation which is listed on stock exchanges, none of our Group Companies are listed on any stock exchange. Furthers, our listed Group Company has not undertaken any capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Price information of past issues handled by the Book Running Lead Managers (during the current Fiscal and two Fiscals preceding the current Fiscal)

A. *ICICI Securities Limited*

1. Price information of past issues handled by ICICI Securities Limited (during the current Fiscal and two Fiscals preceding the current financial year):

S. No.	Issue Name	Issue Size (₹ million)	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.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	+30.22%, [+5.21%]	+75.43%, [+10.89%]	NA*
2.	Shyam Metalics and Energy Limited	9,087.97	306.00(2)	June 24, 2021	380.00	+40.95%, [+0.42%]	+22.65%, [+11.22%]	NA*
3.	Dodla Dairy Limited	5,201.77	428.00	June 28, 2021	550.00	+44.94%, [-0.43%]	+40.02, [+12.89%]	NA*
4.	G R Infraprojects Limited	9,623.34	837.00(3)	July 19, 2021	1,715.85	+90.82%, [+5.47%]	NA*	NA*
5.	Tatva Chintan Pharma Chem Limited	5,000.00	1,083.00	July 29, 2021	2,111.85	+92.54%, [+5.87%]	NA*	NA*
6.	Nuvoco Vistas Corporation Limited	50,000.00	570.00	August 23, 2021	485.00	-5.91%, [+6.46%]	NA*	NA*
7.	Chemplast Sanmar Limited	38,500.00	541.00	August 24, 2021	550.00	+2.06%, [+5.55%]	NA*	NA*
8.	Aptus Value Housing Finance India Limited	27,800.52	353.00	August 24, 2021	333.00	-2.82%, [+5.55%]	NA*	NA*
9.	Vijaya Diagnostic Centre Limited	18,944.31	531.00(4)	September 14, 2021	540.00	NA*	NA*	NA*
10.	Sansera Engineering Limited	12,825.20	744.00(5)	September 24, 2021	811.50	NA*	NA*	NA*

**Data not available*

(1) *Discount of ₹ 110 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 1,101.00 per equity share.*
(2) *Discount of ₹ 15 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 306.00 per equity share.*
(3) *Discount of ₹ 42 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 837.00 per equity share.*
(4) *Discount of ₹ 52 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 531.00 per equity share.*
(5) Discount of ₹ 36 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 744.00 per equity share.

2. Summary statement of price information of past issues handled by ICICI Securities Limited:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			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%
2021-22*	10	2,01,983.11	-	-	2	2	3	1	-	-	-		-	-
2020-	14	1,74,546.09	-	-	5	5	2	2	-	1	3	5	3	2

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			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%
21														
2019-20	4	49,850.66	-	-	2	-	1	1	1	-	-	2	-	1

* *The data covers issues up till YTD.*

Notes:

1. *All data sourced from www.nseindia.com, except for Computer Age Management Services Limited for which the data is sourced from www.bseindia.com*
2. *Benchmark index considered is NIFTY*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day*

B. *Axis Capital Limited*

1. Price information of past issues handled by Axis Capital Limited (during the current Fiscal and two Fiscals preceding the current financial year):

S. No.	Issue Name	Issue Size (₹ million)	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.	Ami Organics Limited	5,696.36	610.00	September 14, 2021	910.00	-	-	-
2.	Chemplast Sanmar Limted	38,500.00	541.00	August 24, 2021	550.00	+2.06%, [+5.55%]	-	-
3.	Nuvoco Vistas Corporation Limited	50,000.00	570.00	August 23, 2021	485.00	-5.91%, [+6.46%]	-	-
4.	Cartrade Tech Limited	29,985.13	1,618.00	August 20, 2021	1,599.80	-10.31%, [+6.90%]	-	-
5.	Clean Science And Technology Limited	15,466.22	900.00	July 19, 2021	1,755.00	+66.33%, [+5.47%]	-	-
6.	India Pesticides Limited	8,000.00	296.00	July 5, 2021	350.00	+12.64%, [+1.87%]	-	-
7.	Krishna Institute Of Medical Sciences Limited!	21,437.44	825.00	June 28, 2021	1,009.00	+48.10%, [-0.43%]	+48.35%, [+12.89%]	-
8.	Dodla Dairy Limited	5,201.77	428.00	June 28, 2021	550.00	+44.94%, [-0.43%]	+40.02%, [+12.89%]	-
9.	Shyam Metalics And Energy Limited@	9,085.50	306.00	June 24, 2021	380.00	+40.95%, [+0.42%]	+22.65%, [+11.22%]	-
10.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	+30.22%, [+5.21%]	+75.43%, [+10.89%]	-

Source: www.nseindia.com
@ Offer Price was₹ 291.00 per equity share to Eligible Employees
! Offer Price was₹ 785.00 per equity share to Eligible Employees

Notes:

a. *Issue Size derived from Prospectus/final post issue reports, as available.*
b. *The CNX NIFTY is considered as the Benchmark Index.*
c. *Price on NSE is considered for all of the above calculations.*
d. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.*
e. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. Summary statement of price information of past issues handled by Axis Capital Limited:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			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%
2021-2022*	11	212,901.16	-	-	2	1	4	3	-	-	-	-	-	-
2020-2021	11	93,028.90	-	-	6	2	1	2	-	1	1	4	3	2
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3

* *The information is as on the date of this Draft Red Herring Prospectus.*

The information for each of the financial years is based on issues listed during such financial year.

Note: *Since 30 calendar days and 180 calendar days, as applicable, from listing date have not elapsed for few of the above issues, data for same is not available.*

C. JM Financial Limited

1. Price information of past issues handled by JM Financial Limited (during the current Fiscal and two Fiscals preceding the current financial year):

S. No.	Issue Name	Issue Size (₹ million)	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.	Krsnaa Diagnostics Limited[9]	12,133.35	954.00	August 16, 2021	1,005.55	-9.42% [4.93%]	Not Applicable	Not Applicable
2.	Rolex Rings Limited	7,310.00	900.00	August 09, 2021	1,250.00	22.28% [6.79%]	Not Applicable	Not Applicable
3.	Tatva Chintan Pharma Chem Limited	5,000.00	1,083.00	July 29, 2021	2,111.85	92.54% [5.87%]	Not Applicable	Not Applicable
4.	Clean Science and Technology Limited	15,466.22	900.00	July 19, 2021	1,755	66.33% [5.47%]	Not Applicable	Not Applicable
5.	India Pesticides Limited	8,000.00	296.00	July 5, 2021	350.00	12.64% [1.87%]	Not Applicable	Not Applicable
6.	Shyam Metalics and Energy Limited[7]	9,085.50	306.00	June 24, 2021	380.00	40.95% [0.42%]	22.65% [11.22%]	Not Applicable
7.	Sona BLW Precision Forgings Limited	55,500.00	291.00	June 24, 2021	301.00	45.45% [0.42%]	93.40% [11.22%]	Not Applicable
8.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [5.21%]	75.43% [10.89%]	Not Applicable
9.	Anupam Rasayan India Limited[8]	7,600.00	555.00	March 24, 2021	520.00	-0.11% [-0.98%]	30.49% [8.23%]	37.12% [20.87%]
10.	Easy Trip Planners Limited	5,100.00	187.00	March 19, 2021	212.25	-7.27% [-0.86%]	124.68% [6.94%]	177.57% [17.88%]

Source: *www.nseindia.com for price information and prospectus/basis of allotment for issue details*

Notes:

1. *Opening price information as disclosed on the website of NSE.*
2. *Change in closing price over the issue/offer price as disclosed on NSE.*
3. *Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*

6. *Restricted to last 10 issues.*
7. *A discount of 4.90 % on the Offer Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion ("**Employee Discount**") equivalent to ₹ 15 per Equity Share.*
8. *A discount of Rs. 55 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
9. *A discount of Rs. 93 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
10. *Not Applicable – Period not completed*

2. Summary statement of price information of past issues handled by JM Financial Limited:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			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%
2021-2022	8	1,37,495.07	-	-	1	2	3	2	-	-	-	-	-	-
2020-2021	8	62,102.09	-	-	3	2	1	2	-	-	-	5	2	1
2019-2020	4	36,400.83**	-	-	1	-	1	2	-	1	1	-	1	1

*** Spandana Sphoorty Financial Limited raised Rs. 11,898.49 million as against the issue size of Rs. 12,009.36 million*

Track record of past issues handled by the BRLMs

For details regarding the track record of the Book Running Lead Managers, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Managers, as set forth in the table below:

S. No.	Name of the Book Running Lead Manager	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	Axis Capital Limited	www.axiscapital.co.in
3.	JM Financial Limited	www.jmfl.com

Stock Market Data of Equity Shares

This being an initial public issue of the Equity Shares 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 in the Offer

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar to the Offer, in the manner provided below.

All Offer related grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, UPI ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than RIBs using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of RIBs using the UPI Mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

For offer related grievance investors may contact Book Running Lead Managers, details of which are given in "*General Information*" on page 74.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Offer BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, name and address of the relevant Designated Intermediary, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Disposal of Investor Grievances by our Company

We have obtained authentication on the SCORES and are in compliance with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee, comprising Rashmi Verma, Balvinder Kumar and Raghav Agarwal, to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders Relationship Committee, please see "*Our Management*" beginning on page 196.

Our Company has also appointed Lohit Chhabra, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, "*General Information – Company Secretary and Compliance Officer*" beginning on page 75. The Selling Shareholders have authorised the Company Secretary and Compliance Officer of the

Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus.

Except as disclosed in the section "*Group Companies*" on page 220, as of the date of this Draft Red Herring Prospectus, none of our Group Companies and the companies under the same management as that of our Company are listed on any stock exchange. For details of the mechanism for disposal of investor grievances by listed Group Companies, see the section "*Group Companies*" on page 220.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 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.

SECTION IX - OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and transferred pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus and the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity 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 offered from time to time by the SEBI, the Government, the Stock Exchanges, the RoC, the RBI, and / or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue and an Offer for Sale by the Selling Shareholders.

The listing fees shall be borne by our Company. Other Offer-related expenses shall be shared be borne by each Selling Shareholder in proportion to the Equity Shares to be offered by each Selling Shareholder. However, all Offer-related expenses shall initially be borne by our Company. Upon successful completion of the Offer, each Selling Shareholder shall reimburse our Company their proportionate share of the Offer-related expenses.

Ranking of the Equity Shares

The Equity Shares being offered and transferred in the Offer shall be subject to the provisions of the Companies Act, our Memorandum of Association and our Articles of Association, and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of the Articles of Association*" on page 609.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our MoA and AoA, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, including pursuant to the Offer for Sale, for the entire year, in accordance with applicable law. For further details in relation to dividends, see *"Dividend Policy"* and *"Main Provisions of the Articles of Association"* on pages 223 and 609, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹ 2. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Price Band and minimum Bid Lot for the Offer will be decided by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, and advertised in [●] editions of the English national daily newspaper [●], and [●] editions of the Hindi national daily newspaper [●] (Hindi also being the regional language of Haryana, where our Registered and Corporate Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid / Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price and the Bid cum Application Form shall be available at the websites of the Stock Exchanges.

The Offer Price shall be determined by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, after the Bid / Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory or preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our MoA and AoA.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and / or consolidation / splitting, see "*Main Provisions of the Articles of Association*" on page 609.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated June 29, 2018 amongst our Company, NSDL and the Registrar to the Offer.
- Agreement dated September 9, 2021 amongst our Company, CDSL and the Registrar to the Offer.

Market lot and trading lot

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares.

Joint holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Haryana will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "*Terms of the Offer – Bid / Offer Programme*" on page 580.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, alienation or transfer 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. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- 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 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Depository Participant.

Bid / Offer Programme

BID / OFFER OPENS ON*	**[●]**
BID / OFFER CLOSES ON[(1)]**	**[●]**

* *Our Company and the Investor Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date.*

** *Our Company and the Investor Selling Shareholder may, in consultation with the BRLMs, consider closing the Bid / Offer Period for QIBs one day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(1) *UPI mandate end time and date shall be at 12.00pm on [●].*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account	On or about [●]
Credit of the Equity Shares to depository accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

* *In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.*

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the BRLMs.

While our Company and the Selling Shareholders 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 Working Days of the Bid / Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid / Offer Period by our Company, 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.

Each Selling Shareholder confirms that it shall extend reasonable co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid / Offer Closing Date, or within such other period as may be prescribed by SEBI.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Offer BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time ("**IST**")) during the Bid / Offer Period (except on the Bid / Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

(i) on the QIB Bid / Offer Closing Date, in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time)* and uploaded until 4.00 p.m. (IST);

** UPI mandate end time and date shall be at 12.00pm on [●]*

(ii) on the Bid / Offer Closing Date:

(a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

(b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid / Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid / Offer Closing Date and, in any case, no 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 offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids will only be accepted on Working Days.

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 and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor the Selling Shareholders, nor any member of the Syndicate is 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 the Bid Amount in the ASBA Account of Bidders on receipt of instructions 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.

Our Company and the Investor Selling Shareholder, in consultation with the BRLMs, 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. In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision in the Price Band, the Bid / Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid / Offer Period not exceeding 10 Working Days. Further, in cases of *force majeure*, banking strike or similar circumstances, our Company and the Investor Selling Shareholder, in consultation with the BRLMs, for reasons to be recorded in writing, may extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid / Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid / Offer Period, if applicable, 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 BRLMs and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every Director of our Company who is an officer in default, shall pay interest at the rate of fifteen percent per annum.

However, no liability to make any payment of interest or expenses shall accrue to any Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of its portion of the Offered Shares.

In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made, first, towards Equity Shares offered by the Investor Selling Shareholder, subsequently, *pro rata* towards Equity Shares offered by the Selling Shareholders, and thereafter, towards the balance Fresh Issue.

Further, 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 Shares will be Allotted will be not less than 1,000.

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.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Share Capital of our Company, Promoters' Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" on page 82 and except as provided in our AoA, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Main Provisions of the Articles of Association*" on page 609.

Option to receive Equity Shares in dematerialized form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

Our Company and the Investor Selling Shareholder, in consultation with the BRLMs, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. Further, each of the Selling Shareholders reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of their respective portion of the Offered Shares, after the Bid / Offer Opening Date but before Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid / Offer Closing Date, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company, and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million comprising a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 3,000.00 million by our Company and an Offer of Sale of up to 33,414,138 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders. The Offer will constitute [●] % of the post-Offer paid-up Equity Share capital of our Company.

A Pre-IPO placement may be undertaken by our Company, in consultation with the Book Running Lead Managers, for an amount aggregating up to ₹ 600.00 million prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with the minimum issue size requirements prescribed under regulation 19(2)(b) of the SCRR.

Particulars	QIBs (1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation* (2)	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Retail Individual Bidders	Not more than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	Not less than 75% of the Offer size shall be allocated to QIB Bidders. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund portion will be available for allocation to other QIBs	Not more than 15% of the Offer, or the Offer less allocation to QIB Bidders and Retail Individual Bidders	Not more than 10% of the Offer, or the Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors	Proportionate	Proportionate, subject to the minimum Bid Lot. The allotment 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 available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "*Offer Procedure*" on page 588
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		

Particulars	QIBs [1]	Non-Institutional Bidders	Retail Individual Bidders
Mode of allotment	Compulsorily in dematerialised form		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply[3]	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, the 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 Companies.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the *karta*), companies, corporate bodies, scientific institutions societies and trusts, FPIs who are individuals, corporate bodies and family offices and are registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the *karta*)
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[4] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form		
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process.	Only through the ASBA process

* *Assuming full subscription in the Offer*

(1) *Our Company and the Investor Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page 588.*

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. 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 Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the 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.*

Subject to valid Bids being received at or above the 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 Investor Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. 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. In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made, first, towards Equity Shares offered by the Investor Selling Shareholder, subsequently, pro rata towards Equity Shares offered by the Selling Shareholders, and thereafter, towards the balance Fresh Issue. For further details, please see "Terms of the Offer" on page 578.

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. 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. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(4) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

Note: *Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**"), which highlight 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. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by RIBs through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*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 ("**CAN**") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Forms; (viii) other instructions (limited to joint Bids in cases of individual, multiple Bids and instances when an application would be rejected on technical grounds); (ix) designated date; (x) disposal of applications; (xi) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI, through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 as amended from time to time, including pursuant to circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 ("**UPI Circulars**") has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective, along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued, and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**") with effect from July 1, 2019, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. Further, as per the SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-2019 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Accordingly, the Offer will be made under UPI Phase II, unless UPI Phase III becomes effective and applicable on or prior to the Bid / Offer Opening Date. If the Offer is made under UPI Phase III, the same will be advertised in [●] editions of the English national daily newspaper and [●] editions of the Hindi national daily newspaper, [●] (Hindi also being the regional language of Haryana, where our Registered and Corporate Office is located) on or prior to the Bid / Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites. Further, SEBI, vide the UPI Streamlining Circular, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.*

Our Company, the Selling Shareholders and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their 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 Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Further, our Company, the Selling Shareholders and the Syndicate are not liable for any adverse occurrences *consequent to the implementation of the UPI Mechanism for application in this Offer.*

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, 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 Allotted to QIBs on a proportionate basis, provided that our Company and the Investor Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category (other than Anchor Investor Portion). 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received 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 at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and the Investor Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity 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 account, including DP ID, Client ID and PAN and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, a requirement that SCSBs must send SMS alerts for the blocking and unblocking of UPI mandates, the requirement that the Registrar must submit details of cancelled, withdrawn or deleted applications, and the requirement that the bank accounts of unsuccessful Bidders be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within such timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date. If the Offer is made under UPI Phase III of the UPI Circular, the same will be advertised in all editions of [●] and all editions of [●] (which are widely circulated English daily and Hindi daily newspapers, respectively, Hindi also being the regional language of Haryana, where our registered office is located) on or prior to the Bid/ Offer Opening Date, and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered and Corporate Office and Corporate Office. The ASBA Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date. Anchor Investor Application Forms shall be available at the offices of the BRLMs at the Anchor Investor Bidding Date.

Bidders (other than RIBs using the UPI Mechanism and Anchor Investors) must provide bank account details and authorisation by the ASBA bank account holder to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form. ASBA Forms that do not contain such details are liable to be rejected. The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Offer for purpose of reconciliation.

RIBs 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 the 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) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs using UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or by Sponsor Bank under the UPI Mechanism, as applicable at the time of submitting the Bid. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked/unblocked.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the Book Running Lead Managers.

The prescribed colour of the Bid cum Application Forms for various categories 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[(1)]	[●]
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis[(1)]	[●]
Anchor Investors[(2)]	[●]

** Excluding electronic Bid cum Application Forms*

[(1)] *Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and the BSE (www.bseindia.com).*

[(2)] *Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager.*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLMs shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group.

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Managers nor any associates of the Book Running Lead Managers can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the Book Running Lead Managers

(ii) insurance companies promoted by entities which are associate of the Book Running Lead Managers

(iii) AIFs sponsored by the entities which are associate of the Book Running Lead Managers; or

(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the Book Running Lead Managers.

Further, persons related to our Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "*person related to the Promoters or Promoter Group*": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of a BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

The Promoters and the members of the Promoter Group will not participate in the Offer except to the extent of the Offered Shares.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Investor Selling Shareholder, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

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 may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights. 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 scheme.

Bids by HUFs

Bids by HUFs shall be 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 / Applications by HUFs may be considered at par with Bids / Applications from individuals.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the BRLMs, Syndicate Member and sub-syndicate members at select locations as specified in the Bid cum Application Form. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB or should confirm / accept the UPI Mandate Request (in case of RIBs using the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts or FCNR Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their SCSBs or should confirm / accept the UPI Mandate Request (in case of RIBs Bidding using the UPI Mechanism) to block their Non- Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. However, NRIs applying in the

Offer through the UPI Mechanism, are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their Bid cum Application.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE / NRO accounts.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents. Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents.

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 607. Participation of Eligible NRIs shall be subject to the FEMA NDI Rules.

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 multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of the post-Offer equity share capital of a company. The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the FEMA Regulations, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment up to 49% of the paid-up capital on a fully diluted basis or the sectoral / statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident outside India. Other investments by a person resident outside India will be subject to conditions of Government approval and compliance with sectoral conditions as laid down in these regulations.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager ("**MIM**") structure

- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments

- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration

- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager

- Multiple branches in different jurisdictions of foreign bank registered as FPIs

- Government and Government related investors registered as Category 1 FPIs; and

- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with the same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations, *inter-alia*, prescribe the respective investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI. Accordingly, the holding by any individual VCF or FVCI registered with SEBI, in any company should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs an FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A Category III AIF cannot invest more than 10% of the corpus 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 SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up, and such funds shall not launch any new scheme after notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Neither our Company, nor the Selling Shareholders nor the BRLMs will be responsible for 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 Bid cum Application Form. Failing this, our Company and the Investor Selling Shareholder, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

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 and the Investor Selling Shareholder, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 ("**Banking Regulation Act**"). and the Reserve Bank of India Master Direction (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 by a banking company 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.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. 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 systemically important non-banking financial companies

In case of Bids made by NBFC-SI, (i) a certified copy of the certificate of registration issued by the RBI, (ii) a certified copy of its last audited financial statements on a standalone basis, and (iii) a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form, along with other approval as may be required by the Systemically Important NBFCs. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof. The investment limit for NBFC-SIs shall be as prescribed by RBI from time to time. NBFC-SIs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

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 reserves 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.

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 the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 250 million 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 reserves 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 Investor Selling Shareholder, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Investor Selling Shareholder, in consultation with the BRLMs, may deem fit, without assigning any reasons thereof.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid / Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company and the Investor Selling Shareholder, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

    (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

    (c) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid / Offer Opening Date, through intimation to the Stock Exchange.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Office Price.

(ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(x) Neither the BRLMs or any associate of the BRLMs ((except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associate of the BRLMs) nor any "person related to the Promoters or Promoter Group" shall apply in the Offer under the Anchor Investor Portion. For further details, see "– *Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group*" beginning on page 591.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see the General Information Document.

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 certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Investor Selling Shareholder, in consultation with the BRLMs, reserve the right to reject any Bid, without assigning any reason therefor.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the laws of any state of the United States and may not be offered or sold in the United States (as defined in Regulation S under the U.S. Securities Act ("Regulation S")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States pursuant to Regulation S.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer**.**

Information for Bidders

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 Bid cum Application Form. It is the Bidder's responsibility to obtain the Acknowledgment Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip 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 Acknowledgment Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

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 and/or the BRLMs 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 management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

In the event of an upward revision in the Price Band, RIBs 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 with respect to RIBs if the 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. If the total amount (i.e. the original Bid Amount plus additional payment) exceeds ₹ 200,000 with respect to RIBs, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder 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 Equity 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 and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

In the event of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

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.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●] (a widely circulated English national daily newspaper), and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Haryana where our Registered and Corporate Office is located). Our Company shall, in the pre-Offer advertisement state the Bid / Offer Opening Date, the Bid / Offer Closing Date and the Bid / Offer Closing Date for QIBs.

Allotment Advertisement

Our Company, the Book Running Lead Managers and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in [●] editions of [●], an English national daily newspaper, and [●] editions of [●], a Hindi national daily newspaper, Hindi being the regional language of Haryana, where our Registered and Corporate Office is located, each with wide circulation.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC, in accordance with applicable law. The Prospectus will contain details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and will be complete in all material respects.

GENERAL INSTRUCTIONS

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid / Offer Period and withdraw their Bid(s) until Bid / Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form;

4. 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 Equity Shares will be in the dematerialised form only;

5. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

6. Ensure that your Bid cum Application Form bearing the stamp of the relevant Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

7. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

8. Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Bid cum Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Bid cum Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);

9. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Bid cum Application Form;

10. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;

11. RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

12. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue;

13. RIBs submitting a Bid cum Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

14. RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Bid cum Application Form;

15. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;

16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

17. Ensure that the name(s) given in the Bid cum Application 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 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;

18. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

19. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

20. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

21. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;

22. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a 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. 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 in which PAN is not mentioned will be rejected;

23. Ensure that Anchor Investors submit their Anchor Investor Application Form only to the BRLMs;

24. Ensure that the Demographic Details are updated, true and correct in all respects;

25. 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;

26. Ensure that the correct investor category and the investor status is indicated in the Bid cum Application Form;

27. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;

28. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

29. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN 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;

30. Ensure that where the Bid cum Application Form is submitted in joint names, the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

31. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and in case of Bidding through a Designated Intermediary (other than for Anchor Investors and RIBs) the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in) or such other websites as updated from time to time;

32. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

33. For RIBs using the UPI Mechanism, ensure that you approve the Mandate 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;

34. 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 Mandate 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;

35. RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid / Offer Closing Date;

36. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

37. RIBs 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;

38. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

39. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate 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; and

40. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts*:**

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case maybe, after you have submitted a Bid to a Designated Intermediary;

4. RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

5. RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

6. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

7. Do not submit a Bid using UPI ID, if you are not a RIB;

8. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

9. Anchor Investors should not Bid through the ASBA process;

10. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company or at a location other than the Bidding Centres. Provided that RIBs not using the UPI Mechanism should not submit Bid cum Application Forms with Designated Intermediaries (other than SCSBs);

11. Do not Bid on a physical ASBA Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not Bid at Cut-off Price in case of Bids by QIBs and Non-Institutional Bidders;

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;

14. If you are a Non-Institutional Bidder or a Retail Individual Bidder, do not submit your Bid after 3.00 pm on the Bid / Offer Closing Date;

15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid / Offer Closing Date;

16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

17. Do not submit the General Index Register (GIR) number instead of the PAN;

18. Do not submit incorrect UPI ID details if you are a RIB Bidding through the UPI Mechanism;

19. 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 the Offer;

20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;

21. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs using the UPI Mechanism;

22. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

23. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations;

24. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

25. 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 Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid / Offer Closing Date;

26. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

27. Do not Bid for Equity Shares in excess of what is specified for each category;

28. 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;

29. 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 Bidders using the UPI Mechanism;

30. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

31. 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);

32. Do not submit a Bid cum Application Form using a third party bank account or using third party linked bank account UPI ID (in case of in case of Bids submitted by RIBs using the UPI Mechanism); and

33. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if any of the above instructions or any other condition mentioned in this Draft Red Herring Prospectus, as applicable, is not complied with.

For helpline details of the Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "*General Information – Book Running Lead Manager*" on page 75.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bid 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 or UPI ID (for RIBs using the UPI Mechanism) details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by RIBs using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID, subject to availability of information from the Sponsor Bank;

6. Bids by HUFs not mentioned correctly as provided in *"– Bids by HUFs"* on page 592;

7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

8. Bids submitted without the signature of the First Bidder or sole Bidder;

9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

10. 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;

11. GIR number furnished instead of PAN;

12. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by cheque(s), demand draft(s), stock invest, money order, postal order or cash; and

15. Bids by OCBs.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the Book Running Lead Managers 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 may be 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 1% of the 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 and Anchor Investors 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 Equity Shares, if any, shall be Allotted on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

Payment into Escrow Account

Our Company and the Investor Selling Shareholder, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"
(ii) In case of non-resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Offer 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). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated June 29, 2018 among NSDL, our Company and the Registrar to the Offer.
- Tripartite Agreement dated September 9, 2021 among CDSL, our Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

(i) adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and to consider them similar to Anchor Investors while finalising the Basis of Allotment

(ii) the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily

(iii) that if the 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, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period

(iv) that all steps will be taken 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 within six Working Days of the Bid / Offer Closing Date or such other time as may be prescribed

(v) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company

(vi) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund

(vii) that if our Company does not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two 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 on which the Equity Shares are proposed to be listed shall also be informed promptly

(viii) that if our Company and the Investor Selling Shareholder, in consultation with the BRLMs, withdraws the Offer after the Bid / Offer Closing Date, our Company shall be required to file a fresh draft offer document with the SEBI, in the event our Company or the Selling Shareholders subsequently decide to proceed with the Offer thereafter

(ix) Promoter’s contribution, if any, shall be brought in advance before the Bid / Offer Opening Date

(x) that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received

(xi) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and

(xii) that except for the Pre-IPO Placement, no further issue of Equity Shares shall be made until the Equity Shares offered through this Draft Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

Undertakings by each Selling Shareholder

Each Selling Shareholder, severally and not jointly, undertakes the following in respect of themselves as a Selling Shareholder and its respective portion of the Offered Shares:

(i) that the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and are eligible to be a part of the Offer for Sale, in accordance with Regulation 8 of the SEBI ICDR Regulations and shall continue to be in dematerialised form at the time of transfer

(ii) that they are the legal and beneficial owner of and has full title to its respective portion of the Offered Shares

(iii) that they shall provide all support and cooperation as may be reasonably requested by our Company and the BRLMs to the extent such support and cooperation is in relation to its Offered Shares and in relation to necessary formalities for listing and commencement of trading at the Stock Exchanges

(iv) that each Selling Shareholder specifically confirms that they shall not have any recourse to the proceeds of the Offer, until final listing and trading approvals have been received from the Stock Exchanges

(v) that they will provide such reasonable assistance as may be required by our Company and BRLMs acting reasonably, in redressal of such investor grievances that pertain to the Equity Shares being offered pursuant to the Offer and statements specifically made or confirmed by it in relation to itself as a Selling Shareholder; and

(vi) that they shall transfer their portion of the Offered Shares to an escrow demat account in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement.

The Selling Shareholders have authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective portion of Offered Shares.

Utilisation of Offer Proceeds

Our Company and the Selling Shareholders, severally and not jointly, specifically confirm and declare that all monies received from the Offer shall be credited / transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. Details of all monies utilised out of the offer shall be disclosed and continue to be disclosed till the time any part of the Fresh Issue proceeds remain unutilised.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 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, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is governed *inter alia* through the Industrial Policy, 1991 of the Government of India, FEMA and the FEMA NDI Rules. 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. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries / departments are responsible for granting approval for foreign investment.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Policy**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

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 FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

Pursuant to the FEMA Rules, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, 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 only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity 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.

For further details, see "*Offer Procedure*" on page 588.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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 X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

(THE COMPANIES ACT, 2013)
(A COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION

OF

CMR GREEN TECHNOLOGIES LIMITED

TABLE-F

The Articles of the Company comprises two parts, Part A and Part B, which shall be applicable in the following manner:

*Until the issuance of the notice for commencement of trading of the Equity Shares of the Company by BSE Limited and/or the National Stock Exchange of India Limited pursuant to an IPO of the Company ("**Listing Date**"), Part A and Part B shall, unless the context otherwise requires, co-exist with each other. Notwithstanding anything contained herein, in case of any conflict or inconsistency between the provisions of Table F of the Act, Part A and Part B, until the Listing Date, the provisions of Part B shall prevail.*

On the Listing Date, Part B shall automatically terminate, be deleted and cease to have any force and effect, without any further corporate or other action by the Company, the Board of Directors or by the Shareholders.

PART A

1. **PRELIMINARY**

Save as provided herein, the regulations contained in Table "F" in Schedule I to the Companies Act, 2013, or in the Schedule to any previous Act (as defined below) shall not apply to the Company, except in regard to matters not specifically provided in these Articles.

These Articles are in accordance with the prevailing laws in India. In case of amendment to any act, rules, regulations, etc. the article herein shall be deemed to have been amended to the extent that the article will not be capable of restricting what has been allowed by the Act by virtue of an amendment, subsequent to adoptions of the article.

These Articles shall be binding on the Company and its members as if the terms of the agreement between them.

The regulation for the management of the Company and for the observance of the Members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by Resolution as prescribed or permitted by the Act, be such as are contained in these Articles.

2. **DEFINITIONS AND INTERPRETATION**

Defined Terms

In these Articles, except where the context otherwise requires (a) capitalised terms defined by inclusion in quotations and/or parenthesis have the meanings so ascribed; and (b) the following terms shall have the following meanings assigned to them herein below:

"**1956 Act**" means the erstwhile Companies Act, 1956 and rules framed thereunder including any statutory modification or re-enactment thereof;

"**Act**" shall mean the Companies Act, 2013 and the Rules, as may be amended, being in force, and the term shall be deemed to refer to any previous company law, so far as may be applicable;

"**Accounts**" shall mean the consolidated and stand-alone audited Financial Statements, including the balance sheet, profit and loss account cash flow statements, together with all such documents which are required to be annexed to such audited financial statements under Applicable Law and Indian GAAP and/or the relevant GAAP as the case may be;

"**Applicable Law(s)**" shall mean any applicable law, by-law, rule, regulation, guideline, circular, order, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compulsory guidance, rule, order or decree of any court or tribunal or any arbitral authority, or directive, delegated or subordinate legislation in any applicable jurisdiction, inside or outside India, including any applicable securities law in any relevant jurisdiction, including the SEBI Act, the SCRA, the SCRR, the Companies Act, the SEBI ICDR Regulations, the Foreign Exchange Management Act, 1999 and rules and regulations thereunder, and the guidelines, instructions, rules, communications, circulars and regulations issued by any Governmental Authority, including any statutory or monitoring bodies in relation to the business activities of the Company (and similar agreements, rules, regulations, orders and directions in force in other jurisdictions where there is any invitation, offer or sale of the Equity Shares in the Offer);

"**Articles**" means these Articles of Association of the Company, as originally framed and as amended from time to time and which is in force for the time being;

"**Board**" or "**Board of Directors**" shall mean the board of directors of the Company;

"**Business Day**" shall mean a day (excluding Saturdays, Sundays and public holidays) on which scheduled commercial banks in Mumbai and/or Delhi, India and commercial banks in Mumbai and/or Delhi are open for normal banking business;

"**Chairman**" shall mean the chairman of the Board of Directors;

"**Charter Documents**" shall mean these Articles along with the Memorandum of Association, as amended from time to time;

"**Company**" shall mean CMR Green Technologies Limited, formerly known as Grand Metal Industries Limited, a Public Limited Company incorporated under the 1956 Act;

"**Contract**" shall mean, with respect to a Person, any agreement, contract, subcontract, lease, understanding, instrument, note, warranty, insurance policy, benefit plan or legally binding commitment or undertaking of any nature, whether written or oral, entered into by or on behalf of such Person;

"**Director**" shall mean a director on the Board;

"**Depositories Act**" shall mean the Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof;

"**Dividend**" shall include interim dividends;

"**Encumbrances**" means, any claim, mortgage, charge (fixed or floating), non-disposal undertaking, escrow, power of attorney (by whatever name called), pledge, lien, hypothecation, option, power of sale, right of pre-emption, right of first refusal, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or any other security interest of any kind, including retention arrangements and any agreement or obligation to create any of the foregoing, or encumbrance of any kind, or contract to give or refrain from giving any of the foregoing;

"**Equity Shares**" or "**Shares**" shall mean equity shares of the Company having a par value of INR 2 (Rupees Two) per equity share and one vote per share;

Financial Statements shall mean the audited as well as unaudited balance sheet, profit and loss account statement, and cash flow statement, statement of changes in equity and the notes thereunder of the Company and its Subsidiary;

"**Financial Year**" shall mean the period commencing April 1 each year and ending on March 31 the next year, or subject to Applicable Law, such other period as may be determined by the Board of Directors of the Company to be the Financial Year for the Company;

"**Fully Diluted Basis**" means that the calculation is to be made assuming that all outstanding convertible Securities (whether or not by their terms then currently convertible, exercisable or exchangeable), stock options, warrants, including but not limited to any outstanding commitments to issue shares at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged (or issued, as the case may be);

GAAP shall mean the generally accepted accounting principles standards and practices as applicable in the relevant jurisdiction;

"**General Meeting**" shall mean a general meeting of the Shareholders of the Company, convened and held in accordance with the Act and these Articles;

"**Governmental Authority**" shall mean any entity, authority or body exercising executive, legislative, judicial, regulatory, statutory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of India or any political subdivision thereof, or of any other jurisdiction relevant to the Company, its Business or the transactions contemplated under these Articles, any court, tribunal or arbitrator and any securities exchange or body or authority regulating such securities exchange;

"**Independent Director**" shall mean the independent director as defined in the Act and the Listing Regulations;

"**INR**" or "**Indian Rupees**" means the lawful currency of India;

Indian GAAP shall mean the generally accepted accounting principles, standards and practices as applicable in India;

"**Listing Regulations**" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;

"Member" shall mean the Member of the Company holding Share or Shares of any class and whose name is entered in the Register of Members of the Company, and shall comprise the subscribers/signatories to the Memorandum of Association and these Articles, and such other persons, as the Board shall admit as members of the Company from time to time, and beneficial owners as defined in Article 6;

"**Person**" means any individual, entity, joint venture, company (including a limited liability company), corporation, partnership (whether limited or unlimited), proprietorship, trust (including its trustee or beneficiaries) or other enterprise (whether incorporated or not), Hindu undivided family, union, association of persons, Governmental Authority, and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;

"**Promoters**" shall mean the following individuals and shall include their respective heirs, executors, administrators, successors and permitted assigns:

a) Gauri Shankar Agarwala;
b) Mohan Agarwal;
c) Kalawati Agarwal; and
d) Pratibha Agarwal

"**Registrar**" shall mean the Registrar of Companies, from time to time having jurisdiction over the Company;

"**Relative**" shall mean a relative as defined in section 2 (77) of the Companies Act, 2013 and rules prescribed thereunder;

"**Related Parties**" or "**Related Party**" shall have the meaning assigned to it under section 2(76) of the Act and any other applicable provision of the Act;

"**Related Party Transaction**" shall mean those transactions which are defined under Section 188 of the Act;

"**Rules**" shall mean the rules made under the Act and notified from time to time;

"**Securities**" shall mean the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956;

"Share" means a Share in the Share Capital of the Company and includes stock except where a distinction between stock and Share is expressed or implied;

"**Shareholders**" shall mean any shareholder of Shares of the Company;

"**Share Capital**" means the issued, subscribed and paid up share capital of the Company on a Fully Diluted Basis and shall include the Securities;

"**Share Equivalents**" shall mean preference shares, debentures, bonds, loans, warrants, options, depositary receipts, debt securities, loan stock, notes, or any other instruments, securities or certificates which are convertible into or exercisable or exchangeable for, or which carry a right to, or any right to, subscribe to or purchase any equity or preference shares of the Company or which represent or bestow any beneficial ownership/interest in the Share Capital or the voting rights in the Company or any other rights which are otherwise available to only equity shareholders of a company (including, any distribution rights) as currently existing or as may be issued by the Company from time to time;

"**Special Resolution**" shall have the meaning assigned to it under Section 114 of the Act;

"**Subsidiary**" shall have the meaning assigned to it under Section 2(87) of the Act;

"**Transfer**" means selling, giving, assigning, transferring any interest in trust, Encumbrance, mortgage, alienation, encumber, grant a security interest in, amalgamate, merge or suffer to exist (whether by operation of Law or otherwise) any Encumbrance on, or in any other way dispose off (by transfer of an economic interest, creation of derivative security or otherwise) any securities, shares or interests or any right, title or interest therein or otherwise dispose of securities, shares or interests in any manner whatsoever voluntarily or involuntarily or whether directly or indirectly; and

"**Tribunal**" means the National Company Law Tribunal constituted under Section 408 of the Act.

Interpretation

Heading and bold typeface are only for convenience and shall be ignored for the purpose of interpretation;

Unless the context of these Articles otherwise requires:

(i) reference to an individual who is a Shareholder includes his executors, administrators, and personal representatives. In the event of transmission of Equity Shares of an individual who is a shareholder, the Person to whom such Equity Shares are transmitted shall also be deemed to be bound by the terms and conditions of these Articles;

(ii) any reference to Rs. or INR is to Indian Rupees;

(iii) any reference to a document is to that document as amended, varied or novated from time to time otherwise than in breach of these Articles or that document;

(iv) words using the singular or plural number also include the plural or singular number, respectively;

(v) words of any gender are deemed to include the other gender;

(vi) the terms “hereof", “herein”, “hereby”, “hereto” and derivative or similar words refer to these Articles or specified Article of these Articles, as the case may be;

(vii) the term “Article” refers to the specified Article of these Articles;

(viii) reference to any legislation or law or to any provision thereof shall include references to any such law and any amendments, supplements, re-enactments or modifications thereto made from time to time and any reference to statutory provision shall include any subordinate legislation made from time to time under that provision;

(ix) reference to the word “include” shall be construed without limitation;

(x) notwithstanding anything to the contrary, any time limits specified in any provision of these Articles, within which any Party is required to perform any obligations or complete any activity, shall be extended by such period as may be required to comply with any requirement of the Applicable Law including those laws relating to foreign investment, provided that, the Party that is required to comply with such law shall act in good faith and take all necessary steps to ensure compliance with such law within the minimum time possible while keeping in consideration that time is of the essence in the performance of the Parties’ respective obligations;

(xi) where a wider construction is possible, the words “other” and “otherwise” shall not be construed ejusdem generis with any foregoing words;

(xii) terms defined elsewhere in these Articles shall, unless otherwise indicated, have the meaning so ascribed to them;

(xiii) any reference in these Articles, to consent or approval or similar connotation, unless expressly stated otherwise, shall be in writing, and shall include facsimile communications;

(xiv) whenever these Articles refer to a number of days, such number shall refer to calendar days as per the Gregorian calendar, unless otherwise specified; and

(xv) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the 1956 Act shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.

(xvi) the words “directly or indirectly” mean directly, or indirectly through one or more intermediary Persons, or through contractual or other legal arrangements, and “direct or indirect” shall have the correlative meanings.

3. **PUBLIC COMPANY**

The Company is a public company within the meaning of Section 2(71) of the Act and accordingly:

(a) is not a private company;
(b) has a minimum paid-up share capital as per Applicable Laws;

Provided that a company which is a Subsidiary, not being a private company, shall be deemed to be a public company, as used in the Act, even where such Subsidiary continues to be a private company in its articles

4. **SHARE CAPITAL**

(a) The authorised Share Capital of the Company shall be as set forth in Clause V of the Memorandum of Association of the Company and shall have the rights, privileges, and conditions attached herewith, as are provided by these Articles with power to increase and/or reduce the Share Capital and divide the Share Capital into several classes and to attach thereto respectively such differential, preferential, qualified or special rights, privileges, or conditions, as may be determined by or in accordance with these Articles and to modify the conditions in such manner as may be permitted by Applicable Laws and these Articles.

(b) Subject to the provisions of these Articles, the Company may by a resolution passed at a General Meeting increase the authorised or issued or paid up Share Capital or reduce the Share Capital or otherwise amend the Memorandum and these Articles in accordance with the provisions of the Act and the provisions of these Articles.

(c) The paid up Share Capital shall be at all times at least a minimum of such amount as may be prescribed under the Act.

(d) The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules, and other Applicable Laws:

a. Equity Share Capital-

(i) with voting rights; or

(ii) with differential rights as to dividend, voting or otherwise in accordance with such rules as may be prescribed; and

b. Preference share capital.

(e) If at any time Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of the issue of the Shares of that class) may, subject to these Articles and the provisions of section 48 of the Act, and whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourth of the issued Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class, as prescribed by the Act.

(f) To every such separate meetings as referred in 4(e) above, the provisions of these Article relating to General Meetings shall *mutatis mutandis* apply.

(g) The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

(h) Subject to these Articles and the provisions of section 55 of the Act, any preference shares may, with the sanction of a Special Resolution, be issued or re-issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, determine.

(i) 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. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

(j) The amount payable on application on each share shall not be less than 5 per cent of the nominal value of the share or, as may be specified by SEBI.

(k) Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.

(l) The fully paid Shares shall be free from all lien and that in the case of partly paid Shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such Shares.

(m) Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new Equity 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.

(n) Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.

(o) The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members 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.

(p) Except as required by Applicable Law, no Person shall be recognized by the Company as holding any Shares upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof), any equitable, contingent, future or partial interest in any Shares, or any interest in any fractional part of a Share or (except only as by these Articles or by Applicable Law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered Shareholder.

(q) Except so far as otherwise provided by the conditions of the issue or by these presents, any capital raised by the creation of new Equity 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.

(r) All the provisions of these Articles shall apply to the shareholders of the Company.

(s) Subject to the provisions of these Articles, the Company shall have the power, subject to and in accordance with the provisions of Section 54 of the Companies Act, 2013 and other relevant regulations in this regard from time to time, to issue sweat equity shares to its employees and/or Directors on such terms and conditions and in such manner as may be prescribed by Applicable Law from time to time.

(t) Subject to the provisions of these Articles, the Share Capital shall be under the control of the Board who may, subject to Applicable Law, issue, allot or otherwise dispose of the same to such Persons, on such terms and conditions and at such time as the Board thinks fit with full power to give to any Person the option to call for any shares or other Securities either at par or at a premium and for such consideration as the Board thinks fit. Subject to these Articles and the Act, the Directors shall have the power, from time to time, to increase and to consolidate or divide the Share Capital in the original or any additional Share Capital into different classes and attach thereto at its discretion any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise, as may be determined by or in accordance with the provisions hereof and to vary, modify or abrogate any such right, privilege, or condition, or restriction in such manner as may for the time being be permitted in accordance with the provisions hereto or the legislative provisions for the time being in force.

(u) Subject to the provisions of these Articles, and subject to the provisions of section 68 to 70 and other applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own Equity Shares or other specified securities.

(v) The Company may issue share to employees including its Directors other than Independent Directors and such other persons as the Applicable Law may allow under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the

Company in general meeting subject to the provisions of the Act, the rules and applicable guidelines made thereunder, by whatever name called.

5. **SECURITIES**

The Company shall, subject to the applicable provisions of the Act, compliance with Applicable Law and the consent of the Board, have the power to issue Securities on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

6. **DEMATERIALISATION OF SECURITIES**

Definitions

For the purpose of this Article:

(a) "**Beneficial Owner**" means a person or persons whose name is recorded as such with a Depository;

(b) "**SEBI**" means the Securities and Exchange Board of India;

(c) "**Depository**" means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013, or any previous law, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder; and

(d) "**Security**" means such security as may be specified by SEBI from time to time.

The Company shall be entitled to dematerialise the Share Capital and to offer Securities in a dematerialised form in accordance with the Depositories Act, 1996, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and other Applicable Laws. The Company shall, on a request made by a beneficial owner, rematerialize Securities which are in dematerialised form.

Notwithstanding anything in the Act or these Articles to the contrary, where Securities are held in a depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of digital storage devices or any other mode as prescribed by Applicable Law from time to time.

Nothing contained in Section 56 of the Act or these Articles shall apply to a Transfer of securities effected by a transferor and transferee both of who are entered as beneficial owners in the records of a depository.

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such Securities.

Nothing contained in the Act or these Articles regarding the necessity to have distinctive numbers for Securities issued by the Company shall apply to Securities held with a depository.

All Securities held by a Depository shall be dematerialised and shall be in a fungible form.

Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any Transfer of ownership of shares on behalf of the beneficial owners.

Save as otherwise provided in above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of Securities held by it.

Every Person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be the owner of such Securities and shall also be deemed to be a Shareholder of the Company. The beneficial owner of the Securities shall be entitled to all the liabilities in respect of his Securities which are held by a depository.

7. SHARES AND SHARE CERTIFICATES

(a) 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 fee as provided in the Applicable Laws) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be.

(b) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

(c) A duplicate certificate of shares may be issued, if such certificate:

(i) is proved to have been lost or destroyed; or

(ii) has been defaced, mutilated or torn and is surrendered to the Company.

(d) A certificate, issued under the common seal, if any, of the Company, specifying the number and the distinctive numbers of shares in respect of which it is issued and amount paid-up thereon, held by any Person and shall be prima facie evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the prima facie evidence of the interest of the Beneficial Owner.

(e) 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 deems 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 Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees twenty (20) for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law including rules made under the Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or rules applicable in this behalf.

The provisions of this Article shall *mutatis mutandis* apply to the debentures of the Company.

(f) The provisions of this Article shall *mutatis mutandis* apply any other Securities of the Company.

(g) When a new share certificate has been issued in pursuance of sub-article (d) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

(h) Where a new share certificate has been issued in pursuance of sub-articles (d) or (e) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.

(i) All blank forms to be used 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, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the secretary or of such other person as the Board may authorize for the purpose and the secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(j) The secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (h) of this Article.

(k) All books referred to in sub-article (i) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

(l) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one share certificate for all such holders. If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares, and for all incidents thereof according to these Articles.

(m) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

(n) Subject to applicable provisions of the Act, the Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of 30 (thirty) days from the date of such lodgement.

8. **FURTHER ISSUE OF CAPITAL**

(a) Where at any time, in terms of Section 62 of the Act, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(i) to persons who, at the date of the offer, are holders of the Equity Shares of the Company in proportion, as nearly as circumstances admit, to the paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

a. the offer shall be made by notice specifying the number of shares offered and limiting a time not less than seven (7) days and not more than thirty (30) days, as prescribed under the Act, from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

b. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause (i) above shall contain a statement of this right; and

c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the shareholders and the Company.

(ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

(iii) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is in accordance with Applicable Laws.

(iv) Nothing in sub-clause (b) of (i) hereof shall be deemed:

(a) To extend the time within which the offer should be accepted; or

(b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(b) The notice referred to in sub-clause a. of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders or such other mode and within such timeline as prescribed in the Act.

(c) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company or to subscribe for shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been (i) approved before the issue of debentures or the raising of the loans by a special resolution passed by the Company in general meeting; or

(ii) in the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, have also been approved by a Special Resolution passed by the Company in a General Meeting.

(d) The provisions contained in this Article shall be subject to Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Act.

(e) Provided that notwithstanding anything hereinbefore contained the further shares aforesaid may be offered to any persons, whether or not those persons include the persons referred in this Article 8, in any manner whatsoever,

(i) if a Special Resolution to that effect is passed by the Company in General Meetings, or

(ii) where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by the Members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

9. **REDUCTION OF SHARE CAPITAL**

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law if it were omitted.

10. **ALTERATION OF CAPITAL**

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say:

(a) it may increase its Share Capital by such amount as it thinks expedient.

(b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares.

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner.

(c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

(d) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.

(e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. Such cancellation of shares shall not be deemed to be a reduction of share capital.

(f) The Company shall have power, subject to and in accordance with all applicable provisions of the Act and Articles, to purchase any of its own fully paid Shares whether or not they are redeemable and may make payment out of capital in respect of such purchase.

(g) Subject to Applicable Law (including the Act), the Company may issue Shares; either equity or any other kind with non-voting rights and the resolution authorizing such issue shall prescribe the terms and conditions of that issue.

11. **COMMISSION AND BROKERAGE**

(a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any Securities in accordance with the provisions of the Act.

(b) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the another.

12. **SHARES AT THE DISPOSAL OF THE DIRECTORS**

(a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium, at par or at a discount (subject to compliance with Section 53 and Section 54 of the Act) at such time as they may, from time to time, think fit and with the sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any shares of the Company either at par or premium during such time and for such consideration as the Board thinks fit and may issue and allot shares of the Company 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 of the Company which may be so allotted may be issued as fully paid up shares of the Company and if so issued, shall be deemed to be fully paid up shares.

Provided that option or right to call of shares of the Company shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.

(b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

(c) Every Shareholder, or his heirs, executors, or administrators shall pay to the Company, the portion of the capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

(d) In accordance with the applicable provisions of the Act and the rules:

(i) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued as per the provisions of the Act. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding Rupees twenty (20).

(ii) Every Shareholder 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 fee 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 such certificates within 2 (two) months from the date of allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in these Articles and 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 the first named joint holder shall be sufficient delivery to all such holders.

(iii) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.

(iv) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

13. **CALLS ON SHARES**

(a) Subject to the provisions of Section 49 and other applicable provisions of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the Shares held by them respectively and each Shareholder shall pay the amount of every call so made to him to the Company and at the times and places appointed by the Board and shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

(b) 15 (Fifteen) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.

(c) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. A call may be revoked or postponed at the discretion of the Board.

(d) The Board may, from time to time, make calls upon the Shareholders in respect of any moneys unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) or by the conditions of allotment thereof made payable at fixed times.

(i) Each Shareholder shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at time or times and place so specified, the amount called on his Shares.

(ii) A call may be revoked or postponed at the discretion of the Board.

(e) A call in accordance with the Act on partly-paid Shares, is deemed to have been made at time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

(f) A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be made payable by those members whose names appear on the Register of Members on such date, or, at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.

(g) The Board may from time to time, at their discretion extend the time for the payment of any call and may extend such time as to payment of call for any of the members the Directors may deem entitled to such extension save as a matter of grace and favour.

(h) If the sum payable in respect of any call or instalments be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share(s) in respect of which a call shall have been made or the instalments shall be due shall pay interest on the same at such rate as the Directors shall fix from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

(i) The joint Shareholders shall be jointly and severally liable to pay all calls in respect thereof.

(j) If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at rate as the Board may determine.

(k) The Board shall be at liberty to waive payment of any such interest wholly or in part.

(l) Any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of nominal value of the Share or by way of premium, shall, for the purpose of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum become payable.

(m) In case of non-payment of such sum, all the relevant provisions of these Articles 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.

(n) The Board-

(i) may, if it thinks fit, receive from any Shareholder willing to advance the same, all or any part of the moneys uncalled and unpaid upon any Shares held by him; and

(ii) upon all or any moneys advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate (per cent annum), as may be agreed upon between the Board and the Shareholder paying the sum in advance.

(o) The Board may, if it thinks fit (subject to the provisions of the Act) agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

However, no Member shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.

(p) The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

(q) Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

(r) The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the company.

On trial or hearing of any action for the recovery of money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register of the holder of the shares in respect of which such debts accrued, that the resolution making the calls was duly given to the members sued, in pursuance of these Articles and it shall not be necessary to prove the appointment of the Directors who made such calls, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of debt.

14. **BORROWINGS**

Subject to the provisions of these Articles and subject to Applicable Laws:

(a) the Board may from time to time at their discretion raise or borrow from the Directors, members, or other Persons any sum or sums or money for the purpose of the Company at such interest and/or upon such security or conditions as they may consider proper or expedient.

(b) the Board may raise or secure the payment of repayment of such sum or sums in such manner and upon such terms and conditions in all respect as they think fit and in particular by the issue of debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for time being.

(c) debentures, debenture stock, bonds or other securities may be made assignable free from any equities, between the Company and the Person to whom the same be issued.

(d) subject to the provisions of the Act, any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, attendance (but not voting) in General

Meetings, appointment of Directors and otherwise.

(e) The Directors may by resolution at a meeting of the Board delegate the above powers to borrow money otherwise than through issue of debentures to a committee of Directors or managing directors or to any other person permitted by Applicable Law, if any within the limit prescribed.

Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

15. **LIEN ON SHARES/DEBENTURES**

Subject to the provisions of these Articles, the Company shall have first and paramount lien upon all shares/debentures (other than fully paid up Shares/ debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ debentures, and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures.

Unless otherwise agreed, the registration of a Transfer of such shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Board may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

Subject to the provisions of these Articles, the shares of any member who is indebted to the Company may be sold by a resolution of the Board to satisfy the Company's lien thereon and be transferred to the name of the purchaser without the consent and notwithstanding any opposition on the part of the indebted member with complete title of the shares of any such Member which shall be sold and transferred against such indebted Member, and all Persons claiming under him whether he may be deemed to be the holder of such shares, which shall stand discharged from all dues and calls made prior to such application of the purchase and the purchaser by virtue of such sale and Transfer shall not be bound to see the application of the purchase money not his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

The Company lien, if any, on a Share shall extend to all dividends payable thereon and 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 14 (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 Shareholder for the time being of the Share or the Person entitled thereto by reason of his death or insolvency.

To give effect to any such sale, the Board may authorize some Person to transfer the Shares sold to the purchaser thereof.

(i) The purchaser shall be registered as the Shareholder of the Shares comprised in any such Transfer.

(ii) 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 irregularity or invalidity in the proceedings in the reference to the sale.

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.

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.

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

16. **TRANSFER OF SHARES**

(a) Instrument of Transfer shall be a common form as approved by the stock exchanges on which the Shares of the Company are listed and/or prescribed under the Act. It shall be used for the purpose of transfer of Shares. The instrument of transfer of any Share in the Company shall be executed by or on behalf of both the transferor and transferee. Subject to the provisions of Section 56 of the Act, the rules prescribed there under and these Articles, the Shares in the Company shall be transferred by an instrument in writing in the prescribed form and duly stamped and delivered to the Company within the period prescribed in the Act and provisions of Section 56 of the Act shall be duly complied with in respect of all transfers of Shares and registration thereof.

(b) The transferor shall be deemed to remain a Shareholder until the name of the transferee is entered in the register of members in respect thereof.

(c) The Board may, subject to the right of appeal conferred by section 58 of the Act, decline to register-

(i) the transfer of a Share, not being a fully paid up Share, to a Person of whom they do not approve; or

(ii) any transfer of Shares on which the Company has a lien.

(d) The Board may also decline to recognise any instrument of transfer unless-

(i) 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

(ii) the instrument of transfer is in respect of only one class of Shares.

(e) Subject to the provisions of section 91 of the Act, 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 30 (thirty) days at any one time or for more than 45 (forty-five) days in the aggregate in any year.

(f) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

(g) Subject to the provisions of these Articles and any other Law for the time being in force, the Directors may refuse (whether in pursuance of any power of the Company under these Articles or otherwise) to register the transfer of or the transmission by operation of law of the right to, any securities or interest of a Member in the Company and shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, communicate the same to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall 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 where the Company has a lien on shares.

(h) A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be valid as if he had been a member at the time of the execution of the instrument of transfer.

(i) The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

(j) Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

17. **TRANSMISSION OF SHARES**

(i) The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.

(ii) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares any title to his interest in the Shares.

(iii) Nothing in (i) above shall release the estate of a deceased joint Shareholder from liability in respect of any Share which had been jointly held by him with other Persons.

(iv) Any Person becoming entitled to a Share in consequence of the death or insolvency of any Shareholder may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –

    (i) To be registered himself as a Shareholder; or

    (ii) To make such transfer of the Share as the deceased or insolvent Shareholder could have made.

(v) 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 Shareholder had transferred the Share before his death or insolvency.

(vi) If the Person so becoming entitled shall elect to be registered as a Shareholder himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(vii) If the Person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.

(viii) All the limitations, restriction and provisions of these Articles relating to the right of 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 Shareholder had not occurred and the notice or transfer were a transfer signed by that Shareholder.

(ix) A Person becoming entitled to a Share by reason of death or insolvency of the Shareholder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered Shareholder, except that he shall not, before being registered as a Shareholder in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the 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 90 (ninety) days, the Board may thereafter withhold payments of all dividends, bonuses or money payable in respect of the Share, until the requirements of the notice have been complied with.

(x) The Company shall be fully indemnified by such person from all liabilities, if any, by actions taken by the Board to give effect to registration or transfer.

(xi) Notwithstanding anything contained in the Articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014. The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. lf the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.

18. **SHARE WARRANTS**

(a) The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

(b) The bearer of a share warrant may at any time deposit the warrant at the registered office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposited warrant. Not more than one person shall be recognized as depositor of the Share warrant. The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

(c) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.

(d) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.

19. **FORFEITURE OF SHARES**

(a) If any member fails to pay the whole or any part of any call or instalment or any money due in respect of any shares either by way of principle or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof of other money as aforesaid remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reasons of delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other Applicable Laws of India for the time being in force.

(b) The notice aforesaid shall-

(i) name a further day (not being earlier than the expiry of 14 (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.

(c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by Applicable Law.

(d) When any share shall have been so forfeited, an entry of the forfeiture, with the date thereof, shall be made in the Register of Members and notice of the forfeiture shall be given to the member in whose name they stood immediately prior to the forfeiture but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any entry as aforesaid.

(e) Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.

(f) A Person whose Shares have been forfeited shall cease to be a Shareholder in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable be liable to pay and shall forthwith pay to the Company all calls, instalments, interest, expenses and other moneys owing upon or in respect of such shares at the time of forfeiture together with interest thereon from the time of the forfeiture until payment at such rates as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of forfeiture but shall not be under any obligation to do so.

(g) The liability of such Person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the Shares.

(h) A duly verified declaration in writing that the declarant is a Director, the manager or the company 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.

(i) The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest and claims and demands against the Company in respect of the shares forfeited and all other rights incidental to the share, except only such of those right as by these presents are expressly saved.

(j) The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms and conditions as has been agreed to, between the parties.

(k) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

(l) 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.

(m) The transferee shall thereupon be registered as the Shareholder and 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.

(n) The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

(o) The provisions of these Articles 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.

The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

20. **CONVERSION OF SHARES INTO STOCK**

(a) The Company may, by ordinary resolution in General Meeting may-

(i) Convert any paid up Shares into stock; and
(ii) Reconvert any stock into paid up Shares of any denomination.

(b) The holder of the stock may transfer the same or any part thereof in the same manner as, and subject to the Articles under which, the Share 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.

(c) The holders of the stock shall, according to the amount of stock held by them, have 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.

(d) Such of the Articles 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 Articles shall include "**stock**" and "**stockholder**" respectively

21. **ISSUE OF BONUS SHARES**

The Company in its General Meeting may resolve to issue the bonus shares to its Members subject to the applicable provisions of the Act and other laws as may be applicable in this behalf from time to time.

Provided that allotment or distribution of shares shall not be made to those Members who furnish to the Company an advance written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid-up pursuant to this Article, and accordingly the corresponding amount shall not be capitalised.

22. **PROCEEDINGS AT GENERAL MEETING**

(a) The Company shall, in addition to any other meetings hold a General Meeting which shall be called as its annual General Meeting, at the intervals and in accordance with the provisions of the Act. All General Meetings including annual General Meetings shall be convened by giving at least 21 (twenty one) days' clear notice to Shareholders or to the authorised representative of the Shareholders in respect of each meeting of the Shareholders, in writing or through electronic mode in such manner as may be prescribed under the Act. However, with the consent of the Shareholders holding 95% (ninety five percent) of such part of the paid up Share Capital of the Company as gives a right to vote thereat, any General Meeting may be convened by giving a shorter notice than 21 (twenty one) days.

(i) All General Meetings other than annual General Meetings shall be called extraordinary General Meetings.

(ii) The quorum for the General Meeting shall be as prescribed in the Act.

(iii) The Board may, whenever it thinks fit, call an extraordinary General Meeting.

(iv) The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting, call an extraordinary General Meeting of the Company within the period of 21 (twenty one) days from the date of receipt of a valid requisition.

(v) No business shall be transacted at any General Meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business.

(vi) The Chairman of the Board shall preside as chairman at every General Meeting.

(vii) If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairman of the meeting, the Directors present shall elect one of the Directors to be the chairman of the meeting.

(viii) If at 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 Shareholders present shall choose one of the Shareholders to be the chairman of the meeting.

(ix) The chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(x) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(xi) When a meeting is adjourned for 30 (thirty) days or more, notice of adjourned meeting shall be given as in the case of an original meeting.

(xii) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

I. On any business at any General Meeting, in case of an equality of votes, whether on a show of hands or electronically or a poll, the chairman shall have a second or casting vote.

II. The chairman shall not have a second or casting vote in a General Meeting.

III. Any business other than that upon which poll has been demanded may be proceeded with, pending the taking of the poll.

IV. General Meetings shall be held in accordance with the provisions of the Act and these Articles of Association. Each Shareholder shall declare to the other Shareholder(s) any interest it has in a matter requiring its consent or on which it is intended to vote in the General Meeting.

V. The notice of each General Meeting shall specify the date, time and include an agenda setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and/or proposed to be placed before or tabled at the General Meeting.

VI. The Company shall cause minutes of all proceedings of every General Meeting, of any class of shareholders or creditors, and every resolution passed by postal ballot, to be kept in accordance with the provisions of Section 118 of the Act by preparing such minutes, within 30 (thirty) days of the conclusion of each such meeting, entries thereof in books kept for that purpose with their pages consecutively numbered. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of the Chairman within that period, by a Director duly authorized by the Board for that purpose, in no case the minutes of the proceedings or a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.

(b) All General Meetings, resolutions put to the vote at the meeting shall be decided in accordance with the Act. Each Shareholder shall have one vote for each Equity Share held by it, and all Shareholders' matters shall be decided in accordance with the Act and the provisions contained in these Articles of Association. Shareholders or their proxies must submit the proxy form, duly completed at or prior to each General Meeting and in accordance with the Act.

(c) The books containing the aforesaid minutes shall be kept at the registered office and be open for inspection by any members without any charge, during 11.00 AM to 01.00 PM, to the inspection of any member, on all working days, except Saturdays and Sundays, without charge subject to such reasonable restrictions as the Company may by these Articles or in General Meeting impose in accordance with Section 119 of the Act. Any member shall be entitled to be furnished, within 7 (seven) days after he had made a request in that behalf to the Company with a copy of the minutes on payment of Rs.10 per page or part of any page. Provided that a member who has made a request for provision of soft copy in respect of minutes of any previous General Meetings held during a period immediately preceding three Financial Years shall be entitled to be furnished, with the same free of cost.

23. **VOTES OF MEMBERS**

(a) Subject to the provisions of the Act:

(i) On a show of hands, every holder of equity shares entitled to vote and present in person shall have one vote and upon a poll every holder of equity shares entitled to vote and present in person or by proxy shall have voting rights in proportion to his share in the paid-up equity capital of the Company.

(ii) Every holder of a preference share in the capital of Company shall be entitled to vote at a General Meeting of Company only in accordance with the limitations and provisions laid down in Section 47(2) of the Act:

(b) Subject to the provisions of the Act and these Articles, votes may be given either personally or by proxy (only on poll) or in the case of a body corporate also by a representative duly authorized under Section 113 of the Act. A member may exercise his vote at a General Meeting by electronic means in accordance with Section 108 of the Act and rules prescribed under the Act, the Listing Regulations and shall vote only once.

(c) In case of joint Shareholders, the vote of the senior who tenders the vote, whether in a person or in a proxy, shall be accepted to the exclusion of votes of the other joint Shareholders.

(d) For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members. Where there are several executors or administrators of a deceased member in whose sole name any shares stand, any one of such executors or administrators may vote in respect of such shares unless any other of such executors is present at the meeting at which such vote is tendered and object to the votes in which case no such vote shall be exercised except with the unanimous consent of all the executors or administrators present.

(e) Subject to the provisions of the Act, no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or be reckoned in a quorum whilst any call or other sums shall be due and payable to the Company in respect of any of the shares of such member, or in regard to which the Company has exercised any right of lien.

(f) 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.

(g) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

(h) The instrument appointing proxy and the power of attorney or other authority, if any under which it is signed or a notarially certified 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 the poll, not less than 24 hours before the time appointed for the taking of the poll; and in the default the instrument of proxy shall not be treated as valid. One member shall be entitled to appoint only one proxy for his entire shareholding.

(i) An instrument appointing proxy shall be in Form MGT-11 as provided in Rule 19 of the Companies (Management and Administration) Rules, 2014.

(j) Any person entitled under [Article 17(iv))] (transmission clause) [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.

(j) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting at which the proxy is used.

24. **BOARD OF DIRECTORS**

(i) Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors as may be required in terms of the provisions of the Applicable Law.

The first Directors of the Company are

(a) Mr. Gauri Shankar Agarwala;
(b) Mr. Mohan Agarwal

Shri Mohan Agarwal shall be a director not liable to retire by rotation. The Board shall have the power to determine the directors whose period of office is or is not liable to determine by retirement of directors by rotation.

(ii) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

(iii) The remuneration payable to the directors, including any managing or whole time Director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in General Meeting.

(iv) Subject to provisions contained in Section 197 of the Act, if any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a Member of any committee formed by the Director(s)) the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration, subject to provisions of the Act and confirmation by the Company in General Meeting.

(v) If it is provided by any trust deed, security or otherwise, in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director or Directors of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director or Directors accordingly. Any Director so appointed is herein referred to as "Debenture Director". A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another director may be appointed in his place. A debenture director shall not be bound to hold any qualification shares. A debenture director shall not if so agreed by the company be liable to retire by rotation; but shall automatically cease to hold office as a director if and when the debentures are fully discharged.

(vi) 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 meeting of the Company; or

(b) in connection with the business of the Company.

(vii) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

(viii) The Directors need not hold any qualification Share.

(ix) The Company may exercise the powers conferred on it by section of the Act with regard to a keeping of a foreign register; and the Board may (subject to the provision of those sections) make and vary such regulation as it may think fit respecting the keeping of such register.

(x) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instrument, and all receipts for money paid to Company, shall be signed drawn, accepted, endorsed, or otherwise executed, as the case may be, by such Person and such manner as the Board shall from time to time by resolution determine.

(xi) Every Director present at the meeting of the Board shall sign his name in the book to be kept for that purpose, and the company secretary or the Chairman shall record the presence of director present through video conferencing.

(xii) Subject to the provisions of Section 161 and other applicable provisions (if any) of the Act, the Directors shall have power at any time and from time to time to appoint a person or persons, other than a person who fails to get appointed as a director in a General Meeting, as additional director or Directors. Such Additional Director shall hold office only up to the date of the next annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for re- election at that meeting as a Director, provided that the number of Directors and the Additional Director together, shall not exceed the maximum strength fixed by the Board under these Articles. Further, in accordance with the provisions of the Act, Board may appoint the alternate Directors and Nominee Directors.

(xiii) Subject to provisions of the relevant laws and these Articles, not less than 2/3rd of the total number of Directors for the time being shall be those period of office is liable for determination of retirement by rotation, and their appointment shall, save as otherwise expressly provided in their presence, be in the General Meeting.

(xiv) **Circular Resolution:** Subject to as expressly provided in the Act, a resolution by circulation shall be as valid and effectual provided it is compliant with the secretarial standard on meetings of the Board of Directors as a resolution duly passed at a meeting of the Directors called and held, provided it has been circulated in draft form, together with the relevant papers, if any, to all the Directors and has been approved by a majority of the Directors entitled to vote thereon.

(xv) **Participation through Video Conferencing: or other audio visual means:** In accordance with Rule 3 of the Companies (Meetings of Board and its Powers), Rules, 2014 and other applicable provisions, the Directors may participate in relevant meetings video conferencing or other audio visual means, provided that such Director, who desires to participate through video conferencing or other audio visual means, shall give prior intimation to that effect sufficiently in advance so that the Company is able to make suitable arrangements in that behalf. However, the Company shall not deal with the matters as prescribed under Rule 4 of the Companies (Meeting of Board and its Powers) Rules, 2014 through video conferencing or other audio visual means.

(xvi) The Directors may, from time to time, at their discretion raise or borrow for the purpose of the Company's business such sum of money as they think fit. The Directors may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the Company, present and future including the uncalled capital or by the issue, at such price as they may think fit, of bonds or debentures of debentures-stock, either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other way as the Directors may think expedient.

(xvii) The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers of the Company, as the Company by its Memorandum of Association or otherwise and to do such acts and things as are allowed under the Act, or any other Applicable Law, required to be exercised by the Company in General Meeting, subject nevertheless to these Articles and Memorandum of Association of the Company, the provisions of the Act, or any other act and to such regulation being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting, shall invalidate any prior of the

Board which would have being valid if that regulation had not been made.

(xviii) The Directors may, from time to time, accept deposits from Shareholders (either in advance of calls or otherwise) and from Persons and generally raise or borrow any sums of money for the purpose of the Company from the Shareholders or other Persons, or the Directors may themselves advance money to the Company on such interest as may be approved by the Board.

(xix) The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respect as they deem fit and in particular by the issue of debentures, bonds of the Company or any mortgage, charge hypothecation, pledge, lien or other security of all or any part or portion of the property of the Company and the uncalled for the time being.

(xx) The Directors, may grant retiring Persons, pension or annuities or other allowances, including allowance on death to any Person or to the widow or dependents of any Person in respect of services rendered by him to the Company as managing directors, manager or as an officer, or employee of the Company or of any of its Subsidiary or of its holding company (if any) notwithstanding that he may have been a Director and may make any payments toward insurance or trusts for such purpose in respect of such pensions, annuities and allowances in terms of engagement of such Persons.

(xxi) Subject to the provision of the Act and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the financing company or body or financing corporation or credit corporation or bank or any insurance corporation (each such financing company or body of financing corporation of credit corporation or any insurance corporation is herein after referred to as financial institution) out of any loans granted by the financial institution to the Company or so long as the financial institution hold Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding the financing institution shall have a right to appoint from time to time, its nominee/s as a Director or Directors (which Director or Directors is/are hereinafter referred to as nominee Director/s) on the Board of the Company and to remove from such office the nominee Director/s so appointed, and the time of removal and also in the case of death or resignation of the nominee Director/s appointed at any time appoint any other Person/Persons in his/her place and also fill any vacancy which may occur as a result of such Director/ceasing to hold office for any reasons whatsoever; such appointment or removal shall be made in writing on behalf of the financial institution appointing such nominee Director/s and shall be delivered to the Company at its registered office.

(xxii) Subject to the provisions of the Act and of these Articles, the Board shall have the power to appoint from time to time any one or more of its Directors as managing directors, deputy managing directors, whole time directors of the Company in accordance with the provisions of the Act and upon such terms and conditions as the Board think fit, the Board may by resolution vest in such managing director/s or deputy managing director/s or whole time director/s such of the powers hereby vested in the Board generally as it thinks fit, as such power may be exercisable for such conditions and subject to such restriction as it may determine. The remuneration of managing director/s, deputy managing director/s and whole time director/s may be by way of monthly payment, fee for each meeting or participation in profits, or by all or any these modes or any other mode not expressly prohibited by the Act.

(xxiii) The managing director and deputy managing director shall not, while he continues to hold that office, be subject to retirement by rotation and if he ceases to hold the office of the Director, he shall and immediately cease to be the managing director and deputy managing director, as the case may be.

(xxiv) A Director may be paid a sitting fee for each meeting of the Board or committee of the Board attended by him in accordance with the provisions of the Act. It is further provided that the directors may be paid different sitting for physical Board Meeting and meeting through video conferencing.

(xxv) Subject to the provisions of Section 161(4), 169(7) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director before the term of office of such Director expires, may be filled up by the Directors at a meeting of the Board. Any person so appointed would have held office, if the vacancy had not occurred and shall hold office only upto the date upto which the Director in whose place he is so appointed would have held the office if it had not been vacated. Provided that, where a vacancy is created by removal of a director, the director who was removed from office shall not be re-appointed as the director by the Board.

(xxvi) Vacation of Office of Director: The office of the Director shall ipso facto become vacant if at any times he commits any of the acts set out in the Section 167 of the Act.

(xxvii) Subject to the applicable provisions of the Act, a Director may resign from his office at any time by notice in writing addressed to the Board.

25. **PROCEEDINGS OF DIRECTORS**

(a) The Board of Directors shall meet at least four times in a year for the dispatch of business, adjourn and otherwise regulate its meeting and proceeding as it thinks fit provided that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

Subject to requirements of notice as prescribed in these Articles, the managing director or the Chairman, or the company secretary of the Company or any other officer as may be authorized in this regard, may at any time summon a meeting of the Board. Notice in writing of every meeting of the Board shall be given to every Director for the time being in India, and at his usual address in India to every other Director, inter-alia through email.

(b) 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 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.

(c) At least seven Days written notice shall be given to each of the Directors including the alternate Directors in respect of each meeting of the Board, at the address notified from time to time by each Director of the Company, or through e-mail at their registered e-mail id.

Provided that a meeting of the Board may be called at shorter notice, in accordance with the Act, to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting.

Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director, if any.

(d) The notice of each Board Meeting shall specify the date, time and include an agenda setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and/or proposed to be placed before or tabled at the Board Meeting. Notice of the Board Meeting shall be sent at least 7 (seven) days in advance to each of the Directors.

(e) Minutes of each meeting of the Board shall be recorded in English and kept by the Company in accordance with Applicable Law.

(f) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of the votes.

(g) The chairman of the Board ("**Chairman**") shall be one of the Directors appointed by the Board for the purpose of the Board Meeting.

(h) If no such Chairman is elected, or if at any meeting the Chairman is not present within 30 minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

(i) Subject to the provisions of the Act and related regulations, the Board may from time to time, constitute committees of the Board and may determine their functions, powers, authorities and responsibilities. Such a committee may elect a chairman of its meetings and if no such Chairman is elected, or if at any meeting the Chairman is not present within 30 minutes after the appointed time for the meeting, the members present may choose one of their members as the Chairman for that meeting.

(j) All acts done by any meeting of the Board or of a committee thereof or by any Person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more such Directors or of any Person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such Person had been duly appointed and was qualified to be a Director.

(k) Subject to the provisions of the Act and other provisions of these Articles-

   (i) A manager or secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any manager or secretary so appointed may be removed by the Board;

   (ii) A Director may be appointed as manager or secretary.

(l) A provision of the act, or these Articles requiring or authorizing a thing to be done by or to a Director or a manager or secretary shall not be satisfied by its being done by or to some Person acting both as Director and as or in the place of, the manager or secretary.

26. **REMOVAL OF DIRECTORS**

(i) The Company may, subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles remove any Director before the expiry of his period of office, by passing an ordinary resolution.

(ii) Special notice as provided by Section 115 of the Act shall be given, of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

(iii) On receipt of notice of any such resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

(iv) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto, representation in writing to the Company and requests its notification to members of the Company, the Company shall unless the representation is received by it too late for it to do (a) in the notice of the resolution given to the members of the Company state the fact of the representation having been made and (b) send a copy of the representation to every member of the Company to whom the notice of the meeting has been sent (whether before or after receipt of the representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the meeting. Provided that copies of the representation shall not be read out at the meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this clause are being abused to secure needless publicity for defamatory matter.

(v) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, be filled by the appointment of another Director in his place by the meeting at which he is removed provided Special Notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.

(vi) If the vacancy is not filled under clause (e) it may be filled as casual vacancy in accordance with the provisions (in so far they are applicable) of the Act.

(vii) A Director who was removed from office under this Article shall not be re-appointed as Director by the Board of Directors.

(viii) Nothing contained in this Article shall be taken:

(a) as depriving a person removed thereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment terminating with that as Director, or

(b) as derogating from any power to remove a Director which may exist apart from this Article.

27. SHAREHOLDER MEETINGS

27.1 Frequency and Location

Subject to the provisions of the Act, the Company shall hold at least 1 (one) General Meeting in any given calendar year within 6 (six) months following the end of the previous Financial Year. All General Meetings shall be governed by Applicable Laws, the provisions of these Articles and Memorandum of Association. All other General Meetings, other than the Annual General Meeting shall be extraordinary General Meetings. Annual General Meeting and extraordinary General Meetings will be held at the registered office of the Company or subject to Applicable Laws.

27.2 Venue, Day and Time for holding General Meeting

27.2.1 Every Annual General Meeting / Extra Ordinary General Meeting shall be called during such hours, on such day, at such place and in such manner as may be prescribed under the Act.

27.2.2 Every Member of the Company shall be entitled to attend the General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at a General Meeting in which any business is conducted which concerns him as Auditor. The Directors are also entitled to attend the General Meeting.

27.3 In case an extraordinary general meeting is called on requisition, upon the receipt of such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty one) days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not later than 45 (forty five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

(a) An extraordinary general meeting called by the requisitionists shall be called in the same manner, as nearly as possible, as that in which a meeting is called by the Board.

(b) The accidental omission to give any such notice as aforesaid to any of the Members, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

(c) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

(d) The General Meeting called under this Article shall be subject to and will be held in accordance with the provisions contained under the Act.

27.4 Notice

Prior written notice of at least 21 (twenty one) clear days for a General Meeting shall be given to all Shareholders of the Company, provided however, that any General Meeting may be held upon shorter notice in accordance with the provisions of the Act. All notices for General Meetings shall be issued in compliance with Applicable Laws and shall be accompanied by an agenda setting out the particulars of the businesses proposed to be transacted at such meeting including disclosure of interests of Directors and such other Persons as prescribed under Applicable Law, in the business proposed to be transacted at such meeting.

27.5 Quorum

The quorum for a General Meeting shall be constituted by the presence, "in Person", of such number of Shareholders as required under the Act. If, within half-an-hour of the time appointed for the meeting, a quorum is not present, the meeting shall be adjourned and reconvened for the date that falls 7 (seven) Days after such adjourned meeting at the same time and place, or to such other date and such other time and place as determined by the Board, it being understood that the agenda for such adjourned meeting shall remain unchanged and the quorum for such adjourned meeting shall be the same as required for the original meeting. At the said adjourned General Meeting, if the quorum is not present within half-an-hour from the time appointed for the said adjourned General Meeting, the members present shall constitute a valid quorum.

27.6 Voting

27.6.1 Subject to the provisions of the Act, a Shareholder shall be entitled to exercise its right to vote at General Meetings by proxy and/or by an authorized representative, and such proxy or authorized representative need not be a Shareholder.

27.6.2 Subject to Applicable Law, all decisions of the Shareholders shall be made by ordinary or special resolutions, as required under the Act.

27.7 Adoption of Financial Statements

The Board shall provide the audited Financial Statements (consolidated and standalone) of the Company's previous Financial Year to all Shareholders in accordance with the Act before the Annual General Meeting is held to approve and adopt the audited Financial Statements, unless shorter notice consent has been granted by the Members.

28. Registers to be maintained by the Company

A. The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the act

(i) a Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

(ii) a Register of Debenture holders; and

(iii) a Register of any other Security holders.

B. The Company may keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other securities or beneficial owners residing outside India.

C. The Registers mentioned in this article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

29. **Dividend**

29.1 The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

29.2 Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

29.3 The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it think fit as a reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

29.4 The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

29.5 Subject to the rights of persons, if any, entitled to shares with special right as to dividends, all dividend shall be declared and paid accordingly 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 shares in the company, dividends may be declared and paid according to the amount of the shares.

29.6 No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

29.7 All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

29.8 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.

29.9 The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

29.10 Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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 holder who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

29.11 Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

29.12 Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

29.13 Any one of two or more joint holders of a share may give effective receipts for any dividend, bonuses or other monies payable in respect of such shares.

29.14 No dividend shall bear interest against the Company.

29.15 The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

30. **UNPAID OR UNCLAIMED DIVIDEND**

Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 (thirty) days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account".

Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under Section 125 of the Act.

No unclaimed or unpaid dividend shall be forfeited by the Board.

31. **WINDING UP**

Subject to the applicable provisions of the Act and rules made thereunder, if the company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets may be divided by the liquidator, with the sanction of a special resolution of the Company, and any other sanction required by the Act, amongst 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.

For the purpose aforesaid, the liquidator may set such values 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. The liquidator may, with the like sanction, vest the whole or any part of such assets trustees upon such trusts for the benefit of the contributories as the liquidator, 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.

32. **CAPITALISATION OF PROFITS**

(a) The Company in General Meeting may, upon the recommendation of the Board, resolve:

(i) That it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve account, or to the credit of the profit and loss account, or otherwise available for distribution; and

(ii) That such sum be accordingly set free for distribution amongst the Shareholders who would have been entitled thereto, if distributed in the way of dividend and in the same proportions.

(b) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

(i) Make all appropriations and application of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid Shares if any; and.

(ii) Generally, do all acts and things required to give effect thereto.

(c) Subject to the provision of Section 139 of the Act,

(i) The Company shall at each annual general meeting appoint an auditor or auditors to hold from the conclusion of the meeting until conclusion of the next annual general meeting.

(ii) Rights and duties of the auditors shall be regulated in accordance with Section 143 of the Act.

(iii) Once at least in every year accounts of the Company shall be audited and correctness of the final accounts be ascertained by one or more auditor or auditors.

(iv) Every account of the Company when audited and approved by a General Meeting shall be conclusive.

33. **MISCELLANEOUS**

INDEMNITY

Subject to provisions of the Act, the Chairman, Directors, Auditors, Managing Directors and other officer for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs and executors, shall be indemnified out of the assets and funds of the Company from or against all bonafide suits, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or about the execution of their duties in their respective offices except those done through their wilful neglects or defaults of any other officer or trustee. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

(a) General Authority

Where the Act requires that a company cannot undertake any act or exercise any rights or powers unless expressly authorized by its articles, these Articles shall in relation to the Company, be deemed to confer such right, authority or power.

34. **SECRECY**

No Shareholder shall be entitled to visit or inspect any work of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's secret process or any other matter which is or may be in the nature of a trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

35. **ALTERATION IN ARTICLES OF ASSOCIATION**

The Company, may from time to time alter, add to amend or delete any of the existing Articles or may add a new Article thereto or adopt a new set-in accordance with the provisions of the Act.

PART B

Notwithstanding anything to the contrary contained in the preceding Articles 1 to 35, the provisions of Article 1 to Article 25 contained in Part II of these Articles shall apply in accordance with their terms and in the event of any inconsistency or contradictions between the provisions of Part I of these Articles and the provisions of Part II of these Articles, the provisions of Part II of these Articles shall override and prevail over the provisions of Part I of these Articles.

1. DEFINITIONS AND INTERPRETATION

Definitions

1.1 In these Articles, unless the context requires otherwise, the following words and expressions shall have the following meanings:

"**Accounts**" means the balance sheet and cash flow statement of the Company as at the Accounts Date and the profit and loss account of the Company in respect of the Financial Year ended on the Accounts Date, together with any notes, reports, statements or documents included in or annexed to them, all of which are certified by the auditors of the Company;

"**Act**" means the Companies Act, 1956 and the Companies Act, 2013;

"**Additional Payment**" has the meaning attributed to it in Article 5.11 below;

"**Affiliate**" means, in relation to any Person, any entity controlled, directly or indirectly, by that Person, any entity that controls, directly or indirectly, that Person, or any entity under common control with that Person or, in the case of a natural Person, any Relative (as such term is defined in the Act) of such Person. For the purpose of this definition:

1.1.a.1. "**control**" means the power to direct the management and policies of an entity including through the ownership of voting capital, by contract;;

1.1.a.2. A holding or subsidiary company of any entity shall be deemed to be an Affiliate of that entity; and

1.1.a.3. The Company shall be deemed not to be an Affiliate of any Investor.

Any member of the Investor Group shall be deemed to be an Affiliate of the Investor.

"**Agreement**" means the investment agreement dated September 24, 2013 executed by and between the Company, the Promoters and the Investor;

"**Ancillary Agreement**" means each of the Agreement, the SPA, the Termination Agreement and such other agreements / documents as may be required to be executed for or in connection with the consummation of the transactions contemplated herein;

"**Arbitration Act**" means the Arbitration and Conciliation Act, 1996;

"Base Payment" has the meaning attributed to it in Article 5.11 below;

"Bawal Plant" has the meaning attributed to it in Article 13.4;

"Big Five Firms" means any of KPMG, Ernst & Young, Price Waterhouse Coopers and Deloitte, Touche and Tomhatsu, and Grant Thornton, or their affiliates in India;

"Board" means the board of directors of the Company;

"Business" means the business of manufacture and sale of aluminium, aluminium alloys, zinc and zinc alloys, either in the form of ingots or in hot liquid condition, as per customer requirement and further includes any other business as the Company may engage in with the mutual consent of the Shareholders;

“Business Day” means a day (excluding Saturdays and Sundays) on which banks generally are open in New Delhi, India and Port Louis, Mauritius for the transaction of normal banking business;

“Business Plan” means the business plan prepared by or on behalf of the Company, in respect of the Company and its Subsidiaries, for every Financial Year, which includes details of their respective operations, financials, capital expenditure, and other relevant targets, and the documents annexed to that business plan as more particularly listed out in Article 13.15. The Business Plan is annexed at Schedule 4 to the Agreement. References to “Business Plan” accordingly shall be references to the latest Business Plan approved by the Investor;

“**Chennai Plant**” has the meaning attributed to it in Article 13.4;

“**CCPS**” means compulsorily convertible participatory preference shares of the Company having a face value of Rs. 10/- each and having the characteristics set out at Article 23below;

“**Claim**” has the meaning attributed to it in Article 5.2below;

“**Claimant**” has the meaning attributed to it in Article 22.2below;

“**Company**” means CMR Green Technologies Limited, a company incorporated in India under the provisions of the Companies Act, 1956, and whose registered office is at Unit no. 802- 803, 8th floor SSR Corporate Park Sector 27B, Faridabad, Haryana – 121001

“Competitor” means the persons listed in Article 24below. It is hereby clarified that the list of Competitors in these Articles shall be mutually revised by the Shareholders every 12 (Twelve) months from the Completion Date;

“Completion” shall mean the occurrence of the actions as mentioned in Clause 5 of the Agreement;

“Completion Date” means that date on which Completion occurs;

“Connected Person/Concern” of the Company includes:

(i) any company under the same management (as defined by Section 370 (1-B) of the Act) as the Company;

(ii) any member, director, , Key Management of the Company or any Affiliate of, any such member or director;

(iii) the Promoters or any Affiliate of the Promoters;

(iv) the trustees and beneficiaries of any trust in which the Company, the Promoters or any Affiliate of the Promoters is either a trustee or beneficiary;

(v) any director of the Company or of any holding or subsidiary company of the Company or of any Affiliate of the Company;

(vi) any trust in which any Promoters or any Affiliate of a Promoters is a trustee or beneficiary;

(vii) any director of any holding or subsidiary company of any Promoter or any Affiliate of the Promoters;

(viii) any Affiliate of the Company, or of a director referred to above (“**such director**”);

(ix) any firm or unlisted company in which the Company, the Promoters, any such director or any Affiliate or partner of any such director, Promoters or Affiliate is a partner, shareholder or director or has any share, control or interest;

(x) any listed company in which the Company, the Promoters, any such director or any Affiliate or partner of any such director, Promoters or Affiliate is a director or hold/s shares exceeding 5% (Five per cent) of the paid-up equity share capital of such listed company;

(xi) any company, the board of directors, managing director or manager whereof acts or is accustomed to act in accordance with the directions or instructions of the Board of Directors of the Company, of the Promoters, of any such director or of any Affiliate mentioned above;

“Conflicts Committee” has the meaning attributed to it in Article 13.6;

“Consent” means any consent, approval, authorization, waiver, permit, grant, franchise, concession, Contract, license, certificate, exemption, order, registration, declaration, filing, report or notice of, with or to any Person;

“Contract” means all loan agreements, indentures, letters of credit (including related letter of credit applications and reimbursement obligations), mortgages, security agreements, pledge agreements, deeds of trust, bonds, notes, guarantees, surety obligations, warranties, licenses, franchises, permits, powers of attorney, purchase orders, leases, and other agreements, contracts, instruments, obligations, offers, legally binding commitments, arrangements and understandings, written or oral;

“Default Notice” has the meaning attributed to it in Article 19.2

“Defaulting Party” has the meaning attributed to it in Article 19.1

“Dilution Instrument” mean Equity Shares or any other equity or preferred or other securities of the Company or any options to purchase or rights to subscribe for securities by their terms convertible into or exchangeable for Equity Shares or any other equity or preferred securities of the Company;

“Encumbrance” means any encumbrance including, without limitation, any claim, deed of trust, right of others, security interest, burden, title defect, title retention agreement, Lease, covenant, debenture, mortgage, pledge, charge, hypothecation, lien, deposit by way of security, bill of sale, option interest, proxy, beneficial ownership (including usufruct and similar entitlements), encroachment, public right, easement, common right, way leave, any provisional or executional attachment and any other interest held by a third party;

“Environmental Law” means any common or statutory law, regulation, directive or other law and all codes of practice, statutory guidance and the like in any jurisdiction relating to the environment, pollution of the environment, human health or safety or the welfare of any other living organism which applies to the company concerned, its premises or its activities;

“Environmental and Business Principles Undertaking” means the plan set forth in Article 13.19;

“Equity Shares”means equity shares having a face value of Rs.10/- (Rupees ten only) each;

“Equity Securities” means any Equity Shares or any securities representing, or representing a right (upon conversion, exercise, exchange or otherwise) to receive, Equity Shares;

“Event of Default” has the meaning attributed to it in Article 22.1;

“Exchanges” means the Bombay Stock Exchange Limited, the National Stock Exchange (including, in either case, any successor thereto) and any internationally recognized stock exchange or quotation system acceptable to the Investor;

“Expenses” has the meaning attributed to it in Article6.13;

“Fair Market Value” means the equity valuation of the Company determined in the manner set out in Article 25;

“Financial Year” means a financial year commencing on 1 April of a calendar year and ending on 31 March in the immediately succeeding calendar year;

“Fundamental Warranties” has the meaning attributed to it in Article 5.8;

“Governmental Authority” includes any nation or government, any state or other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including, without limitation, any government authority, agency, department, board, commission or instrumentality of any nation or any political subdivision thereof; any court, tribunal or arbitrator; and any self-regulatory organization; and includes the Securities and Exchange Board of India (“**SEBI”**), recognised stock exchanges or quotation systems, the Reserve Bank of India (“**RBI**”) and the Foreign Investment

Promotion Board ("**FIPB**");

"Governmental Approvals" means any Consent, with or to any Governmental Authority;

"**Group**" means all the Group Companies. Where in these Articlesit provides that 'the Group shall/will/must' in relation to a particular act, or uses any similar expression, this means that the Company must, and must procure that each Group Company carries out the act in question;

"Group Company" means the Company and any company which is for the time being a subsidiary of the Company;

"Indebtedness" as applied to any Person, means, without duplication, (a) all indebtedness for borrowed money, (b) all financial obligations evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, (c) that portion of obligations with respect to capital leases that is properly classified as a liability on a balance sheet in conformity with Generally Accepted Accounting Principles in India ("**GAAP**"), (d) notes payable and drafts accepted representing extensions of credit, (e) any financial obligation owed for all or any part of the deferred purchase price of property or services, (f) all guarantees of any financial nature extended by such Person with respect to Indebtedness of any other Person and (g) all indebtedness and obligations of the types described in the foregoing clauses (a) through (f) to the extent secured by any Encumbrance on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is non-recourse to the credit of that Person;

"Indemnifiable Amounts" has the meaning attributed to it in Article 6.13;

"Indemnified Parties" has the meaning attributed to it in Article 5.1 below;

"Indemnitee" has the meaning attributed to it in Article 6.13;

"Investment Amount" has the meaning attributed to it in Recital D of the Agreement;

"Investor" means Global Scrap Processors Limited, a company incorporated under the laws of Mauritius, having its registered office at 10th Floor, Raffles Tower, 19 CybercityEbene, Republic of Mauritius;

"Investor's Consent" shall mean the prior written consent of the Investor;

"Investor Director" has the meaning attributed to it in Article 6.1 below;

"Investor Group" means, with respect to the Investor, the Investor and any Affiliate(s) and any Investor Related Party;

"Investor Securities" means with respect to the Investor, the Equity Securities from time to time held by the Investor and/or any member of the Investor Group (including the Equity Securities to be issued to the Investor under the terms of the Agreement, the Equity Share purchased under the SPA and any Equity Securities at any time acquired by the Investor or any member of the Investor Group), so long as such Equity Securities are held by the Investor or a member of the Investor Group;

"**IPO**" has the meaning attributed to it in Article6.8;

"**IRR**" means the discount rate that, when applied to (i) the investment in the Company (whether through the subscription or the purchase of Equity Securities and/or CCPS) made by the Investor (determined as of the date of contribution of such respective investment, by the Investor) and (ii) any payments made out by the Company or the Promoters to the Investor on account of any distribution of distributable profits or dividends of the Company or the purchase of Equity Securities by the Promoters, would result in the net present value of that stream of repayments and distributions, to be zero. All such repayments and distributions by the Company and Promoters shall be INR denominated and calculated net of all duties, costs, expenses, and such Taxes as are due and payable by the Company.

"**Issue Price**" has the meaning attributed to it in Article 13.12;

"**JV**" has the meaning attributed to it in Article 13.4;

"**Key Personnel**" means Chief Executive Officer ("**CEO**"), Managing Director, Chief Technology Officer, Chief Financial Officer ("**CFO**") or Chief Operating Officer, in each case by whatever name so called;

"**Law**" includes all treaties, statutes, enactments, acts of legislature or parliament, laws, codes, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders, decisions, decrees of any Governmental Authority, statutory authority, tribunal, board, court or recognised stock exchange and Governmental Approvals;

"Leases" means real property and equipment leases, sub-leases, licenses and occupancy agreements and notices;

"Litigation" includes any action, cause of action, claim, demand, suit, proceeding, citation, summons, subpoena, inquiry or investigation of any nature, civil, criminal, regulatory or otherwise, in law or in equity, pending, by or before any court, tribunal, arbitrator or other Governmental Authority;

"Liquidation Preference Amount" has the meaning attributed to it in Article 13.14

"Losses" in relation to the indemnified parties, includes all losses, claims, demands, liabilities, obligations, fines, expenses, royalties, Litigation, deficiencies, costs, and damages (whether direct, indirect, general, special, absolute, accrued, conditional or otherwise and whether or not resulting from third party claims), including interests and penalties with respect thereto and out-of-pocket expenses, including reasonable attorneys' and accountants' fees and disbursements;

"Manesar Plant" has the meaning attributed to it in Article 13.4;

"Material Adverse Effect" means any **(a)** event, occurrence, fact, condition, change, development or effect that is, or may reasonably be, materially adverse to the valuation, business, operations, prospects, profits, results of operations, condition (financial or otherwise), properties (including intangible properties), assets (including intangible assets) or liabilities of the Company and/or the Business,**(b)** material impairment of the ability of the Company or the Promoters to perform their respective obligations hereunder, or **(c)** any material adverse change in India or financial markets;

"New Shareholders" means any shareholder other than the Promoters and the Investor, and "**New Shareholder"** means any of them;

"Observer" has the meaning attributed to it in Article 6.10 below;

"Offer Notice" has the meaning attributed to it in Article 11.9(b);

"**Offer Period**" has the meaning attributed to it in Article 11.9(c);

"**Offer Price**" has the meaning attributed to it in Article 11.9(b);

"Offer Response Notice" has the meaning attributed to it in Article 11.9(c);

"Organisational Documents" means the articles of incorporation, certificate of incorporation, charter, bylaws, memorandum and articles of association, articles of formation, regulations, operating agreement, certificate of

limited partnership, partnership agreement, and all other similar documents, instruments or certificates executed, adopted, or filed in connection with the creation, formation, or organization of a Person, including any amendments thereto;

"Other Company" has the meaning attributed to it in Article6.4;

"Person(s)"means any individual, sole proprietorship, unincorporated association, unincorporated organization, firm, body corporate, corporation, company, partnership, unlimited or limited liability company, joint venture, Governmental Authority, business trust or trust or any other entity or organization;

"Preferred Listing Period"has the meaning attributed to it in Article 14.1 below;

"**Promoters**" means Mohan Agarwal (HUF), Gauri Shankar Agarwala (HUF), Smt. KalawatiAgarwal w/o Mr. Gauri Shankar Agarwala, Smt. Pratibha Agarwal w/o Mr. Mohan Agarwal, M/s Ramayana Polymers Pvt. Ltd., M/s Forever Multimedia Pvt Ltd, M/s Sanjivani Non Ferrous Trading Private Limited, M/s Grand Metal Recycling Pvt. Ltd., and M/s Suvridhi Financial Services Ltd.;

"**Promoter Sale Shares**" has the meaning attributed to it in Article 11.9(b);

"**Promoter Seller**" has the meaning attributed to it in Article 11.9(b);

"**Purchaser**" has the meaning attributed to it in Article17.1;

"**Put Notice**" has the meaning attributed to it in Article 16.1;

"**Put Price**" has the meaning attributed to it in Article 16.1;

"**Put Right**" has the meaning attributed to it in Article 16.1;

"QIPO" means a fully and firmly underwritten initial public offering of Equity Securities by the Company, pursuant to which the Equity Securities are listed on one or more of the Exchanges and which offering satisfies each of the following conditions:**(i)** the Equity Securities are listed or quoted on the Exchanges, **(ii)** the initial public offering is consummated within the Preferred Listing Period and **(iii)** the terms and conditions of such offering are acceptable to the Investor and the offering is undertaken in accordance with Article 14;

"Reorganisation" means every issue by way of capitalisation of profits or reserves and every issue by way of rights or bonus and every consolidation or sub-division or reduction of capital, buy-back of securities or capital distribution or other reconstruction or adjustment relating to the equity share capital of the Company and any amalgamation or reconstruction affecting the equity share capital of the Company;

"**Related Party**" means any management companies of the Investor (the "**Management Companies**"), any fund(s) or entity / entities that is / are managed by a management company(ies) where a majority of the shareholders of such new management company(ies) are shareholders in any of the Management Companies (the

"**New Fund(s)**"), any management companies of the New Funds (the "**New Management Companies**") and any subsidiaries of the Existing Funds, Management Companies, the New Funds and the New Management Companies;

"Representatives" means, as to any Person, its accountants, counsels, consultants (including actuarial, and industry consultants), officers, directors, employees, agents and other advisors;

"Required Governmental Approvals" means such Governmental Approvals, if any, as may be necessary or advisable for the subscription, issue and purchase of the Subscription Shares and the Sale Shares by the Investor on the terms contained herein and in the Ancillary Agreements and the consumation of the transactions contemplated herein and therein, including any Governmental Approvals which are granted automatically contingent upon requisite filing of specified documents and/or reports being made;

"Reserved Matters" means the matters specified in Article 9 hereto;

"Respondent" has the meaning attributed to it in Article22.2 below;

"Response Notice" has the meaning attributed to it in Article 11.10(c);

"Rupees"or "**Rs."** means the lawful currency of the Republic of India;

"**Sale Consideration**" has the meaning attributed to it in Recital (D) of the Agreement;

"**Sale Shares**" has the meaning attributed to it in Recital (D) of the Agreement;

"**Secondary Sale Notice**" has the meaning attributed to it in Article 17.3;

"**Seller**" means IFCI Venture Capital Fund Limited;

"Shareholders" means the Company, the Investor and the Promoters (and "**Shareholder**" shall be construed accordingly);

"Shareholders Meeting" has the meaning attributed to it in Article 10.3 below;

"**SPA**" has the meaning attributed to it in Recital C of the Agreement;

"Subsidiary" has the meaning given to such term in Section 4 of the Act. It is clarified that for the purposes of this Agreement, any reference to "**Subsidiaries**" shall include any future subsidiaries of the Company;

"**Subscription Consideration**" has the meaning attributed to it in Recital (C) above;

"**Subscription Shares**" has the meaning attributed to it in Recital (C) above;

"Tag Offer Notice" has the meaning attributed to it in Article 11.10(b);

"**Tag Offer Period**" has the meaning attributed to it in Article 11.10(c)

"**Tag Offer Price**" has the meaning attributed to it in Article 11.10(b)(vii);

"**Tag Offered Shares**" has the meaning attributed to it in Article 11.10(b)(i);

"Tax" or "**Taxation"** means any central, federal, state, local or foreign income, alternative, minimum, accumulated earnings, personal holding company, franchise, share capital, profits, windfall profits, gross receipts, sales, use, value added, transfer, registration, transaction, documentary, recording, listing, stamp, premium, excise, customs, severance, environmental, real property, personal property, ad valorem, occupancy, license, occupation, wage, withholding, provident fund, insurance, gratuity, employment, payroll, social security, disability, unemployment, workers' compensation, withholding, dividend or other similar tax, duty, fee, contribution, levy, impost, assessment or other governmental charge or deficiencies thereof (including all interests, surcharges, fines and penalties thereon and additions thereto) due, payable, levied, imposed upon or claimed to be owed;

"Tax Holiday" includes any relief from Taxation, or allowance, exemption, set-off or deduction in computing, or against, profits, income or gains for the purposes of Taxation, or a credit against Taxation;

"Tax Return" means any return, report, declaration, form, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof;

"Termination Agreement" means the agreement to be executed by and between the Seller, the Promoters and the Company in the form set out in the SPA;

"Third Party Purchaser" has the meaning attributed to it in Article 11.9(b);

"Transfer" includes any transfer, assignment, sale, disposal, lease or Encumbrance;

"Warranties" means the representations and warranties provided by the Company and the Promoters, and including those set out in Clause 8 and Schedule 9 of the Agreement; and
"Written Consent" has the meaning attributed to it in Article 10.3 below.

Interpretation

1.2. In these Articles, unless the context requires otherwise:

a) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of these Articles;

b) references to one gender shall include all genders;

c) any reference to any enactment or statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidated or re-enacted (with or without modification) and includes all instruments or orders made under such enactment;

d) words in the singular shall include the plural and vice versa;

e) any reference to Article, shall be deemed to be a reference to an Article of these Articles;

f) references to an **agreement** or **document** shall be construed as a reference to such agreement or document as the same may have been amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document and, if applicable, of this Agreement with respect to amendments.

g) any reference to a Shareholder to these Articles shall include, in the case of a body corporate, references to its successors and permitted assigns and in the case of a natural Person, to his or her heirs, executors, administrators and legal representatives, each of whom shall be bound by the provisions of these Articles in the same manner as the Shareholder itself is bound;

h) any reference in these Articles to an amount in US Dollars shall include its market rate equivalent (using official RBI published rates) at the commencement of business on the relevant date in Indian Rupees;

i) any reference to a document in **Agreed Form** is to a document in form and substance agreed among the Company and the Investor;

j) the words "hereby," "herein," "hereof," "hereunder" and words of similar import refer to these Articles as a whole and not merely to the specific articleor paragraph in which such word appears; and

k) the words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

2. AGREEMENT TO INVEST

2.1 On and subject to the terms and conditions contained in the Agreement, at Completion, the Investor shall subscribe to and the Company will allot and issue to the Investor, the Subscription Shares for the Subscription Consideration.

2.2 In consideration thereof, the Company and the Promoters agree to provide the Investor with the rights contained herein and in the other Ancillary Agreements.

2.3 The CCPS shall have the characteristics set out in these Articles and shall, upon exercise by the Investor convert into Equity Shares of the Company, in accordance with such characteristics.

2.4 It is clarified that all the rights of the Investor hereunder shall extend to and be applicable to the Equity Shares purchased by the Investor under the SPA.

2.5 Until the CCPS are converted into Equity Shares, for the purposes of any of its rights hereunder, the Investor shall be deemed to hold 1,530,844 (One Million Five Hundred And Thirty Thousand Eight Hundred And Forty Four) Equity Shares (as adjusted for any Reorganisation).

3. CONDITIONS SUBSEQUENT

3.1 The Company and the Promoters shall fulfil, to the satisfaction of the Investor, the following Conditions Subsequent:

a) The Company shall within 2 (two) days of the Completion, file with the Registrar of Companies, Form No. 2 in connection with the issuance and allotment of the Subscription Shares to the Investor;

b) The Company shall within 2 (two) days of the Completion, file Form No. 32 with the Registrar of Companies, in relation to the appointment of the Investor Director;

c) The Company shall finalize a companywide Employee Stock Option Plan in consultation with the Investor within a period of 12 (twelve) months from the Completion Date, the terms where of shall be mutually agreed;

d) The Company shall implement an ERP system acceptable to the Investor within 24 (twenty four) months from the Completion Date;

e) Each of the Company and its Subsidiaries shall have appointed a company secretary in accordance with applicable Law in no later than 180 (One Hundred Eighty Days) days from the Completion Date;

f) Each of the Company and its Subsidiaries shall have framed and adopted a Policy and Practice (including in relation to: (i) forming a 'privacy policy' for handling of or dealing in personal biometric information and ensure that the same are available for view by such providers of information; (ii) seeking permission of the provider of the sensitive personal data or information, i.e. from its employees and labourers in relation to the biometric and finger prints that they have provided; (iii) procurement of an International Standard IS/ISO/IEC 27001 on 'Information Technology - Security Techniques - Information Security Management System – Requirements') pursuant to the provisions of the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 in no later than 90 (Ninety) days from the Completion Date;

g) Each of the Company and its Subsidiaries shall have adopted all the necessary and robust terms and conditions in the purchase orders which they place with their suppliers and vendors in Agreed Form no later than 45 (forty five) days from the Completion Date;

h) The Company shall have submitted the draft standing order for certification to the relevant Government Authority and have complied with all the provisions of the Industrial Employment (Standing Orders) Act, 1946 in no later than later than 45 (forty five) days from the Completion Date;

i) The Company and its Subsidiaries shall establish and maintain a management information system or such other reporting system to record and report detailed financial and operating performance and statistics (including but not limited to, raw material procurement information, manufacturing process performance information including manufacturing capacities, yields, product costing and margins) in no later than later than 30 days from the Completion Date;

j) The Company shall obtain the renewal of the respective factory's license and enhance the maximum power that can be utilized at the factory and shall pay the applicable license fee at the time of such renewal within a period of 12 (twelve) months from the Completion Date or the time of renewal of the factory license, whichever is earlier;

k) The Company shall obtain public liability insurance, if applicable, satisfactory to the Investor, in no later than later than 30(thirty) days from the date of the Agreement;

l) The Company shall ensure the availability of adequate level of bank funds to fund the debt portion of the expenditure for the Bawal Plant, the Chennai Plant and the Manesar Plant, within 3 (three) months of Completion, to the satisfaction of the Investor;

m) The Company shall ensure the availability of adequate level of bank funds to fund the debt portion of the expenditure for the Pune Plant, within 12 (Twelve) months of Completion, to the satisfaction of the Investor;

n) The Company and its Subsidiaries shall have procured a group Directors and Officers Liability insurance policy for all its directors, including for the nominee director/s of the Investor, or an individual policy for all the directors of the Subsidiaries, including for the nominee director/s of the Investor, for a cover of not less than Rs. 5,000,000 (Rupees Five Million only) for each of the Company and the Subsidiaries;

o) The Company shall obtain consent from the concerned Governmental Authority for the change in the Bhiwadi Plant's Consent to Operate bearing reference no. F(Tech)/Alwar (Tijara)/749(1)/2011-2012/373-375/123 from the existing mention of the capacity to 2 Skelner furnaces of 5.5 ton capacity each and 1 Tower Furnace with 1 TPH.

4. REQUIRED GOVERNMENTAL APPROVALS

4.1 The Company shall promptly obtain (and the Promoters shall procure that the Company shall obtain) all Required Governmental Approvals and shall furnish certified true copies thereof to the Investor.

4.2 The Company shall (and the Promoters shall procure that the Company shall) obtain and prepare all such forms, reports and documents as may be required to be filed to obtain, or comply with, any Required Governmental Approval with any authority under any Law and/or pursuant to any previously obtained Governmental Approvals, including, without limitation, such documents as may be required under the Act (or any legislation amending, extending or replacing such Act) and/or the rules or regulations made thereunder (as then in effect). The Company shall make all such filings and reports with any authority as may from time to time be required under any Law in connection with the transactions contemplated herein and the obtaining of all Required Governmental Approvals.

4.3 The Company shall deliver copies of such forms, reports and documents to the Investor on Completion. The Company shall (and the Promoters shall ensure that the Company shall) ensure that all forms, reports and documents to be filed and / or delivered under this Article 4 are in the prescribed format, are accurately completed and are accompanied by all the required documents.

4.4 The Company and the Promoters shall promptly co-operate with any Governmental Authority for the purpose of obtaining any Required Governmental Approval.

5. INDEMNIFICATION

5.1 The Company and the Promoters jointly and severally, indemnify, defend and hold harmless, promptly upon demand at any time and from time to time, the Investor and each of their Affiliates, officers, directors, agents and employees (the "**Indemnified Parties**"), and agree to keep the Indemnified Parties fully indemnified against, all Losses, relating to or arising out of or in connection with the following items. It is hereby clarified that the manner in which such indemnity is to be paid will be carried out in the manner specified in Article 5.12

a) any inaccuracy of any Warranty or breach or violation or any covenant or agreement in the Agreement or any of the other Ancillary Agreements;

b) any liabilities (including contingent liabilities, whether or not known or contemplated at the time of execution of the Agreement) of the Company or any of its Subsidiaries not disclosed to the Investor in the Accounts prior to the execution of the Agreement;

c) any gross negligence or wilful misconduct or breach of any Law on the part of the Promoters and/or the Company; and/or

d) actions, proceedings, claims, liabilities (including statutory liability), penalties, demands and costs (including reimbursement of any loss suffered by the Indemnified Parties) awards or damages against or involving the Company in relation to its Business which relate to the period prior to Completion and which are not specified in the Disclosure Letter;

e) any pending or threatened claims against the Company or any claims which may be made against the Company and which relate to or arise out of, the period prior to Completion; and/or

f) the Agreement and any and all costs and expenses incurred by the Investor in respect of a claim under this Indemnity attributable to a breach of this Article 5.1 or otherwise of the Agreement.

5.2 The Company and the Promoters jointly and severally indemnify the Investor and its Affiliates and all of their directors, officers employees and advisors (the "**Indemnified Parties"**) and agree to keep the Indemnified Parties fully indemnified against, all Losses relating to or arising out of or in connection with any actual or threatened claim, legal action, proceeding, suit, litigation, prosecution, mediation, arbitration or enquiry (together, a "**Claim**") by or against any Indemnified Party, where the Claim relates to any event, matter or circumstance arising or existing in relation to the Company prior to Completion.

5.3 The Investor shall be entitled, in its absolute discretion, to take such action as they may deem necessary to avoid, dispute, deny, resist, appeal, compromise or contest or settle any claim (including without limitation, making claims or counterclaims against third parties).

5.4 The indemnification rights of the Investor under these Articles are independent of, and in addition to, such other rights and remedies as the Investor may have at Law or in equity or otherwise, including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.

5.5 It is clarified that the benefit of the Warranties and of the indemnities granted under this Article 5 shall extend also to any and all Losses in relation to all Equity Shares and CCPS held and/or acquired by the Investor or any member of the Investor Group at any time on or after the date of the Agreement and including without limitation, the Sale Shares and the Equity Shares arising from conversion of the CCPS.

5.6 The Company and the Promoters hereby jointly and severally undertake to indemnify the Investor, in accordance with Article 5.12, promptly on demand by the Investor an amount equal to such proportion of any and all Taxes payable or suffered by the Company and/or its Subsidiaries (including, where the Company and/or its Subsidiary challenges any demand for Tax, the amount determined as payable by the Company consequent to any ruling of a court or tribunal), in excess of tax liability already provided in the Accounts and which is undisputed; in respect of the items mentioned below as is equal to the proportion of the Investor Securities in the Company's equity share capital;

a) in respect of or arising from any transaction effected or deemed to have been effected on or prior to the Completion;

b) by reference to any profits earned, accrued or received (or deemed to have been earned, accrued or received) on or before 31st March 2013;

c) any and all Tax arising by reason of the unavailability of any Tax holiday, concession, benefit or exemption at any time (including after the Completion) where the reason for such unavailability is attributable to a transaction or the non-compliance with any formalities necessary for the continuance of such Tax holiday concession, benefit or exemption on or before the Completion.

It is clarified that if any such Tax claim is challenged by the Company before any Court or tribunal, then the Company shall make payment immediately upon the decision of such Court or Tribunal.

5.7 Notwithstanding anything contained in these Articles, the Company and the Promoters hereby covenant and agree to, jointly and severally indemnify, defend and hold harmless, promptly on demand at any time and from time to time, the Investor and the Indemnified Parties against any and all Losses caused to the Investor and/or the Indemnified Parties on account of, or as a result of, or in connection with, all or any of the following:

a) Failure to stamp and/or register any instruments to which the Company is a party in accordance with applicable Law;

b) Delay in renewal of the consent to operate issued by Government Authorities in respect of the plants of the Company;

c) Any denial of any Taxation benefits and/or Tax Holiday relating to claim under section 80IC of Income Tax Act, which the Company has currently claimed;

d) Any failure to comply with applicable Laws in respect of any transactions between the Company and any Connected Persons/Concerns;

e) Promoters not having provided a declaration in writing to the effect that the amounts provided by them: (i) constitute a loan from out of their own capital; (ii) shall be repayable at rate of interest of 10%per annum; (iii) is not being provided out of funds acquired by them by borrowing or accepting from other third parties; (iv) for the purposes of providing short term liquidity to the Company and for no other purpose whatsoever;

f) Failure by the Company and its Subsidiaries not having made the necessary filings pursuant to the provisions of the Industries (Development and Regulation) Act, 1951 and the Scheduled Industries (Submission of Production Returns) Rules, 1979;

g) Company and its Subsidiaries not having made the necessary filings made by it pursuant to the provisions of the Industries (Development and Regulation) Act, 1951 and the Scheduled Industries (Submission of Production Returns) Rules, 1979 for the immediately preceding month, including specifically, the monthly production report with the Industrial Statistical Unit of DIPP;

h) Non-compliance with the provisions of the Public Liability Insurance Act, 1991;

i) Failure to obtain approval of the pollution control board by the Company for inclusion of Zinc as one of the approved items under the Consent to Operate– F(Tech)/ Alwar (Tijara) /749(1)/2011-2012/373-375/123;

j) Each of the Company and its Subsidiaries not dealing with Sanjivani Non Ferrous Trading Private Limited on an arm's length basis and in accordance with the applicable Law;

k) Any non-compliance with the provisions of the Industrial Employment (Standing Orders) Act, 1946;

l) Failure to intimate the requisite Governmental Authorities as to the shift in the registered office of the Company;

m) Any Loss as a result of non-filing of the monthly production report required to be filed under the Acknowledgement of Receipt of Memorandum Intimating Commencement of Commercial Production (Ref. No. 4027/IMO/SIA/2006);

n) Non-renewal of the Consent to Operate bearing no. UEPPCB/HO/Con-C-51/2013/364 within the specified time limit of 60 (sixty) days of expiry of the said approval;

o) The Company not submitting,*inter alia*, Form V and Quarterly Compliance Report as per the terms of the Consent to Operate bearing no. – F(Tech)/Alwar(Tijara)/749(1)/2011-2012/373-375/123;

p) Non-compliance by the Company of the Consent to Operate bearing no. – F(Tech)/Alwar(Tijara)/749(1)/2011-2012/373-375/123 for the Bhiwandi plant in relation to the Skelner furnaces and the Tower furnace;

q) Any failure to obtain a final permission for energisation of transformer of 500 KVA 11/0.433KV Outdoor type Transformer along with HT lines admeasuring 50 meters in length;

r) Failure to obtain any industrial licenses;

s) Non-completion of the main civil work and erection by the Company within 3 months of February 1, 2013 (for Haridwar) and August 1, 2013 (for Bawal) as per the Gas Sale Agreement dated October 30, 2012 and November 2, 2012 between GAIL (India) limited and CMR Green Technologies Limited and CMR Nikkei India Private Limited;

t) The Company being held liable for import of any material which is in contravention of the declaration given in relation to the nature of scarp (i.e. whether arms, radioactive etc.) that has been imported;

u) Non- compliance with the conditions prescribed in the letter issued by HSIIDC pursuant to the lease agreement dated March 20, 2013 entered into by and between M/s Ninetaur and the Company;

v) Any Loss incurred due to not obtaining the permission from the Director of Town and Country Planning, Haryana under the Controlled Areas Act and the Controlled Areas Rules and/ or non-compliance with the other provisions of the Controlled Areas Act, 1963 and Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Rules 1965; and

w) Any Losses arising from or in relation to the show cause notice on March 17, 2010 issued by the Central Excise Authorities against the Company and all matters connected therewith.

5.8 The Warranties in paragraph 1 to 5 of Schedule 9 to the Agreement ("**Fundamental Warranties**") shall not be subject to any period of limitation.

5.9 All Warranties in relation to any statutory matters, and/or Taxation (other than the Fundamental Warranties) shall survive until the statutory period of limitation applicable to the subject matter of such Warranties under applicable Law.

5.10 Except as specified in Article 5.8 and 5.9 above, all other Warranties shall survive and continue to be in full force and effect for a period of 36 (Thirty Six) months from the Completion Date.

5.11 In respect of any matter in relation to which an Investor is entitled to be indemnified by the Company or the Promoters under these Articles, each of the Shareholders agree and acknowledge that the Investor shall be entitled, at its option, to proceed against either or both the Company and the Promoters, and the Company and the Promoters shall be jointly and severally liable in this regard. and in the event that any of the Company or the Promoters makes any payment (the "**Base Payment**") to an Investor hereunder, the Company or such Promoters shall make a further payment (the "**Additional Payment"**) to the Investor so that the sum of the Base Payment and the Additional Payment shall, after deducting from such payments the amount of all Taxes required to be paid in respect of the receipt or accrual of such payments, be equal to the Base Payment. Notwithstanding the foregoing, no Person shall have the right to, and shall not be paid, any reimbursement from the Company for any indemnity amount it paid to any Investor if it is obliged to indemnify any Investor under this Article 5.

5.12 Where the Investor suffers a Loss (other than consequent to a claim against an Indemnified Party by a third party), the Company and the Promoters may indemnify the Investor to the extent of the whole of such Loss by issuing additional Equity Shares to the Investor for no further cost to the Investor, so that the additional Equity Shares represent the Losses to be indemnified to the Investor, as calculated in Article 23of these Articles. Such additional issuance may be made by adjustment to the terms of the CCPS (as provided in Article 23 of these Articles).

5.13 It is clarified that unless the Company issues Equity Shares to the Investor as mentioned in Article 5.12 above, in all other cases, the Company and the Promoters shall continue to be liable to indemnify the Investor in accordance with the provisions hereof.

5.14 It is further clarified that in the event of any Claim against the Investor and/or its Affiliates, the Company and the Promoters shall, promptly on demand reimburse the Indemnified Parties in respect thereof in accordance with this Article 5 (and Article 5.12 shall not apply).

6. INVESTOR DIRECTOR

6.1 The Board shall comprise of such number of directors as may be permissible under applicable Law, of whom the Investor shall be entitled to appoint and maintain in office one director (and to remove from office any director so appointed and to appoint another in the place of the director so removed) ("Investor Director") on the Board and the board of each of the Subsidiaries.

6.2 No Person, other than the Investor, shall have the power or right to remove and replace the Investor Director. To the extent permissible by Law, the appointment of the Investor Director shall be by direct nomination by the Investor and any appointment or removal under this Article shall, unless the contrary intention appears, take effect from the date it is notified to the Company in writing. If Law does not permit the Person nominated by the Investor to be appointed as a director or alternate director of the Company merely by nomination by the Investor, the Company and the Promoters shall ensure that the Board and the board of the Company of the Subsidiaries forthwith (and in any event within 7 (seven) Business Days of such nomination or at the next Board meeting, whichever is earlier) appoints such Person as a director or alternate director to the extent permissible under applicable Law, as the case may be, of the Company and the Subsidiary, respectively, and further that, unless the Investor changes or withdraws such nomination, such Person is also elected as a director or alternate director, as the case may be, of the Company and the Subsidiary at the next general meeting of the shareholders of the Company. Each (i) shareholder of the Company shall and (ii) the Company, shall promptly vote its Equity Securities in favour of the director and alternate director nominees nominated pursuant to the preceding sentence.

6.3 The Investor Director shall not be considered to be an independent director (as such expression is defined in any listing agreement which may be entered into at any time between the Company and the Exchanges) and the Investor Director shall not be construed or counted by the Company as an independent director for the purpose of determining the number of independent directors which the Company is required to have on its Board by any listing agreement.

6.4 Deleted

6.5 Without prejudice to the above, the Company and each shareholder of the Company agree to exercise all powers and rights available to them to ensure that the Persons nominated by the Investor is expeditiously appointed or removed (as the Investor may specify) as directors of the Company and the appointment and removal referred to in this Article 6 result in the Persons nominated/appointed or removed becoming or ceasing to be directors of the Company.

6.6 The Investor Director shall not be required to hold any Equity Shares or Subscription Shares in order to qualify as directors of the Company.

6.7 Deleted

6.8 The Investor Director shall be entitled to be a member of, or at the option of the Investor, an invitee on all the committees of the Board, including the audit committee, the compensation committee and any capital-raising committee including Initial Public Offering ("IPO") and mergers and acquisitions committees. Additionally, the Board will form a committee to review all transactions with Connected Persons/Concerns.

6.9 The Investor Director shall be entitled to appoint an alternate director and the Board shall appoint such person as an alternate director to the Investor Director.

6.10 In addition to any right to appoint an Investor Director, the Investor has the right to appoint any Person as an observer (the "Observer") to the Board of the Company. Such Observer shall have the right to attend any and all meetings of the board of directors and of all committees of the board of directors of the Company.

6.11 Subject to the relevant provisions of the Act, the Company shall pay the Investor Director and the Observer all reasonable out of pocket expenses (except international air fares) incurred in order to attend shareholder, board, committee and other meetings of the Company or the Subsidiary, as the case may be, or otherwise perform their duties and functions as directors or Observers or members of any committee of the Company or director of a Subsidiary, as the case may be. The Investor Directors shall be entitled to all the rights and privileges of other directors including the sitting fees and expenses as payable to other directors.

6.12 The Company shall obtain director's liability insurance for an amount and on terms satisfactory to the Investor in accordance with Clause 6.1(m) of the Agreement. The Company shall also obtain keyman insurance for all the Promoters for an amount and on terms satisfactory to the Investor.

6.13 The Company shall indemnify, defend and hold harmless the Investor Director (an "Indemnitee") who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director of the Company, or is or was a director of the Company serving at the request of the

Company as a director of another company, partnership, joint venture, trust, employee benefit plan or other entity or enterprise, to the fullest extent permitted by Law against all expenses, costs and obligations (including, without limitation, attorneys' fees, experts' fees, court costs, retainers, transcript fees, duplicating, printing and binding costs, as well as telecommunications, postage and courier charges) (the "Expenses"), damages, judgments, fines, penalties, excise taxes and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such expenses, judgments, fines, penalties, excise taxes or amounts paid in settlement) actually and reasonably incurred by him or her in connection with such action, suit or proceeding (the "Indemnifiable Amounts") if he or she acted in good faith and in the best interests of the Company in accordance with his or her fiduciary duty to the Company.

a) If so requested by Indemnitee, the Company may advance any and all Expenses incurred by Indemnitee, either by (i) paying such Expenses on behalf of Indemnitee, or (ii) reimbursing Indemnitee for such Expenses.

b) If Indemnitee is entitled under any provision of these Articles to indemnification by the Company for some or a portion of the Expenses or other Indemnifiable Amounts in respect of a claim but not, however, for the total amount thereof, the Company shall indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

c) For purposes of these Articles, the termination of any claim, action, suit or proceeding, by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of *nolo contendere*, or its equivalent, shall not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable Law.

d) The rights of the Indemnitee hereunder shall be in addition to any other rights Indemnitee may have under the Restated Articles or otherwise. To the extent that a change in applicable Law permits greater indemnification by agreement than would be afforded currently under the Restated Articles, it is the intent of the Shareholders hereto that Indemnitee shall enjoy by the Agreement and / or these Articles the greater benefits so afforded by such change.

6.14 Indemnitees are expressly meant to be third-party beneficiaries of Article 6.13.

7. CORPORATE GOVERNANCE

7.1 The Board shall meet at least once every quarter and at least 4 (four) times a year. At least 7(seven) Business Days notice of each Board (or committee of the Board) meeting shall be given to each director (or member) prior to such meeting or such shorter period as the directors on the Board, including the Investor Director may agree. Notwithstanding the foregoing, notice of a meeting need not be given to any director who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends (by whatever permitted means) the meeting without protesting, prior to its commencement, the lack of notice to such director. The agenda for each Board (or committee of the Board) meeting and all papers connected therewith and/or proposed to be placed or tabled before the Board (or committee of the Board) shall be circulated at least 7 (seven) Business Days prior to such meeting, together with the notice and, no items save and except those specified in the agenda may be discussed at any Board (or committee of the Board) meeting, except with the prior written consent of the Investor Director. Meetings of the Board may be held at any place which has been designated in the notice of the meeting or at such place as may be approved by the Board.

7.2 The quorum for a meeting of the Board (or committee of the Board) shall be 1/3rd of its total strength (any fraction contained in that one-third being rounded up to one) or two directors (whichever is higher), including, the Investor Director, present throughout the meeting, unless otherwise agreed with the Investor's Consent. The Company shall inform the Investor of the date of any proposed shareholders meeting of the Company at least 3 (three) weeks prior to such meeting. If the Investor informs the Company within 10 (ten) days of such notice that the date of the proposed meeting is not convenient to the Investor, then the Company shall shift the date of the shareholders meeting of the Company to a date specified by the Investor; provided that such shift shall not take place more than twice.

7.3 Members of the Board or any committee thereof shall be afforded the opportunity to, and may participate in a meeting of the Board or such committee by means of conference telephone, videoconference or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall, unless prohibited by applicable Law, constitute presence in person at such meeting.

7.4 The Promoters and the Company shall exercise all their rights in relation to Subsidiaries so as to ensure that the rights of the Investor in respect of the Subsidiaries are fully given effect to.The Promoters will place any matter on the agenda of any Board or shareholder meeting of the Company and Subsidiaries that the Investor proposes.

7.5 Notwithstanding anything contained in this Article 7, in case of a conflict between the provisions of these Articles and the Law applicable to the Company, the provision of the applicable Law shall prevail, and accordingly, the Company shall not be construed to be in breach of these Articles for any act or omission by the Company that is committed in order to meet the requirements of applicable Law."

8. INFORMATION RIGHTS

8.1 The Company shall, and shall cause each Subsidiary to, maintain true books and records of account in which full and correct entries shall be made of all its business transactions pursuant to a system of accounting established and administered in accordance with GAAP, and shall set aside on its books all such proper accruals and reserves as shall be required under GAAP. The Company shall provide to the Investor, the Observer and to any Director of the Company, such information as they may request, including without limitation, with respect to the Company and Subsidiaries:

a) as soon as available, but in any event within 150(One Hundred Fifty) days after the end of each fiscal year of the Company, a copy of the audited consolidated and stand alone balance sheet of the Company and its Subsidiaries as at the end of such fiscal year and the related consolidated statements of income, statements of changes in shareholders' equity and statements of cash flows of the Company and its Subsidiaries for such fiscal year, all in reasonable detail and stating in comparative form the figures as at the end of and for the previous fiscal year accompanied by an opinion of the external auditor of the Company, which opinion shall state that such auditor's audit was conducted in accordance with GAAP and that it is not subject to any qualification resulting from a limit on the scope of the examination of the financial statements or the underlying data or which could be eliminated by changes in the financial statements or the notes thereto or by the creation of or increase in a reserve or a decreased carrying value of assets; all such financial statements shall be complete and correct in all material respects and shall be prepared in conformity with GAAP and applied on a consistent basis throughout the periods reflected therein except as stated therein;

b) as soon as available, but in any event not later than 45(Forty Five Days) days after the end of each quarter, the un-audited consolidated and stand alone Income Statement and other financial information in the Agreed Form of the Company and its Subsidiaries as at the end of such quarter and the related un-audited consolidated statements of income.;

c) as soon as available, but in any event not later than 20 (twenty) days after the end of each month, (i) the un-audited consolidated and stand alone financial information in the agreed format as specified by the Investor, in respect of the Company and its Subsidiaries for such month.as soon as available, but in any event not later than 15 (fifteen) days after the end of each month, (i) the un-audited consolidated and stand alone financial information in the agreed format figures of the Company and its Subsidiaries for such month and (ii) monthly management review detailing key operational performance indicators and statistics, including volumetric data in a form and manner prescribed by the Investor;

d) minutes of meetings of the Board, its committees and the shareholders of the Company within 15 (fifteen) days of the occurrence of such meetings;

e) as soon as available, but in any event not later than 60 (thirty) days prior to the end of each Financial Year, the Business Plan of the Company and the Subsidiaries for the forthcoming 3 years;

f) as soon as available, but in any event not later than 30 (thirty) days after the end of each quarter, management certificates for the utilization of funds disbursed by the Investor;

g) as soon as practicable, complete details of any progress in relation to any public offering of all or part of the Business;

h) promptly, and in any event within 7 (seven) days thereof, any breach of any covenants imposed under any agreements relating to Indebtedness to which the Company is a party;

i) any need for additional working capital by the Company in excess of the existing lines of working capital available to the Company;

j) promptly, notification of any withdrawal of banking and / or credit facilities of the Company;

k) promptly, notification of any material Litigation or any circumstances that would likely give rise to material Litigation;

l) prior notification of any change in the equity percentages of any Subsidiary or Affiliate of the Company, or any joint venture to which the Company is a party;

m) as soon as available, but in any event not later than 30 (thirty) days after the end of each quarter, compliance by the Company of adherence to social and environmental code of conduct as required by the Investor;

n) promptly, copies of all documents and other information regularly provided to any other security holder of the Company, including any management or audit or investigative reports provided to any other security holder;

o) promptly, such additional information and explanation of any event or development at the Company or any Subsidiary which has a significant impact on the business, operations, profits, conditions (financial or otherwise), prospects, results of operations, properties, assets or liabilities of the Company;

p) other relevant material information including annual business plans, capital expenditure budgets and management reporting information not set forth above;

q) any material change in terms to customer contract;

r) such other financial and accounting reports and information as mutually agreed;

s) details of any event of force majeure or any other event which would have a Material Adverse Effect;

t) Promptly and in any event within 7 days thereof, details of any major accident or major injury or death in the Company and/or in the course of operations of the Company and all incident reports on the same;

u) Any material demand for Taxes; and

v) Any other information requested by the Investor shall be provided promptly by the Company.

8.2 The Company shall conduct quarterly business review and progress discussion between the Investor and the management team of the Company and /or the Investor and the management team of the Company.

8.3 The Investor may at any time require that the above information be provided to the Investor Director /Observer, its Affiliates or any partners or investors of or in Affiliates, in place of or in addition to the Investor. (only single point of contact)

8.4 Upon the listing of the Equity Securities on any stock exchange, the Shareholders shall endeavour to mutually agree upon any modifications to the provisions of this Article8 and the other provisions of these Articles, taking into account the advice received from the lead manager to the public offering of securities of the Company. Provided that in any event, prior to providing any information to any Investor, the Company shall inform the Investor if such information has not been made public, at the time of its provision to the Investor.

8.5 The Company shall give full access to the Investor and their authorized Representatives to visit and inspect all properties, assets, corporate, financial and other records, reports, books, contracts and commitments of the Company, and to discuss and consult its business, actions plans, budgets and finances with the directors and executive officers of the Company, upon reasonable notice and without disturbing normal operations of the Company. All costs incurred in connection with such inspection shall be borne by the Investor. The Company shall, subject to reasonable notice and reasons, permit the Investor, at investor's own cost and expense, to appoint an auditor (from amongst those specified at Article 16.3) or any other consultant to audit the accounts of the company.

9. **RESERVED MATTERS**

9.1 No action or decision relating to any of the Reserved Matters as detailed in Article 9.2 below shall be taken (whether by the Board, any director, any committee, the shareholders of the Company, its Subsidiaries, or any of the employees, officers or managers of the Company) unless the Investor's Consent is obtained for such action or decision.

9.2 Reserved Matters

(a) Any amendment to the Memorandum and Articles of Association of the Company and/or any Subsidiary.

(b) Any material change in the Business of the Company and/or any Subsidiary.

(c) Any change in the issued, subscribed or paid up equity or preference share capital of the Company and/or its Subsidiaries, or re-organization of the share capital of the Company and/or its Subsidiaries, including new issuance of shares or other securities of the Company and/or its Subsidiaries or redemption, retirement or repurchase of any shares or other securities, issuance of convertible preference shares or debentures or warrants, or grant of any options over its shares by the Company and its Subsidiaries, except for an initial public offering of the Company.

(d) Any change in ownership of the Company (other than by and reduction in ownership of the Company in any Subsidiary.

(e) Guaranteeing the liability of any third party by the Company and/or any Subsidiary. Provided however, that the Investor's Consent shall not be required for guarantees which are issued in the ordinary course of the business (except in the case of guarantees for any transactions with Connected Persons/concerns) or guarantees towards banks and institutional lenders of the Subsidiaries.

(f) Sale, disposal, transfer, assignment, mortgage, pledge, hypothecation, grant of security interest in, subject to any lien, or otherwise dispose of any assets or securities of the Company otherwise than in the ordinary course of business involving a book value exceeding Rs. 10,000,000/- (Rupees Ten Million only) in a single transaction or Rs. 100,000,000/- (Rupees One Hundred Million) in the aggregate in a Financial Year.

(g) Any acquisitions, mergers or demerger the Company or its Subsidiaries or a part thereof.

(h) Pay any of the directors of the Company, the Promoters and Key Personnel any emoluments and bonuses except as agreed in their employment contracts.

(i) Any lease of property exceeding a period of 12 (twelve) months or book value of the property exceeding Rs. 100,000,000/- (Rupees One Hundred Million) or lease rentals exceeding Rs. 5,000,000/- (Rupees Five Million only) per annum.

(j) Any material joint venture, joint development, licensing or similar arrangement. For this purpose, any of the aforesaid involving an investment by or expenditure by the Company of Rs. 10,000,000/- (Rupees Ten Million only) shall be considered material.

(k) Affiliated or related party transactions and/or transactions with Connected Persons/Concerns, agreements or arrangements in relation to the Company and Subsidiaries.

(l) Pass any Board resolution or take any steps to have itself Liquidated, dissolved or winding up, whether or not voluntary, or any restructuring or reorganization which has a similar effect of the Company and any of its Subsidiaries.

(m) Any change in the accounting policies which are inconsistent with Indian GAAP, or the accounting year end or the capitalisation of any reserves or share premium of the Company and/or any of its Subsidiaries or any write down of assets of the Company and/or any of its Subsidiaries.

(n) Change in statutory auditors of the Company or any of the accounting reference dates or accounting policies and bases.

(o) Increase or decrease the authorized size of the Board or any committee thereof, other than as provided for in this Agreement.

(p) Appointment of merchant bankers for taking the company public or any other steps for any QIPO or an IPO.

(q) Appointment or dismissal of the CEO and CFO.

(r) Any political or charitable contribution in excess of Rs. 5,00,000/- (Rupees Five lakhs only) in aggregate in any 12 (twelve) month period.

(s) Declaration or payment of dividends or other distributions on any class of equity and preference securities of the Company.

(t) Any transfer / movement of surplus funds after meeting debt repayment and other scheduled obligations from the Company (to the extent not included in the business plan) to any other company.

(u) Approval of the Business and of any modification / deviation greater than 15% (fifteen per cent) from the Business Plan of the Company or the Subsidiaries; or the taking of any action that would be inconsistent with the Business Plan of the Company and/or its Subsidiaries (beyond the deviation thresholds mentioned above).

(v) Commencement of any new line of business, which is unrelated to the business of the Company and any of its Subsidiaries.

(w) Incurrence, issuance or assumption of any form of indebtedness in excess of the levels agreed upon in the Business Plan of the Company and any of its Subsidiaries.

(x) Capital expenditure, including constructions and Leases, higher than 15% (fifteen per cent) of the approved annual Business Plan or INR 50,000,000/- (Rupees Fifty Million), whichever is higher of the Company and any of its Subsidiaries.

(y) Delegation of authority or any of the powers relating to any matter contained in this Article of the board of the Company (and where any such matter is specifically applicable to the Subsidiaries, delegation of authority in relation to the same by the Subsidiaries) to any individual or committee and any commitment or agreement to do any of the foregoing.

(z) Any loans or guarantees by the Company to or in favour of any Subsidiaries of the Company, and any fund movement between the Company and the Subsidiaries in excess of Rs. 100,000,000/- (Rupees One Hundred Million only) in an year.

10. **EXERCISE OF RIGHTS**

10.1 Without prejudice to the other provisions of these Articles, the Promoters and the Company agree to exercise all powers and rights available to them (including their voting rights and their rights as and in respect of directors) in support of the provisions of these Articles and so as to procure and ensure that the provisions of these Articles are complied with in all respects by the Company and the Promoters and the Subsidiaries.

10.2 The Promoters and the Company shall be jointly and severally liable to ensure the performance of these Articles. In respect of any obligation of any Promoter, the other Promoter shall also be jointly and severally liable for the fulfilment of such obligation.

10.3 The Promoters shall vote or cause to be voted all Equity Shares bearing voting rights beneficially owned by such shareholder at any annual or extraordinary meeting of shareholders of the Company (the "Shareholders Meeting") or in any Written Consent executed in lieu of such a meeting of shareholders (the "Written Consent"), and shall take all other actions necessary, to give effect to the provisions of these Articles. In addition, the Promoters shall vote or cause to be voted all Equity Shares beneficially owned by such shareholder at any Shareholders Meeting or act by Written Consent with respect to such Equity Shares, upon any matter submitted for action by the Company's shareholders or with respect to which such shareholder may vote or act by Written Consent, in conformity with the specific terms and provisions of these Articles.

10.4 In order to effectuate the provisions of these Articles, and without limiting the generality of Article 10.3, the Promoters (a) hereby agree that when any action or vote is required to be taken by such shareholder pursuant to these Articles, such shareholder shall use its best efforts to call, or cause the appropriate officers and directors of the Company to call, one or more Shareholders Meetings to take such action or vote, to attend such Shareholders Meetings in person or by proxy for purposes of obtaining a quorum, or to execute or cause to be executed a Written Consent to effectuate such shareholder action, (b) shall use their best efforts to cause the Board to adopt, either at a meeting of the Board or by unanimous Written Consent of the Board, all the resolutions necessary to effectuate the provisions of these Articles and (c) shall use its best efforts, to the extent not in violation of applicable Law, to cause the Board to cause the Secretary of the Company, or if there be no Secretary, such other officer of the Company as the Board may appoint to fulfil the duties of Secretary, not to record any vote or consent contrary to the terms of this Article 10.4.

10.5 The provisions of Articles 10.3 and 10.4 shall mutatis mutandis apply to the Subsidiaries so that references to the Promoters in Articles 10.3 and 10.4 shall be deemed to be references to the Promoters and the Company and references to the Company therein shall be deemed to be references to the Subsidiaries.

11. **TRANSFERS OF EQUITY SECURITIES**

11.1 The Promoters shall not Transfer any part of their shareholding in the Company, subject to Article 11.9(a) below, (except inter se Transfers between the Promoters), except with the Investor's Consent. Further, the shares and securities of M/s Sanjivani Non Ferrous Trading Private Limited shall not be Transferred or Encumbered in any manner and its share capital structure shall not be altered in any manner.

11.2 Any Transfer or attempted Transfer of any Equity Securities of the Company in violation of these Articles shall be void, no such Transfer shall be recorded on the Company's register and the purported transferee of any such Transfer shall not be treated as a shareholder.

11.3 Subject to any applicable Laws, the Company must register a transfer of any Equity Securities made in accordance with this Article 11.

11.4 Any Person to whom Equity Securities are transferred pursuant to this Article11(or otherwise in accordance with these Articles and the Organisational Documents) shall agree in writing to be bound by the terms and conditions of these Articles, in each case by executing a Deed of Adherence in a form acceptable to the Investor.

11.5 The Subscription Shares of the Company allotted to the Investor shall be, when allotted, free from all Encumbrances. Further, the Investor will not be required to Encumber its shareholding in the Company, or provide any guarantee or any other support to any third party, including, but not limited to any lenders of the Company.

11.6 The Investor Securities of the Company held by the Investor shall not be subject to any lock-in at any point of time under any circumstances and, subject to the provisions of Articles 11.6, 11.7 and 12, will be freely Transferable and tradable, and the Investor, at their sole discretion, shall have the right to Transfer their Equity Shares, without any restrictions and together with any and all rights and obligations attaching hereto and/or otherwise available under the terms of these Articles and/or the Agreement and/ or any Ancillary Agreement, to any other Person, including without limitation, to other financial and / or strategic investors. In the event of any such assignment of rights and obligations, only one of the Investor or such transferee shall be entitled to exercise the rights of the Investor hereunder.

11.7 The Investor shall not Transfer their rights hereunder to a Competitor provided that in the Event of Default by the Company and / or the Promoters in accordance with Article 19, the Investor shall be entitled to Transfer its rights and Equity Securities to a Competitor without any restriction.

11.8 Notwithstanding anything contained herein, the Investor shall be entitled to Transfer the Investor's Securities and any and all rights and obligations of the Investor hereunder and under the Ancillary Agreements to any member of the concerned Investor Group, free from all restrictions.

11.9 Right of First Refusal

a) Any Transfer by the Promoters more than 5% (five per cent) (in aggregate) of the Equity Securities shall require the Consent of the Investor (unless waived by the Investor).Without prejudice to the aforesaid, any Transfer by the Promoters shall be subject to a right of first refusal being provided to the Investor in the manner set out in Article 11.9(b) to Article 11.9(d) below.

b) In the event the Promoters or any of their respective Affiliates desire to sell any of their Equity Securities held by them ("**Promoter Seller**") to a third party in response to a genuine good faith offer from a third party purchaser, then the Promoter Seller shall send a written notice ("**Offer Notice**") to the Investor indicating (a) the total number of Equity Securities that are proposed to be sold ("**Promoter Sale Shares**"); (b) the name, identity and beneficial ownership of the proposed acquirer of the Promoter Sale Shares, including any of the existing shareholders ("**Third Party Purchaser**"); and (c) the price per Promoter Sale Share at which such Third Party Purchaser has agreed to acquire the Promoter Sale Shares ("**Offer Price**") and the terms and conditions of the proposed acquisition by the Third Party Purchaser. The Promoter Seller shall provide the Investor with all relevant documentation evidencing the proposed sale to the Third Party Purchaser.

c) Upon receipt of the Offer Notice as set out in Article 11.9(b) above by the Investor, the Investor shall be entitled, by a notice in writing ("**Offer Response Notice**") to be issued within 30 days from the date of receipt of the Offer Notice by the Investor ("**Offer Period**"), to purchase all or of the Promoter Sale Shares at the Offer Price and on the same terms and conditions as offered to the Third Party Purchaser. The Investor shall also have the right, to be exercised at its own discretion, to require the Promoters to offer of the Promoter Sale Shares to its Affiliates at the Offer Price and on the same terms and conditions as offered to the Third Party Purchaser. The Investor and/or its Affiliates and the Promoters shall complete the acquisition of such Promoter Sale Shares within a period of 60 days from the end of the Offer Period.

d) In the event that the Investor declines the offer made pursuant to Article 11.9(b) or does not issue a notice in response to the Offer Notice within the Offer Period, then the Promoters shall be entitled to sell the Promoter Sale Shares to the Third Party Purchaser at the Offer Price and on the same terms and conditions as offered to the Investor within a period of 60 days from the end of the Offer Period.

e) In the event that such sale is not completed within a period of 60 (sixty) days from the Offer Period or such extended period as may be mutually agreed, then any subsequent offer for sale of Promoter Sale Shares shall again be subject to the rights of the Investor under this Article 11.9.

11.10 Tag-Along Right

a) In the event that the Promoters Transfer more than 5% (five per cent) (in aggregate) of the Equity Securities held by them as on the date hereof, the Promoters will require the Consent of the Investor (unless waived by the Investor) and without prejudice to the aforesaid, in respect of all subsequent Transfers by the Promoters of any Equity Securities, the Investor shall be entitled to a full tag along right where the Investor shall have the right to require that such purchaser of shares of the Promoters also acquires up to the Specified Proportion of the Equity Securities held by the Investor Group. Such tag along right shall be exercised in accordance with the procedure described hereunder. For this purpose, "Specified Proportion" means such proportion of the Investor Shares as is equal to the proportion that the Tag Offered Shares represent of the total number of Equity Shares held by the selling Promoter; provided that if such sale results in a change in Control of the Company (and for all subsequent sales), the Specified Proportion shall be all the Investor Shares

b) If the Promoters or their Affiliates propose to Transfer Equity Securities held by them in the Company pursuant to Article 11.10(a) above, then, the Promoters shall first give a written notice (hereinafter referred to as "**Tag Offer Notice**") to the Investor. The Tag Offer Notice shall state:

(i) the number of Equity Shares proposed to be Transferred (hereinafter referred to as the "**Tag Offered Shares**") and the number of Equity Securities the Promoters and its Affiliates own at that time on a Fully Diluted Basis,

(ii) the name and address of the proposed transferee,

(iii) the proposed price, including the proposed amount and form of consideration and terms and conditions of the proposed Transfer,

(iv) the proposed date of consummation of the proposed Transfer,

(v) a representation that the proposed transferee has been informed of the "tag-along" rights provided for in these Articles and has agreed to purchase all the Equity Shares required to be purchased in accordance with the terms of this Article, and

(vi) a representation that no consideration, tangible or intangible, is being provided, directly or indirectly, to the Promoters or its Affiliates that will not be reflected in the price paid to the Investor on exercise of its Tag-Along Rights hereunder.

(vii) The total value of the consideration for the proposed Transfer (as determined in accordance with this Article), including any non-compete or similar consideration that may be payable to such or any Promoter is referred to herein as the "**Tag Offer Price**".

c) The Investor shall be entitled to respond to the Tag Offer Notice by serving a written notice (the "**Response Notice**") to the Promoters prior to the expiry of 30 (thirty) Business Days from the date of receipt of the Tag Offer Notice ("**Tag Offer Period**") requiring the Promoters to ensure that the proposed transferee of the Tag Offered Shares also purchases such number of the Investor Securities as mentioned in the Response Notice at the same price and on the same terms as are mentioned in the Tag Offer Notice, except that the Investor shall not be required to provide any representations or warranties, other than in respect of its title to the Investor Securities, to the transferee.

d) The Promoters shall ensure that, along with the Tag Offered Shares, the proposed transferee also acquires the Investor Securities specified in the Response Notice for the same consideration and upon the same terms and conditions as applicable to the Tag Offered Shares, *provided that* the Investor may choose to receive the cash equivalent of any such consideration which is in a form other than cash (as notified, agreed or determined above for inclusion in the Tag Offer Price, including any non-compete or similar consideration that is being paid to such or any Promoter) and the Investor shall not be required to provide any representations or warranties to the proposed transferee. The Promoters and its Affiliates shall not be entitled to Transfer any of the Tag Offered Shares to any proposed purchaser/transferee unless the proposed purchaser/transferee simultaneously purchases and pays for the required number of Investor Securities mentioned in the Response Notice in accordance with the provisions of this Article 11.10(d). Such sale shall be completed within 60 days of the expiry of the Tag Offer Period;

e) In the event the Investor does not deliver a Response Notice to the Promoters prior to the expiry of the Tag Offer Period, the Promoters shall be entitled to Transfer the Tag Offered Shares to the proposed transferee mentioned in the Tag Offer Notice on the same terms and conditions and for the same consideration as is specified in the Tag Offer Notice. Any transferee purchasing the Tag Offered Shares shall deliver to the Promoters on or before the date of consummation of the proposed Transfer specified in the Tag Offer Notice payment in full of the Tag Offer Price in accordance with the terms set forth in the Tag Offer Notice. If completion of the Transfer to the proposed transferee does not take place within the period of 60 days following the expiry of the Tag Offer Period, the Promoters' right to sell the Tag Offered Shares to such third party shall lapse and the provisions of this Article 11.10 shall once again apply to the Tag Offered Shares.

12. **OTHER PROVISIONS ON TRANSFERS**

12.1 Where an Investor requires prior legal, governmental, regulatory or shareholder consent for an acquisition or disposal of Investor Securities pursuant to these Articles then notwithstanding any other provision of these Articles the Investor shall only be obliged to acquire or dispose of Investor Securities once such consent or approval is obtained, and the Shareholders shall use their reasonable endeavours to obtain any such required approvals. Any period within which a transfer of Investor Securities by or to the Investor has to be completed shall be extended by such further period as is necessary for the purpose of obtaining the above approvals. Provided that if any of the abovementioned approvals are finally withheld, then the Investor shall be deemed not to have offered to purchase or sell the concerned Investor Securities.

12.2 The Shareholders agree that the Transfer restrictions on the Promoters in these Articles and/or in the Organisational Documents of the Company shall not be capable of being avoided by the holding of Equity Securities indirectly through a company or other entity that can itself be sold in order to dispose of an interest in Equity Securities free of such restrictions. Any Transfer, issuance or other disposal of any shares (or other interest) resulting in any change in the control, directly or indirectly, of the Promoters, or of any Affiliate of any Promoter which holds, directly or indirectly, any Equity Securities, shall be treated as being a Transfer of the Equity Securities held by the Promoters, and the provisions of these Articles that apply in respect of the Transfer of Equity Securities shall thereupon apply in respect of the Equity Securities so held.

12.3 Any Transfer or attempted Transfer of any securities of the Company in violation of these Articles shall be void, no such Transfer shall be recorded on the Company's books and the purported transferee in any such Transfer shall not be treated (and the purported transferor shall be treated) as the owner of such securities for all purposes.

13. **OTHER COVENANTS**
Announcements

13.1 No formal or informal public announcement or press release which makes reference tothe Shareholders and/or any of its Affiliates or Related Parties and/or the terms and conditions of these Articles or any of the matters referred to herein, shall be made or issued by or on behalf of any Party hereto without the prior written approval of the other Party.

13.2 If any Party hereto is obliged to make or issue any announcement or press release required by law or by any stock exchange or governmental or regulatory authority, it shall give the Investor every reasonable opportunity to comment on any announcement or release before it is made or issued (provided that this shall not have the effect of preventing such Party from making the announcement or release or from complying with its legal, stock exchange, governmental and/or regulatory obligations).

Auditor

13.3 The Company shall, appoint one of the following, or their affiliates in India, as the statutory auditor of the Company on and from the Financial Year ending March 31, 2015:

a) Ernst & Young;

b) Deloitte, Haskins and Sells;

c) Grant Thornton;

d) Price Waterhouse Coopers; or

e) KPMG.

Use of Proceeds

13.4 The Investment Amount shall be utilized for primarily building 2 (two) new plants in Joint Ventures ("**JVs**") with Japanese companies: (a) JV with Nikkei MC Aluminium with initial capacity 24,000 MTPA at Bawal, Haryana ("**Bawal Plant**"); and (b) JV with Toyota Tsusho with initial capacity 48,000 MTPA at Chennai, Tamil Nadu ("**Chennai Plant**"). The Investment Amount may also be used for the new plant in Manesar, Haryana ("**Manesar Plant**") and the Plant of the Company in Pune as well as other future plant capital expenditure and working capital requirements, at the option of the Investor. The Company and Promoters shall ensure that the Bawal Plant, Chennai Plant and Manesar Plant shall be operational on or before December 31, 2013 and shall produce a minimum of 2,400 metric tonnes each of Aluminium alloy in the year ended March 31, 2014.

Connected Person

13.5 All agreements and transactions between the Company and any Connected Person/Concern shall be entered into on arms' length /market price basis and at reasonable terms and transfer prices.

13.6 The Company hereby agrees to form a Committee (the "Conflicts Committee") to resolve cases of conflict between the Company and the Promoters or any other Person with which Promoters are associated with or any Connected Person/Concern, (including the entities which are mutually agreed between the Shareholders as Connected Persons/Concerns). The Promoters hereby agree to inform the Investor of any changes in the Connected Persons/Concerns of the Company as and when new entities which may be Connected Persons/Concerns are incorporated.

13.7 The Committee will consist of the Investor Director and one mutually agreed director. The decision of the Committee (which will be taken by majority) will be binding on the Shareholders, Promoters and/or its Affiliates and Connected Persons/Concerns.

More Favourable Rights

13.8 The Company and the Promoters shall not provide any Person with rights in relation to the Company which are more favourable than those provided to the Investor and/or issue any Equity Securities on terms more favourable than those offered to the Investor hereunder.

Pre-emptive Rights

13.9 In the event that, at any time, the Company issues any Equity Securities or any other shares, rights, options, warrants, appreciation rights or other instruments or securities entitling the holder to receive any Equity Securities of the Company or any options to purchase or rights to subscribe for securities by their terms convertible into or exchangeable for Equity Securities (each, a "Dilution Instrument") at any time, then the Investor (or an Affiliate or Related Party of the Investor) shall be entitled to subscribe to such number of Dilution Instruments in proportion to its equity shareholding in the Company and shall also be entitled to subscribe to its pro rata number (calculated on the same basis after giving effect to the Investor's subscription pursuant to this Article13.9, but not including the numbers of Equity Securities held by other shareholders not subscribing in such issuance) of any Equity Securities not subscribed for by the other shareholders.

13.10 The Investor shall be entitled to acquire the Dilution Instruments on the terms on which the Company proposes to issue the Dilution Instruments to any other Person. The Company agrees and undertakes that it shall not issue any Dilution Instrument in contravention of the provisions of Article 13.9.

13.11 Any Person to whom Equity Securities (or another Dilution Instrument) are issued pursuant to Article13.9(or otherwise) shall agree in writing to be bound by the terms and conditions of these Articles and the Agreement (and, to the extent applicable, the Ancillary Agreements) as a New Shareholder (except for an issuance to an Affiliate or Related Party of the Investor, who shall agree in writing to be bound by the terms and conditions of these Articles(and, to the extent applicable, the Ancillary Agreements) as an Investor), in each case by executing a Deed of Adherence.

Anti-Dilution

13.12 Notwithstanding anything to the contrary contained in these Articles, in the event that the Company with the Investor's Consent, issues any Equity Securities, at a price per Equity Security (as adjusted for any Reorganisation) ("Issue Price") which is lower than Rs. 422.02(Rupees Four Hundred and Twenty Two paise zero two) per Equity Share, then in such event the Investor shall be entitled to either, at its sole discretion:

a) subscribe to additional Equity Shares at the lowest price permissible under applicable Law, so that the average acquisition price per Equity Share on a Fully Diluted Basis; or

b) adjust the conversion ratio of the CCPS (as set out on Article 23 and as adjusted for any Reorganisation),

in each case, in such a manner so as to provide the Investor such number of securities such that, taking into account the securities so issued or Transferred and the cost thereof, the average acquisition price per Equity Share of the Investor in respect of the Subscription Shares and the Sale Shares on an Fully Diluted Basis is the same as the Issue Price.

13.13 Liquidation Preference

(a) On the occurrence of a Liquidity Event / Liquidation Event, all proceeds realised from such Liquidity Event / Liquidation Event shall be distributed as in the following order of priority:

(i) Firstly, (a) the holders of the Investor Securities shall be entitled to receive from the Company, or the relevant third parties (as the case may be), 100% (One Hundred per cent) of the Investment Amount, proportionate to the number of Investor Securities held by them on a Fully Diluted Basis ("**Liquidation Preference Amount**"); The above distribution shall be in priority to any distribution to any other security holders of the Company; and;

(ii) The balance proceeds from the Liquidity Event shall be paid to the shareholders of the Company, pro-rata to their shareholding in the Company on a Fully Diluted Basis and after taking into account the amounts received by the relevant shareholders pursuant to (i) above.

(b) In the event that the amount, if any, received by the Investor is less than the Liquidation Preference Amount, the Promoters shall**,** out of the amounts received by them, pay over such an amount to the Investor so that the Investor receives an amount in aggregate equal to the Liquidation Preference Amount due to it, subject to any Taxes on the Investor. To the extent necessary, each Promoter waives their respective rights and entitlements to their share in any payment pursuant to a Liquidity Event / Liquidation Event and to the extent such payments are made to, or received by, any shareholder, such shareholder shall hold the payments received by them in trust for the Investor.

(c) In the event that the Liquidity Event / Liquidation Event is an event under which the Investor is not entitled to receive the proceeds of such Liquidity Event / Liquidation Event by virtue of being shareholders of the Company or the rights of the Investor provided in Articles13.14(a) 13.14 (b) above have not been given effect to or are not otherwise permissible to be given effect to or enforced, the Shareholders shall endeavour to identify and give effect to a tax efficient mechanism in respect of the transaction as contemplated in this Article13.14 and notwithstanding anything to the contrary in these Articles, the Shareholders agree that any Liquidity Event /Liquidation Event shall be governed by the terms of this Article13.14, unless other approved in writing by the Investor.

(d) The Company, the Promoters and all other shareholders shall take all and any such corporate action as may be necessary to give effect to the above.

Investor not to be considered Promoter

13.14 The Promoters acknowledge that on Completion, the Investor will only be a minority financial investor and not acquire any control or management of the Company, whether pursuant to these Articlesor otherwise. The Company and the Promoters will ensure that the Investor shall not be considered or classified to be the 'promoters' of the Company under applicable Laws for any reason whatsoever and the Investor's Securities are not subject to any restriction on Transfer or otherwise (including that of lock-in or other restriction) which are applicable to Promoters under any applicable Law. The Promoters shall remain in control and management of the Company, subject however to the rights of the Investor hereunder.

Business Plan

13.15 The Company shall provide the Investor a detailed Business Plan, that will include details of operations, financials, debt, capital expenditure and other relevant targets for the Company every year at least 60 days prior to the commencement of the relevant Financial Year of the Company and its Subsidiaries and such Business Plan shall be subject to the Investor's Consent and shall be approved by the Board annually and updated/revised at the time of approving any expansion. The Business Plan shall comprise the business strategy, project details including project cost, means of finance, projected financial statements including profit and loss account, balance sheet and cash flow statements for the on-going Financial Year and the subsequent 2 Financial Years and would form the basis of management of the Business of the Company until such time that the same is duly updated / revised with the consent of the Board. Any material deviation or amendment in the Business Plan shall also be presented to the Board and the Investor Director for their approval.

13.16 The Company shall at all times keep the Business fully funded according to timelines and thresholds laid out in the Business Plan. The Company and the Promoters shall and the Company and the Promoters shall ensure that the management team of the Company shall devote their time and efforts for the development of the Business and the management team shall undertake to apply their best commercially reasonable efforts to execute the Business Plan.

13.17 The Equity Securities of the Company allotted to the Investor shall at all times rank paripassu with its existing issued Equity Securities with respect to all rights and activities including, but not be limited to voting rights, dividends and rights issuance.

13.18 Other Covenants:

(a) The Company's consolidated debt shall not exceed 2 times its consolidated tangible net worth, and its interest coverage ratio shall not be less than 1.5 times its consolidated tangible net worth.

(b) The Company, the Promoters and the Promoters shall ensure that the management team of the Company undertake to comply with a 'Code of Ethics' 'Environmental and Business Principles Undertaking' as set out in Article 13.19, including by providing the information mentioned therein within the periods prescribed therein.

13.19 Environmental and Business Principles Undertaking

(a) The Company and the Subsidiaries shall at all times comply with all applicable Environmental Laws. The Company shall notify the Investor as promptly as possible after it becomes aware of any breach or violation of any Environmental Law by the Company or any Subsidiary, and the Company and the Subsidiaries shall take any action required by the Investor to correct or remedy any circumstances relating to such breach or violation.

(b) At the request of the Investor, the Company shall, as promptly as possible, but in any event not more than 30 (thirty) days after such request by the Investor, provide the Investor with such information as may be requested by the Investor to enable the Investor and its Affiliates to prepare an annual environmental, social and governance performance report relating to the Company and its Subsidiaries, which report shall include an evaluation of the environmental, health, safety, social and corporate governance performance of the Company and its Subsidiaries for the previous Financial Year based on such requirements as shall be set forth by the Investor from time to time. At the request of the Investor, the Company shall, as promptly as possible, but in any event not more than 30 (thirty) days after such request by the Investor, provide the Investor with certifications of compliance from any Governmental Authorities in relation to the matters described in this Article b.

For the purposes of this Article:

"**Environmental Laws**" means laws, principles of common laws, civil laws, regulations, codes of any jurisdiction or political subdivision thereof, as well as orders, decrees, judgments or injunctions, issued, promulgated, approved or entered thereunder relating to pollution, protection of the environment or public health or safety.

(c) The Company undertakes that the business of the Company will be carried on in a way that:

(i) provides safe and healthy working conditions for its employees and contractors;

(ii) encourages the efficient use of natural resources and promotes the protection of the environment;

(iii) treats all employees fairly in terms of recruitment, progression, remuneration and conditions of work, irrespective of gender, race, colour, language, disability, political opinion, age, religion or national/social origin;

(iv) allows consultative work-place structures and associations which provides employees with an opportunity to present their views to the management;

(v) takes account of the impact of its operations on the local community and seeks to ensure that potentially harmful occupational health and safety, environmental and social effects are properly assessed, addressed and monitored;

(vi) upholds high standards of business integrity and honesty, and operates in accordance with local laws and international good practice (including those intended to fight extortion, bribery and financial crime);

(vii) designs and operates the investee company's business according to local regulations or international best practices;

(viii) adopts the following minimum employment standards in accordance with internationally accepted good practice:

a. not to employ forced labour of any kind;

b. not to employ children under 14;

c. to provide wages which meet or exceed industry or legal national minima and are sufficient to meet basic needs;

(ix) properly records, reports and reviews financial and tax information relating to the business;

(x) ensures that no payment of value is made or received (in the form of compensation, gift, contribution or otherwise) in the course of business in order improperly to induce preferential treatment for the Company or its Subsidiaries, their officers, shareholders or employees;

(xi) complies with local regulations on occupational health and safety as an absolute minimum or international best practices;

(xii) reviews the list of business principles periodically to ensure its ongoing suitability and effectiveness; and complies at all times with all applicable Environmental laws.

14. **QUALIFIED INITIAL PUBLIC OFFERING**

14.1 The Company and the Promoters ensure that the Company shall, consummate a QIPO within 63 (Sixty Three) months from the Completion Date ("**Preferred Listing Period"**).Provided that if the market condition at such time do not permit for an initial public offering then the Company and the Promoters may request an extension of further 6 (Six) months to the above specified period. The QIPO shall satisfy each of the following conditions:

a) the equity shares of the Company shall be listed or quoted on the Exchanges;

b) the initial public offering is managed by reputable investment banking firms of recognized high standing in the market in which such shares are to be offered; and

c) the initial public offering complies with all applicable legal, regulatory and listing requirements.

14.2 The QIPO can be conducted by way of (a) a fresh issue of shares of the Company; or (b) an offer for sale by the shareholders of the Company, or (c) by way of a combination of both. The Investor shall, subject to applicable law requirements and unless otherwise agreed, offer a minimum of 50% (fifty per cent) of the Investor Securities in the QIPO provided that the Investor shall have the right, but not the obligation, to offer upto all of its Investor Securities for sale at such QIPO, in preference to any other shareholder of the Company. The Investor shall, subject to applicable law requirements, have the right and priority, but not obligation, over the other shareholders of the Company in the entire quantum of shares offered for sale in the initial public offering. If the Investor so requires, the Promoters will use best efforts to enable the Investor(s) to offer its/their entire post-conversion shareholding. It is clarified that notwithstanding anything contained in this Article 14.2, in the event of any under-subscription in the QIPO, allotment against valid bids shall first be made towards any equity shares offered by the Company by way of a fresh issuance of shares, to the extent necessary to meet minimum subscription requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

14.3 For the purpose of a QIPO, to the extent permissible by Law, the Investor Securities shall not be subjected to a lock-in or other restriction on Transfer as applicable to promoter's contribution under the guidelines of SEBI or any other Governmental Authority as applicable from time to time.

14.4 The Company and Promoters agree and acknowledge that if such QIPO is made in India, the Company is required to offer a minimum number of Equity Securities, as required under applicable Indian law, existing from time to time. The Investor shall not be required to provide any representations, warranties or covenants, other than those usually and customarily given by a financial investor, in the underwriting or purchase agreement for the offering. In addition, the Investor may require the Promoters to contribute such number of Equity Securities as may be specified by the Investor in such QIPO.

14.5 All costs, fees and expenses with respect to the QIPO (excluding the listing fees which shall be borne by the Company) shall be shared between the Company and the Investors, based on the proportion of the

Equity Shares allotted by the Company in the Fresh Issue and sold by the respective Investor in the Offer for Sale, in accordance with the provisions of the Companies Act, 2013, and other applicable laws. The Company agrees to pay the costs and expenses of, and arising in connection with, the IPO in advance and will be reimbursed by the Investors for their respective proportion of such costs and expenses upon the receipt of final listing and trading approvals from the Exchanges for the listing and trading of the Equity Shares of the Company pursuant to the IPO. Notwithstanding anything stated above, in the event the IPO is not consummated, for whatever reason, the Company shall bear all the costs and expenses incurred by the Company in relation to such unconsummated IPO, subject to such requirements as may be prescribed by Securities and Exchange Board of India.

14.6 If a QIPO is to be made and if the minimum paid-up equity share capital required at the relevant time for the purpose of listing the Company's Shares is more than the paid up equity share capital of the Company (inclusive of any additional Shares to be issued through the QIPO), then the Company shall, subject to the Investor's Consent, issue such bonus Shares as are required to meet such listing preconditions, (such bonus shares to be issued one year prior to the QIPO).

14.7 The Promoters and the Company will take all such steps, and extend all such co-operation to each other and the lead managers, underwriters and others as may be required for the purpose of expeditiously making and completing the said QIPO.

14.8 The Company with and subject to the consent of the Investor, shall be entitled to determine the timing of, mode of, market conditions, and all other matters relating to any offering. Upon the Investor offering its Investor Securities for sale at the time of any initial public offering, the Company and the Promoters shall complete all compliance and necessary formalities to ensure the listing of such shares.

14.9 The Promoters acknowledges that the sponsor or underwriter in any initial public offering will expect it to provide customary warranties or indemnities or another form of comfort on an exit and agree to provide the same. Subject to applicable Law, the Investor shall not be required to give any warranties or indemnities, other than warranties as to title and ownership of their shares and capacity to sell.

15. **OTHER EXIT PROVISIONS**

In the event the Company fails to make a QIPO within the Preferred Listing Period, without prejudice to the other rights of the Investor, the following exit rights shall be available to the Investor:

a) Listing:

(i) The Investor shall have the right to require listing of Equity Shares in the Exchanges and the Company and the Promoters shall take all necessary actions to ensure listing of the Equity Shares of the Company on the Exchanges. The cost of such listing shall be borne by the Company.

(ii) All provisions of Article 15 (*QIPO*) shall apply in respect of any other initial public offering by the Company. The Investor agrees that it will not unreasonably withhold permission for a QIPO which is in accordance with all the requirements hereof.

b) The Investor shall be entitled to a put option as set out in Article16; and

c) In case of a breach of Article16, the Investor shall be entitled to the rights set out in Article 17.

15A. **Others**

(a) Terms used but not defined in this Clause 15A shall have the meaning ascribed to them in the Share Purchase Agreement dated 20.01.2018 relating to the equity shares of the Company.

(b) The Company shall not issue, and the Purchasers shall not deal with or transfer any securities of the Company for a period of 6 months from the Completion Date, except in an initial public offering of the shares of the Company.

(c) Prior to the filing of the red herring prospectus for the initial public offering, the convertible preference shares held by all the shareholders of the Company would be converted into an equal number of equity shares resulting in a shareholding pattern as elaborated in Schedule 4 of the Share Purchase Agreement described in (a) above.

(d) The Sale Shares (and the equity shares resulting from their conversion) shall not be pledged except to the lenders to Debtco in respect of the loan of an amount equal to the Purchase Consideration obtained by Debtco plus interest thereon. Such pledge shall be subject to the terms of this agreement. The Sale Shares and the equity shares resulting from such conversion shall be subject to the terms of the IA in the same manner as the other equity shares of the Company. Debtco agrees and undertakes to adhere to the IA in the same manner as the Promoters (as defined therein). The Debtco shall ensure that the aforesaid pledge and all terms applicable to Debtco and the Purchasers shall not in any manner restrict the Company and the Purchasers from adhering to the IA and/or the IPO process.

(e) The Promoters may merge Debtco into the Company on or after June 30, 2019, provided the following conditions are met:

(i) No initial public offering of the Company has taken place by June 30, 2019;

(ii) Debtco has no liabilities other than a loan of an amount that is less than or equal to the Purchase Consideration plus accrued interest on the loan amount;

(iii) The Purchasers hold the whole of the share capital of Debtco;

(iv) Debtco is in compliance with all laws;

(v) Debtco has only a nominal number of employees and has no other obligations or contracts and is not carrying on and has not carried on any business or activity; and

(vi) As a result of the merger, after cancellation of the shares already held by the Debtco in the Company, the Seller's shareholding in the Company will represent approx. 15.50% of the share capital of the Company on a fully diluted basis as below and is elaborated in Schedule 4.

GSPL: 15.50%

Promoter group: 84.50%

It is clarified that subject to the conditions mentioned above, the shareholding of the Seller shall not exceed 15.5% of the merged entity.

16. PUT OPTION

16.1 Without prejudice to the other rights of the Investor hereunder in the event that the Company fails to consummate a QIPO before the expiry of the Preferred Listing Period in accordance with Article 16 above, then, at any time and from time to time thereafter, by written notice of such action or inaction delivered by the Investor to the Company (a "**Put Notice**"), the Investor shall have the right to put upto all of the Investor Securities held by the Investor to the Company and/or Promoters, ("**Put Right**") at the Investor's sole discretion, and require them to, jointly and/or severally, purchase the Investor Securities, and the Company and/or Promoters, as the case may be, shall promptly purchase the Investor Securities, at such price ("**Put Price**") as will provide the Investor with a higher of (a) Fair Market Value of the Investor Securities; or (b) 18% (eighteen per cent) IRR on its investment in the Company from the Completion Date to the date of receipt of the whole of such price by the Investor.

16.2 On the date of delivery of the Put Notice, in the event the profit after tax (as determined from the audited accounts of the Company) of the prior Financial Year is lower than INR 600,000,000/- (Rupees Six Hundred Million only), the IRR portion of the Put Price shall be decreased to a 15% (fifteen per cent) IRR. *Provided that* this Article16.2 shall not apply if the profit for the previous Financial Year has been reduced due to any Event of Default.)

16.3 The Company and the Promoters undertake jointly and severally to assist the Investor in the sale of the Investor's Securities pursuant to this Article, including by applying for and obtaining all requisite approvals and consents and taking all necessary corporate actions and passing of all requisite resolutions.

16.4 The Put Right shall be exercised and given effect to in accordance with the procedure in Article 16.6. The Company and the Promoters shall pay all transaction fees and Taxes relating to the Transfers made pursuant to this Article, other than any Tax required to be paid by the Investor on the income of the Investor.

16.5 Put Process

(a) The Investor may provide a notice to the Promoters ("**Put Notice**"), specifying that it desires to exercise the Put Right.

(b) Within 7 (seven) days of such notice, if the Investor so requires, the Promoters shall deposit the entire price to be paid by the Promoters on exercise of the Put Right (assuming payment to the Investor within 15 (fifteen) days of such deposit), into escrow, with an escrow agent acceptable to the Investor. For this purpose, the Shareholders shall enter into an escrow agreement with the escrow agent on terms acceptable to the Investor.

(c) Within 15 (fifteen) days of the Put Notice (as extended for any Governmental Approvals), on such date as the Investor may specify, the Promoters shall complete the purchase of the Investor Securities (or, if applicable, the concerned Equity Shares) and the purchase price shall be released from Escrow to the Investor. The Promoters shall simultaneously pay any further amounts as are required to ensure that the Investor receives the purchase price for the said shares in accordance with the provisions of the Agreement. Such purchase shall take place on a spot delivery basis.

(d) The Investor shall be entitled to take, and to require the Promoters to take, all requisite actions to complete such sale and purchase, including making all filings and appointing any valuers.

17. SECONDARY SALE

17.1 In case the Company and/or the Promoters fail comply with the provisions of Article 16, the Investor shall have the right to Transfer upto all of the Investor Securities along with all of its rights under this Agreement to a financial or a strategic investor ("**Purchaser**") and the Company and the Promoters shall use their best efforts to provide the Investor with an exit pursuant to this Article.

17.2 If so required by the Purchasers, the Promoters shall be obliged to offer such number of Equity Securities held by them as required by the Investor, at the same terms and conditions as the Investor, such that 51% (fifty one per cent) of the total outstanding shares (on a Fully Diluted Basis) in the Company would be available to the Purchaser. Such sale shall be on the same terms as the Investor, provided that the Investor shall not be required to provide any representations or warranties.

17.3 If the Investor identifies a Purchaser for the Investor Securities, and the Investor decide to proceed with the Transfer at their sole option, then the Investor shall deliver a written notice to the Company and the Promoters (the "**Secondary Sale Notice**"). Upon receipt of the Secondary Sale Notice, the Company and the Promoters shall render all reasonable assistance necessary to expeditiously complete the Transfer of upto such number of the Investor Securities as required by the Investor, including obtaining Consents, and providing representations, warranties, covenants and indemnities customary to such transactions as may be required by the Investor or the Purchaser.

17.4 All costs and expenses incurred in relation to any Secondary Sale shall be borne entirely by the Company. The Investor shall not be required to provide any guarantees or indemnities, or representations except in relation to title of the Investor Securities being sold by them. Unless otherwise required by the Investor, the Promoters shall not and shall ensure that none of the other shareholders, be entitled to sell their Equity Securities or participate in such Secondary Sale until the Investor has sold all the Investor Securities.

18. NON-COMPETE

18.1 The Promoters undertake to the Investor, to devote their full time and attention during business hours to the Business of the Company and use their best efforts, skills and abilities to diligently and efficiently serve and promote the Business and interest of the Company and (where applicable) the duties of their employment with the Company. The Promoters undertake to act honestly and reasonably in relation to and in the best interests of the Company, and subject to Article18.2, not engage in any other business.

18.2 Each Promoter undertakes to the Company and the Investor that, except with their consent and without prejudice to any other duty implied by applicable Law or equity, it shall not, as long as it holds any shares in the Company, either personally or through an agent, company or otherwise in any other manner directly or indirectly (including through their Affiliates):

(a) be concerned in any business which is similar to or competes or may compete with the Company and/or any of its Subsidiaries;

(b) except on behalf of the Company and/or any of its Subsidiaries, canvass or solicit business or custom for services similar to those being provided to the Company and/or any of its Subsidiaries from any Person who is a customer, client, business partner, supplier, vendor, contractor or service provider of the of the Company and/or any of its Subsidiaries;

(c) induce or attempt to induce any supplier of the Company and/or any of its Subsidiaries to cease to supply, or to restrict or vary the terms of supply, to the Company and/or any of its Subsidiaries or otherwise interfere with their relationship (save and except actions taken by the Promoters during the course of their employment with the Company and/or any of its Subsidiaries in exercise of his power and authority as an employee of the Company and/or any of its Subsidiaries and in, what he reasonably believes to be, in the interest of the Company); or

(d) induce or attempt to induce any director or senior or key employee of the Company and/or any of its Subsidiaries to leave the employment of the Company and/or any of its Subsidiaries (save and except actions taken by any Promoters during the course of his employment with the Company and/or any of its Subsidiaries in exercise of his power and authority as an employee of the Company and/or any of its Subsidiaries and in, what he reasonably believes to be, in the interest of the Company).

18.3 The Promoters jointly and severally undertake with the Company, the Investor that they shall not use (either personally or through an agent, directly or indirectly) or (insofar as they can reasonably do so) allow to be used any information of a secret or confidential nature relating to the Business or affairs of the Company and/or any of its Subsidiaries; or any trade name used by the Company and/or any of its Subsidiaries, or any other name calculated or likely to be confused with such a trade name.

18.4 For the purposes of Article18.2, any Promoter is concerned in a business if:

(a) he / his or her spouse, parents or children carries it on as principal or agent; or

(b) he / his or her spouse, parents or children is a partner, director, employee, secondee, consultant or agent in, of or to any Person who carries on the Business; or

(c) he /his or her spouse, parents or children has any direct or indirect significant financial interest (as shareholder or otherwise) in any Person who carries on the Business;

(d) he / his or her spouse is a partner, director, employee, secondee, consultant or agent in, of or to any Person who has a direct or indirect financial interest (as shareholder or otherwise) in any Person who carries on the business,

disregarding any financial interest of a Person in securities which are listed, or dealt in, on any generally recognised stock exchange if the Promoters and any Person connected with him are interested in securities which (collectively) amount to less than one per cent of the issued securities of that class and which, in all circumstances, carry less than one per cent of the voting rights (if any) attaching to the issued securities of that class and *provided that* none of such Persons are involved in the management of the business of the issuer of the securities or any Person connected with it other than by the exercise of voting rights attaching to the securities.

18.5 Any of the undertakings on the part of the Promoters under this Article may be released either generally or in any particular case with the prior written consent of the Investor but not otherwise. Each covenant contained in each Article or paragraph above shall be, and is, a separate covenant by the Promoters and shall be enforceable separately against the Promoters and independently of each of the other covenants and its validity shall not be affected if any of the others is invalid; and if any of the covenants is void but would be valid if some part of the covenant were deleted the covenant in question shall apply with such modification as may be necessary to make it valid.

18.6 The Promoters agree that any failure to comply with this Article18 will reduce the value of the shares held by the Investor and acknowledge that monetary damages alone would not be an adequate compensation for the breach of this Article18.6 and the Company and/or the Investor may seek an injunction from a court of competent jurisdiction.

19. EVENT OF DEFAULT

19.1 An event of default ("**Event of Default**") in relation to the Company and/or the Promoters hereto ("**Defaulting Party**") shall occur if:

(a) the Defaulting Party defaults, delays and/or breaches, in each case, in any material respects, any provision, covenant or obligation of such Shareholders under these Articles or the Agreement or any Ancillary Agreement; or the Defaulting Party has:

(i) been ordered to be wound up pursuant to any winding up petition filed by its creditors and such order has not been stayed within 60 days;

(ii) been declared insolvent or bankrupt and such declaration has not been stayed within 60 days;

(iii) initiated proceeding for voluntary winding up unless such voluntary winding up has been undertaken with the Investor's Consent;

(iv) a receiver, administrator or liquidator appointed over material assets or undertaking any substantial part of them and such appointment is not stayed within 60 days from the date of such appointment;

(v) entered into or resolved, through Shareholders' resolution, to enter into an arrangement, composition or compromise with or assignment for the benefit of its creditors generally or any class of creditors or proceedings are commenced to sanction such an arrangement, composition or compromise other than for the purposes of a bona fide solvent scheme of reconstruction, amalgamation or other like corporate actions; or

(vi) assigns or intentionally purports to assign its rights and Transfer its obligations under these Articles in any manner that violates the provisions of these Articles; or

(b) the Defaulting Party has failed to provide an exit to the Investor at the end of the agreed period; or

(c) there is a change of management control of the Company or any Subsidiary, unless with the prior agreement of the Investor; or

(d) there is any material change in the Business Plan of the Company without the consent of the Investor; or

(e) any information given by the Company in relation to the investment by the Investor, in the reports and other information furnished by the Company in accordance with the reporting system or any of the representations or the warranties given / deemed to have been given by the

Company and/or the Promoters to an Investor is misleading or incorrect in any material respect; or

(f) if the other financial institutions or banks with whom the Company may have entered into agreements for financial assistance have recalled its/their loans under their respective agreements with the Company except for re-organisation or defaults not attributable to the Company; or

(g) the Bawal Plant, Chennai Plant and the Manesar Plant not producing a minimum of 2,400 metric tonnes each of Aluminium alloy by September 30, 2014; or

(h) there occurs any breach of any transfer restrictions on the Promoters as set forth in these Articles; or

(i) if extra-ordinary circumstances have occurred which make it improbable or unlawful for the Company and/or the Promoters to fulfil their obligations under the Transaction Documents, or renders any such Transaction Document ineffectual. *Provided that* this Article shall not apply to circumstances outside the control of the Company and / or the Promoters; or

(j) the Company or any Promoters repudiating or communicating their intention to repudiate any Transaction Documents.

19.2 Upon the occurrence of an Event of Default or if the Company notifies the Investor of an Event of Default, the Investor have the right to issue a written notice to the Defaulting Parties ("**Default Notice**") indicating the details of the Event of Default and the actions or the lack of it which resulted in such default. The Defaulting Party shall then take all actions necessary to correct and cure its actions or the lack of it which resulted in such an event of default including indemnifying the Investor for any Loss occurring as a result of such Event of Default. If such default has not been remedied within 30 days of such Default Notice, then an Event of Default shall have taken place.

19.3 On the occurrence of an Event of Default, without prejudice to its other rights:

(a) The rights of the Company and the Promoters hereunder shall cease; and

(b) The Investor shall be entitled to the rights set out in Articles16 and 17 (*Put Option and Sale*), notwithstanding that the time period for the same to come into effect may not have elapsed.

(c) The Investor shall be entitled to Transfer the Investor Securities to any Person, including a Competitor, in accordance with Article16 and 17 (*Put Option and Sale*) subsequent to an Event of Default.

20. RIGHT TO INVEST

20.1 The Company and the Promoters hereby acknowledge that the Investor, its Affiliates, Related Parties and Investor Group invest and may invest in numerous companies, some of which may be in competition with the Company and its Business. The Company and the Promoters confirm and acknowledge that the Investor and the Investor Groups shall not be liable for any claim arising out of, or based upon (i) the fact that they hold an investment in any Person that competes with the Company, or (ii) any action taken by any of their officers or Representatives to assist any such competitive Person, whether or not such action was taken as a board member of such competitive company, or otherwise, provided that all confidential information of the Company shall not be disclosed by the Investor to such other Person.

20.2 The Company and the Promoters hereby unconditionally and irrevocably consent to the Investor and/or any member of the Investor Groups at any time and from time to time investing in the equity of any Person engaged in the same or a similar business as the business of the Company or entering into collaborations or other agreements or arrangements with any Persons in or outside India engaged in the same or a similar business as the business of the Company. Upon the execution of the Agreement, the Company and the Promoters shall simultaneously, and thereafter from time to time at the request of the Investor, certify that they do not object to such investment, agreement or arrangement with such Persons and in Agreed Form as may be requested by the Investor.

20.3 In the event that the Investor at any time hold any securities of the Subsidiaries, then the Company and the Promoters shall procure that the Subsidiaries shall also provide such consent as referred to in Article 20.1 and 20.2 above in respect of such Subsidiaries.

21. MISCELLANEOUS

Costs

21.1 Each Shareholder hereto represents and warrants that, no agent, broker, firm or other Person acting on behalf of or under the authority of such Shareholder is or will be entitled to any broker's or finder's fee or any other commission directly or indirectly in connection with the transactions contemplated herein except for consultancy fees to be paid by the Company to Emerging India Value Advisors Private limited. Such Shareholder further agrees to indemnify each other Shareholder for any Losses incurred by the second Shareholder as a result of the representation by the first Shareholder in this Article 21.2 being untrue.

21.2 The Promoters and the Company hereby undertake to and agree that, for the period from the date hereof until the Completion, the Promoters and the Company will not, nor will the Promoters permit the Company, its Subsidiaries or any Affiliate of the Company (or authorize or permit any of their respective Representatives) to take, directly or indirectly, any action to initiate, assist, solicit, receive, negotiate, encourage or accept any offer or inquiry from any Person in preference to or in substitution of the proposed investment contemplated by the Agreement to (a) make any investment in equity shares or other securities of the Company or any Subsidiary (b) reach any agreement or understanding (whether or not such agreement or understanding is absolute, revocable, contingent or conditional) for, or otherwise attempt to consummate, any investment in equity shares or other securities of the Company or any Subsidiary, or (c)furnish or cause to be furnished any information with respect to the Company or its Subsidiaries or affiliates, to any Person who the Company or its Subsidiary, affiliate or Representative knows or has reason to believe is in the process of considering any investment in equity shares or other securities of the Company. If the Promoters or the Company or any of its Subsidiaries, affiliates or Representatives receive from any Person an offer, inquiry or information request identical or similar to those referred to above, the Promoters and the Company will promptly advise such Person, by written notice, of the terms of this Article (without disclosing the other terms of the Agreement or these Articles and without divulging the name of the Investor) and will promptly, orally and in writing, advise the Investor of such offer, inquiry or request and deliver a copy of the foregoing notice to the Investor.

Further assurances

21.3 The Company and the Promoters agree to do all such further things and to execute and deliver all such additional documents as are necessary to give full effect to the terms of these Articles.

21.4 The Company and the Promoters undertake with the Investor that they will do or procure to be done all such further acts and things, execute or procure the execution of all such other documents and exercise all voting rights and powers, whether direct or indirect, available to it in relation to any Person so as to ensure the complete and prompt fulfilment, observance and performance of the provisions of these Articles and generally that full effect is given to the provisions of these Articles.

Assignment and Binding Effect

21.5 The Company and the Promoters shall not be entitled to, nor shall they purport to, assign transfer, charge or otherwise deal with all or any of its/their rights and/or obligations under these Articles nor grant, declare, create or dispose of any right or interest in it, in whole or in part.

21.6 The Investor shall be entitled to assign its rights and/or transfer its obligations hereunder to any Person, including without limitation, any Affiliate or Related Party of the Investor or any investor or prospective investor in such Affiliate or Related Party, save and except to a Competitor (except where permitted hereunder). For this purpose, the Shareholders shall execute such document as may be required by the Investor.

21.7 In relation to any rights available under these Articles on the basis of the number of Equity Securities or the percentage of the Company's share capital held by the Investor, the Investor shall be entitled, at its sole discretion, to aggregate the Equity Securities held by any member(s) of the Investor Group with those held by the Investor.

21.8 Any of the rights of the Investor hereunder may be exercised by any Affiliate or Related Party of the Investor.

21.9 These Articles shall be binding upon and inure to the benefit of the Shareholders and their respective heirs, successors, permitted assigns, executors and administrators.

Subsidiaries

21.10 The provisions of these Articles, shall apply *mutatis mutandis* to all Subsidiaries of the Company and the Company and the Promoters shall procure that the Subsidiaries act in accordance with these Articles and for this purpose, shall take all the requisite actions in accordance with the terms and conditions of any agreements to which such Subsidiaries are parties. It is clarified that the Investor shall not be required to hold any shares of the Subsidiaries.

Notices

21.11 **Service of Notice**: Any notice or other communication to be given by one Party to any other Party under, or in connection with, the Agreement or these Articles shall be made in writing and signed by or on behalf of the Party giving it. It shall be served by letter or facsimile transmission or by electronic mail (save as otherwise provided herein) and shall be deemed to be duly given or made when delivered (in the case of personal delivery), at the time of transmission (in the case of facsimile transmission, provided that the sender has received a receipt indicating proper transmission and a hard copy of such notice or communication is forthwith sent by prepaid post to the relevant address set out below) or ten days after being despatched in the post, postage prepaid, by the fastest form of mail available and by registered mail if available (in the case of a letter) to such Party at its address or facsimile number specified in Article 21.12, or at such other address or facsimile number as such Party may hereafter specify for such purpose to the other Parties to the Agreement by notice in writing (in the case of electronic email), on the delivery of a read receipt.

21.12 **Details for Notices**: The addresses and fax numbers for the purpose of Article 21.11 are as follows:

The Company

Address:	CMR Green Technologies Limited, Unit no.802-803, 8th Floor SSR Corporate Park Sector 27B,Faridabad , Haryana-121001
Attn:	Mr. Mohan Agarwal
E mail:	century@century.in

Investor

Address: DTOS LTD
10th Floor | Raffles Tower | 19 CybercityEbene | Republic of Mauritius
Telephone: (230) 404 6000 | Direct Line: (230) 404 6028 | Mobile: (230) 940 3154 | Fax: (230) 468 1600
Attn: Kevin ALLAGAPEN
KAllagapen@dtos-mu.com
Copy of all the correspondences be sent to:
c/o AIF Capital Limited
Suite 3401, Jardine House
1 Connaught Place
Central, Hong Kong
Attention: Theresa Chung

Promoters

Address: W-5/16, Western Avenue, Sainik Farms, New Delhi-110062, India

Attn: Mr. Mohan Agarwal
E mail : mohan.a@century.in

22. DISPUTE RESOLUTION

22.1 Any dispute, controversy or claim arising out of, relating to, or in connection with the Agreement, or the breach, termination or validity hereof, shall be finally settled exclusively by arbitration. The arbitration shall be conducted in accordance with the Arbitration Act in effect at the time of the arbitration, except as they may be modified by mutual agreement of the Shareholders. The seat of the arbitration shall be New Delhi. The arbitration shall be conducted in the English language.

22.2 The arbitration shall be conducted by three arbitrators. The Shareholder(or the Shareholders, acting jointly, if there are more than one) initiating arbitration (the "**Claimant**") shall appoint an arbitrator in its request for arbitration (the "**Request**"). The other Shareholder(or the other Shareholders, acting jointly, if there are more than one) to the arbitration (the "**Respondent**") shall appoint an arbitrator within 30 (thirty) days of receipt of the Request and shall notify the Claimant of such appointment in writing. If within 30 (thirty) days of receipt of the Request by the Respondent, either Shareholder has not appointed an arbitrator, then that arbitrator shall be appointed in accordance with the Arbitration Act. The first two arbitrators appointed in accordance with this provision shall appoint a third arbitrator within 30 (thirty) days after their appointment. When the third arbitrator has accepted the appointment, the two arbitrators making the appointment shall promptly notify the Shareholders of the appointment. If the first two arbitrators appointed fail to appoint a third arbitrator or so to notify the Shareholders within the time period prescribed above, then the third arbitrator shall be appointed in accordance with the Arbitration Act. The third arbitrator shall act as Chair of the tribunal.

22.3 The arbitral award shall be in writing, state the reasons for the award, and be final and binding on the Shareholders. The award may include an award of costs, including reasonable attorneys' fees and disbursements. Judgment upon the award may be entered by any court having jurisdiction thereof or having jurisdiction over the relevant Shareholder or its assets.

22.4 In order to facilitate the comprehensive resolution of related disputes, and upon request of any Shareholder to the arbitration proceeding, the arbitration tribunal may, within 90 (ninety) days of its appointment, consolidate the arbitration proceeding with any other arbitration proceeding involving any of the Shareholders relating to the Agreement, the other Ancillary Agreements or these Articles. The arbitration tribunal shall not consolidate such arbitrations unless it determines that (i) there are issues of fact or law common to the proceedings, so that a consolidated proceeding would be more efficient than separate proceedings, and (ii) no Shareholder would be prejudiced as a result of such consolidation through undue delay or otherwise. In the event of different rulings on this question by the arbitration tribunal constituted hereunder and any tribunal constituted under any of the other Ancillary Agreements or these Articles, the ruling of the tribunal constituted under the Agreement will govern, and that tribunal will decide all disputes in the consolidated proceeding.

22.5 The Shareholders agree that the arbitration shall be kept confidential and that the existence of the proceeding and any element of it (including but not limited to any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions, and any awards) shall not be disclosed beyond the tribunal, the Shareholders, their counsel and any Person necessary to the conduct of the proceeding, except as may be lawfully required in judicial proceedings relating to the arbitration or otherwise.

22.6 The costs of arbitration shall be borne by the losing Shareholder unless otherwise determined by the arbitration award.

22.7 When any dispute occurs and is under arbitration, except for the matters under dispute, the Shareholders shall continue to exercise their remaining respective rights, and fulfil their remaining respective duties and obligations, under the Agreement.

22.8 Notwithstanding this Article22or any other provision to the contrary in the Agreement, no Shareholder shall be obligated to follow the foregoing arbitration procedures where such Shareholder intends to apply to any court of competent jurisdiction for an interim injunction or similar equitable relief against any other Shareholder, provided there is no unreasonable delay in the prosecution of that application.

23. TERMS OF THE CCPS

"**CCPS**" means the 1530844 compulsorily convertible cumulative participatory preference shares of facevalue of Rs. 10/- (Rupees ten only) and issued at a premium of Rs.381.94/- (Rupees Three Hundred Eighty one and Paise Ninety four Only) each and having the characteristics set out below.

(a) **Payment of Dividend**

The Company shall pay cumulative dividend at the rate of 0.001% per annum on the CCPS. Dividend on Equity Shares shall be subordinated to the dividend on the CCPS. If the Company declares any dividend on Equity Shares, then the holders of the CCPS shall be entitled to receive such proportion of the dividend so declared as they would have been entitled to receive if the CCPS had been converted into Equity Shares at such time.

(b) **Liquidation Preference**

In the event of a Liquidity Event / Liquidation Event, the aggregate liquidation preference of each holder of the CCPS will be determined in accordance with Article13.13 (*Liquidation Preference*) of the Agreement.

(c) **Conversion Option of CCPS**

(i) At any time, the holder of CCPS shall have the right to convert, at its sole discretion and option, the CCPS into fully paid up Equity Shares.

(ii) Unless already converted, the CCPS shall automatically convert into Equity Shares on the latest date permissible under Applicable Law prior to a QIPO pursuant to the Agreement.

(iii) In case of a conversion of some (and not all) of the CCPS ("**Converted CCPS**"), the balance CCPS shall convert into such number of Equity Shares as will, together with the Equity Shares already issued on the conversion of the Converted CCPS, equal the number of Equity Shares into which all the CCPS are to convert at the time of the conversion of the balance CCPS (in accordance with this Article (c)).

(iv) Except to the extent modified below, each CCPS shall be convertible into 1 Equity Share.

(v) On and from the determination of the Assessed PAT for the Financial Year ending March 31, 2014, the CCPS shall be convertible into Y number of Equity Shares, where Y is determined as under:

a. If the Assessed PAT for the Financial Year ending March 31, 2014 is less than Rs. 270 million, then the "Entry Valuation" shall be deemed to be the multiplication of (i) the Assessed PAT for the Financial Year ending March 31, 2014 and (ii) 10;
b. If the Assessed PAT for the Financial Year ending March 31, 2014 is equal to or more than Rs. 270 million, then the "Entry Valuation" shall be deemed to be Rs. 3,000 million;

c. If the Entry Valuation determined under (i) and (ii) above is below Rs. 3,000 million, and if the Assessed PAT for the Financial Year ended March 31, 2015 is greater than Rs. 450 million, then the Entry Valuation shall be deemed to be Rs. 3,000 million;

d. If the Assessed PAT for the Financial Year ended March 31, 2017 is:

i. Less than Rs. 650 million, then the “Final Entry Valuation” shall be the lower of the Entry Valuation and Rs. 2700 million;

ii. Greater than or equal to Rs. 650 million and les than or equal to Rs 950 million, then the then the “Final Entry Valuation” shall be Rs. 3000 million

iii. Greater than Rs. 950 million, then the Final Entry Valuation shall be Rs. 3,300 million.

e. From the Final Entry Valuation (determined as mentioned above), an amount equal to M shall be deducted:

Final Entry Valuation less M = Ultimate Conversion Valuation.

Where M is the amount as represents the aggregate of (i) the reduction in the value of the Company and/or amounts to be paid by the Company to any third party, in respect of which the Indemnifying Parties have an obligation to indemnify the Investor pursuant to the Investment Agreement; and (ii) with respect to any of the amounts in (i), to the extent that such amounts would have impacted the Profit After Tax for the Financial Year ending March 31, 2013 (had the same been determined taking into account such amounts), the multiplication of (a) all such amounts and (b) 10.Provided that an amount taken into account in (ii) shall not be taken into account in (i), to avoid duplication.

f. Provided further that. In the event that the Company issues any additional Equity Shares or other Dilution Instruments and:

a. If such issuance of Dilution Instruments is at price per Equity Share (on an as converted basis) (“**New Issue Price**”) that is less than the higher of the price per Sale Share paid under the SPA and/or the price per Equity Share (on an as converted basis) paid under this Agreement, then the Ultimate Conversion Valuation (as defined below) shall be adjusted so that the average per Equity Share price paid by the Investor hereunder and under the SPA is equal to the New Issue Price.

b. If the issuance of Dilution Instruments is at a price higher than the per Equity Share paid under the SPA and/or the price per Equity Share (on an as converted basis) paid under this Agreement then:

i. In all places in (iv) above, INR 650m will be replaced with: (1/(1-overall company shareholding dilution %)) * INR 650m

ii. In all places in (iv) above, INR 950m will be replaced with: (1/(1-overall company shareholding dilution %)) * INR 950m

c. It is clarified that the adjustment for a single dilution event as mentioned above shall be either through ‘a’ or ‘b’ above, as the case may be, and not through both

Accordingly the number of Equity Shares into which the CCPS shall convert (i.e. Y) shall be:
Y = (6,123,375/(1-(600,000,000/Ultimate Conversion Valuation))) - 6,123,375.

Accordingly each CCPS shall convert into Z number of Equity Shares, where Z= Y/1530844
It is further clarified that, for the purpose of determination of M, account shall be taken of amounts payable to the Investor in respect of the Sale Shares under the SPA as well as the Investor Shares subscribed hereunder and M shall be determined so that the Investor is compensated in respect of all such shares. Provided that, solely to the extent of the Sale Shares, M shall be calculated without reference to the multiple specified in (ii) in the calculation of M mentioned above.

An illustration is set out in Schedule 10 to the Agreement.

(vi) The Assessed PAT shall be determined by the auditor of the Company and the Investor shall be entitled to require the Company to appoint any other Big Five Auditor to conduct a review of the determination of the auditor. Such review shall be final and binding on all Shareholders. The Assessed PAT shall be determined on or before 31 st July of the concerned year.

(vii) "**Assessed PAT**" measured in INR millions is defined as the consolidated audited PAT for the 12 months period ending on 31st March of the relevant year and will not include any prior period or future period income/expenditure, income/ expenditure from any unrelated business activities or non-recurring income such as profit from sale of assets. Any profits from trading activities in the company exceeding 2% of the total profits of the company for the year will not be included in the Assessed PAT.

(d) **Conversion Mechanism**

(i) If a holder of the CCPS exercises its option to convert any or all the CCPS, such holder shall notify the Company in writing in respect of the same (the "**Conversion Notice**"). The Conversion Notice shall specify (i) the actual number of CCPS proposed to be converted by the holder of CCPS; and (ii) the conversion price as determined in accordance with Article 23(c) of these terms and conditions and the corresponding shares to be issued pursuant to such conversion.

(ii) Within 10 (Ten) days of receiving the Conversion Notice, and provided the same is in accordance with the provisions hereof, the Company shall convert the CCPS into such number of shares as specified in the Conversion Notice. For such purpose the Company shall and the Promoters shall cause the Company to take all necessary corporate action so as to ensure issuance of relevant number of shares to the holder of the CCPS as specified in the Conversion Notice.

(e) **Adjustments**

(i) If the Company should at any time fix a record date for the effectuation of a split or subdivision of the outstanding Equity Shares or the determination of holders of Equity Shares entitled to receive a distribution payable in additional Equity Shares or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly, additional Equity Shares (hereinafter referred to as "Equity Shares Equivalents") without payment of any consideration by such holder for the additional Equity Shares or the Equity Shares Equivalents (including the additional Equity Shares issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the conversion price of the CCPS shall be appropriately adjusted so that the number of Equity Shares issuable on conversion of each CCPS shall be increased in proportion to such increase of the aggregate of Equity Shares outstanding and those issuable with respect to such Equity Shares Equivalents.

(ii) If the number of Equity Shares outstanding at any time is decreased by a combination / consolidation of the outstanding Equity Shares, then, following the record date of such combination/consolidation, the conversion price for the CCPS shall be appropriately increased so that the number of Equity Shares issuable on conversion of each CCPS shall be decreased in proportion to such decrease in outstanding shares.

(iii) If at any time or from time to time there shall be a recapitalization or reclassification of the Equity Shares (including any such reclassification in connection with a consolidation or merger in which the Company is the continuing corporation), provision shall be made so that the holders of the CCPS shall thereafter be entitled to receive upon conversion of the CCPS the number of shares or other securities or property of the Company or otherwise, to which a holder of Equity Shares deliverable upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Article with respect to the rights of the holders of the CCPS after the recapitalization to the end that the provisions of this Article (including adjustment of the conversion price then in effect and the number of shares issuable upon conversion of the CCPS) shall be applicable after that event as nearly equivalent as may be practicable.

(iv) Impairment: Subject to consent of the holder of the CCPS, the Company will not, by amendment of its Articles or through any Reorganisation, recapitalization, Transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Article and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of the holders of the CCPS against impairment.

(f) **No Fractional Shares and Certificate as to Adjustments.**

(i) No fractional share shall be issued upon the conversion of any CCPS, and the number of Equity Shares to be issued shall be rounded to the next whole share. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of CCPS the holder is at the time converting into Equity Shares and the number of Equity Shares issuable upon such aggregate conversion.

(ii) Upon the occurrence of each adjustment of the conversion price of the CCPS pursuant to this Article, the Company, at its expense, shall promptly compute such adjustment in accordance with the terms hereof and prepare and furnish to each holder of the CCPS a certificate setting forth such adjustment and showing in detail the facts upon such adjustment is based. The Company shall, upon the written request at any time of any holder of CCPS, furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustment and readjustment, (ii) the conversion price for such CCPS at the time in effect, and (iii) the number of Equity Shares and the amount, if any, of other property that at the time would be received upon the conversion of a share of CCPS.

(g) **Reservation of Shares Issuable Upon Conversion**

The Company shall at all times reserve and keep available out of its authorized but unissued Equity Shares, solely for the purpose of effecting the conversion of the CCPS, such number of Equity Shares as shall from time to time be sufficient to effect the conversion of all outstanding CCPS; and if at any time the number of authorized but unissued Equity Shares shall not be sufficient to effect the conversion of all then outstanding preference shares (taking into account the issuance of Equity Shares pursuant to any existing convertible security), the Company will take such corporate action as may be necessary to increase its authorized but unissued Equity Shares to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite shareholder approval of any necessary amendment to the Company's Memorandum of Association.

(h) **Voting Rights**

(i) The holder of the CCPS shall have the same voting rights in respect of the CCPS as are available to holders of Equity Shares, on the basis of the number of Equity Shares into which the CCPS are to convert at such time.

(ii) In the event that:

a. the Company is converted from a private limited company to a public limited company in accordance with Applicable Law; or

b. the holder is unable to exercise voting rights on the CCPS as set forth in Article 25(h)(ii), due to Applicable Law or otherwise,

i. until the conversion of the CCPS into Equity Shares, the Promoters shall vote such number of Shares now or hereafter owned by them, whether beneficially or otherwise, or as to which they have voting power, representing voting rights equal to the percentage of the share capital on Fully Diluted Basis represented by the CCPS in accordance with the instructions of the holder of the CCPS at all General Meetings or provide proxies without instructions to the holder of the CCPS for the purposes of General Meetings, in respect of all the CCPS held by such holder such that Equity Shares representing the CCPS held by such holder in the share capital on a Fully Diluted Basis are voted on in the manner required by such holder.

ii. In pursuance of the provisions of Article 25(h)(ii)(a), the Promoters hereby irrevocably appoint the holder of the CCPS as proxy and attorney-in-fact for each of the Promoters and, for and on behalf of each Promoter, the holder of the CCPS is hereby authorized jointly and/or severally to vote or act by written consent in any manner as the holder may deem fit with respect to the such number of Equity Shares held by the Promoters as may be determined under Article 25(h)(ii)(a) and do and perform all such acts, deeds, matters and things from time to time as may be necessary, desirable, or appropriate for or in connection with the powers conferred under this Article 25(h)(ii)(a).

iii. From the date of conversion of the CCPS into Equity Shares in accordance with the terms of this Agreement, the voting percentage of all the shareholders in the Company shall be in proportion to their shareholding in the share capital on Fully Diluted Basis of the Company.

24. COMPETITORS

It is hereby clarified that the list of Competitors in this Article may be revised by the Shareholders by mutual agreement every 12 (Twelve) months from the Completion Date.

(a) Century NF Castings
(b) Sunland Alloys
(c) Shree BalajiAlumnicastPvt. Ltd.
(d) Namo Alloys Pvt. Ltd.

25. FAIR MARKET VALUE DETERMINATION

Fair Market Value must be determined in accordance with this Article.

The Investor and the Company will mutually agree upon and appoint a valuer (the "**Valuer**"), upon the Fair Market Value being required for determination under this Agreement. In the event that the Company and the Investor cannot agree on the Valuer within 7 (seven) days of request by the Investor, then the Company shall appoint the Valuer from amongst: KPMG, PriceWaterhouseCoopers, Deloitte Haskins and Sells, Ernst & Young, BMR and Grant Thronton.

Process for valuation: In determining the Fair Market Value the Valuer is to be instructed to conduct the valuation in accordance with the following process:

(a) The Company must promptly and no later than 10 Business Days, following a requirement for the Fair Market Value to be determined under this Agreement prepare all the relevant information required by the Valuer. If the Valuer requests further information or instructions in connection with the valuation that may materially impact on the valuation outcome or process, the Company must promptly, and no later than 7 Business Days, following such a request respond to that request (or together or individually).

(b) Unless each of the Investor and the Promoters agree otherwise, the Valuer must:

(i) determine a specific value rather than a range of values,

(ii) value the Company as a whole and on the basis that there is no discount for a minority holding of securities nor a premium for a holding of securities that will give the buyer a controlling interest;

(iii) Use such generally accepted valuation methodologies as the Valuer considers appropriate.

(iv) Take into account any events which give rise to any liability of the Company or the Promoters to indemnify any shareholder of the Company, unless all such liabilities have been compensated to the concerned shareholder in full.

(c) The Valuer will prepare the Valuation Memorandum ("**Memorandum**") for the Company and the Business based on the above information and supplemented by information available and the industry and the subsequent analysis of the same undertaken by the Valuer.

(d) The Valuers will present their findings in the form of the Memorandum. The Memorandum will include the reasoning and basis of the Valuation, methodologies and conclusion. The Valuer will issue a draft Memorandum prior to the issue in final form to each of the Investors and the Promoters.

(e) **Access:** The Valuer:

(i) has a right of access at all reasonable times, to the accounting records and business plan and any other information of the Company; provided that the concerned Valuer has executed a confidentiality agreement with the Company.

(ii) can require from the Company information or explanation the Valuer requires to determine the Fair Market Value of the Company, provided the Company is authorised to share such information under law and subject to the confidentiality agreement specified in Article 25(a) above.

(f) **Expert:** The Shareholders acknowledge and agree that the Valuers act as experts and not as an arbitrator in conducting the valuation.

(g) **Valuation binding:** The valuation conducted by the Valuers is conclusive and binding on the Shareholders in the absence of manifest error.

(h) **Costs of Valuer:** The Shareholders agree that the costs of the Valuers in connection with the valuation are to be borne by the Company.

SECTION XI - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and 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), which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and the Prospectus which will be filed with the RoC. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid / Offer Closing Date.

Any of the contracts or documents mentioned in this Draft 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 the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material contracts for the Offer

1. Offer Agreement dated September 26, 2021 entered into between our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated September 24, 2021, entered into between our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs and the Banker(s) to the Offer.

4. Share Escrow Agreement dated [●] entered into between the Selling Shareholders, our Company and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered into between our Company, the Selling Shareholders, the BRLMs and the Syndicate Members.

6. Monitoring Agency Agreement dated [●], entered into between our Company and the Monitoring Agency.

7. Underwriting Agreement dated [●] entered into between our Company, the Selling Shareholders, and the Underwriters.

B. Material documents

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 August 23, 2005.

3. Fresh certificate of incorporation consequent upon conversion to public limited company dated May 28, 2020.

4. Fresh certificate of incorporation dated August 11, 2021, issued pursuant to the change in the name of our Company from 'Grand Metal Industries Limited' to 'CMR Green Technologies Limited'.

5. Resolution of the Board of Directors dated September 9, 2021 in relation to the Offer and other related matters.

6. Resolution of the Shareholders of our Company dated September 20, 2021 approving the Fresh Issue.

7. Resolution of the Board of Directors of our Company dated September 23, 2021 approving this Draft Red Herring Prospectus.

8. Resolution of the IPO Committee dated September 26, 2021 approving this Draft Red Herring Prospectus.

9. Consent letters, each dated September 18, 2021, from the Promoter Selling Shareholders and the Other Selling Shareholders, in relation to their respective portion of the Offer for Sale.

10. Consent letter dated September 24, 2021, from the Investor Selling Shareholders, in relation to their portion of the Offer for Sale.

11. Resolution dated September 23, 2021 of the board of directors of the Investor Selling Shareholders consenting to participate in the Offer for Sale.

12. Consent dated September 2, 2021 from CRISIL to rely on and reproduce part or whole of the report, "*Assessment of secondary aluminium industry in India*" and include their name in this Draft Red Herring Prospectus.

13. Industry report titled "*Assessment of secondary aluminium industry in India*" dated September 2021 prepared by CRISIL.

14. Written consent dated September 26, 2021 from S. R. Batliboi & Co. LLP, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated September 23, 2021 on our Restated Financial Information; and (ii) their report dated September 23, 2021 on the 'Statement of Special Tax Benefits' included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

15. Report issued by the Statutory Auditors dated September 23, 2021 on the statement of possible special tax benefits available to our Company and its Shareholders.

16. Report issued by Chordiya & Co., Chartered Accountants, dated September 23, 2021, on the statement of possible special tax benefits available to our material subsidiaries.

17. The certificate and consent issued by V. Gokulakrishnan, Chartered Engineer dated September 23, 2021.

18. Copies of annual reports of our Company for the preceding three Fiscals.

19. Copies of annual reports of CMR for the Fiscals ended March 31, 2020 and 2019.

20. Consent of the Directors, BRLMs, Syndicate Members, our Previous Auditor, the legal counsel to the Company, the legal counsel to the Book Running Lead Managers, legal counsel to the Investor Selling Shareholder, Registrar to the Offer, Banker(s) to the Offer, Banker to our Company, Company Secretary and Compliance Officer, Chief Financial Officer as referred to in their specific capacities.

21. Scheme of Arrangement amongst Grand Metal Recycling Private Limited, Suvridhi Financial Services Limited, Sanjivani Non Ferrous Trading Private Limited, Ramayana Polymers Private Limited, Forever Multimedia Private Limited, Century Metal Recycling Limited, our Company and each of their respective shareholders.

22. Investment Agreement dated September 24, 2013 among our Company, Mohan Agarwal (HUF), Gauri Shankar Agarwala (HUF), Kalawati Agarwal, Pratibha Agarwal, Ramayana Polymers Private Limited, Forever Multimedia Private Limited, Sanjivani Non Ferrous Trading Private Limited, Grand Metal Recycling Private Limited and Suvridhi Financial Services Limited and Global Scrap Processors Limited.

23. Agreement dated June 6, 2018 among our Company, Mohan Agarwal, Gauri Shankar Agarwala, Mohan Agarwal (HUF), Gauri Shankar Agarwala (HUF), Kalawati Agarwal, Pratibha Agarwal, Ramayana Polymers Private Limited, Forever Multimedia Private Limited, Sanjivani Non Ferrous Trading Private Limited, Grand Metal Recycling Private Limited and Suvridhi Financial Services Limited and Global Scrap Processors Limited.

24. Agreement dated June 26, 2020 among our Company, Mohan Agarwal, Gauri Shankar Agarwala, Mohan Agarwal (HUF), Gauri Shankar Agarwala (HUF), Kalawati Agarwal, Pratibha Agarwal, Ramayana

Polymers Private Limited, Forever Multimedia Private Limited, Sanjivani Non Ferrous Trading Private Limited, Grand Metal Recycling Private Limited and Suvridhi Financial Services Limited and Global Scrap Processors Limited.

25. Agreement dated September 24, 2021 among our Company, Mohan Agarwal, Gauri Shankar Agarwala, Mohan Agarwal (HUF), Gauri Shankar Agarwala (HUF), Kalawati Agarwal, Pratibha Agarwal and Global Scrap Processors Limited.

26. Joint venture agreement dated July 25, 2012 between our Company and Nikkei Aluminium MC Company Limited.

27. Joint venture agreement dated September 4, 2012 between our Company and Toyota Tsusho Corporation.

28. Joint venture agreement dated November 14, 2018 between our Company and a Hong Kong-based metal recycling entity.

29. Joint venture agreement dated July 16, 2020 between our Company and Kent Industrial Park Private Limited.

30. Joint venture agreement dated November 25, 2019 between a Hong Kong-based metal recycling entity and our Company.

31. Joint venture agreement dated November 27, 2019 between Nikkei MC Aluminium Company Limited, Japan, our Company and certain other entities.

32. Tripartite agreement dated June 29, 2018 among our Company, NSDL and the Registrar to the Offer.

33. Tripartite agreement dated September 9, 2021 among our Company, CDSL and the Registrar to the Offer.

34. Due diligence certificate dated September 26, 2021 addressed to SEBI from the BRLMs.

35. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.

36. SEBI observation letter dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required in the interest of our Company, or if required by other parties, without notification to the shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

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

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Mohan Agarwal
Chairperson and Managing Director

Place: Faridabad

Date: September 26, 2021

DECLARATION

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

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Akshay Agarwal
Executive Director

Place: Faridabad

Date: September 26, 2021

DECLARATION

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

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Raghav Agarwal
Executive Director

Place: Faridabad

Date: September 26, 2021

DECLARATION

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

SIGNED BY THE DIRECTOR OF OUR COMPANY

Peter Francis Amour
Non-Executive Nominee Director

Place: Hong Kong

Date: September 26, 2021

DECLARATION

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

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Balvinder Kumar
Independent Director

Place: New Delhi

Date: September 26, 2021

DECLARATION

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

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Gyan Mohan
Independent Director

Place: Patna

Date: September 26, 2021

DECLARATION

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

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Rashmi Verma
Independent Director

Place: New Delhi

Date: September 26, 2021

DECLARATION

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

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Satpal Kumar Arora
Independent Director

Place: New Delhi

Date: September 26, 2021

DECLARATION

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

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Satish Kumar Kaushik
Chief Financial Officer

Place: Faridabad

Date: September 26, 2021

DECLARATION

Gauri Shankar Agarwala, acting as a Promoter Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct. Gauri Shankar Agarwala assumes no responsibility, as a Promoter Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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Gauri Shankar Agarwala

Place: Faridabad

Date: September 26, 2021

DECLARATION

Mohan Agarwal, acting as a Promoter Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct. Mohan Agarwal assumes no responsibility, as a Promoter Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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Mohan Agarwal

Place: Faridabad

Date: September 26, 2021

DECLARATION

Gauri Shankar Agarwala (HUF), through its *karta*, acting as an Other Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. Gauri Shankar Agarwala (HUF) assumes no responsibility, as an Other Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF GAURI SHANKAR AGARWALA (HUF)

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Gauri Shankar Agarwala
Karta

Place: Faridabad

Date: September 26, 2021

DECLARATION

Mohan Agarwal (HUF), through its *karta*, acting as an Other Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. Mohan Agarwal (HUF) assumes no responsibility, as an Other Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF MOHAN AGARWAL (HUF)

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Mohan Agarwal
Karta

Place: Faridabad

Date: September 26, 2021

DECLARATION

Kalawati Agarwal, acting as a Promoter Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by her in this Draft Red Herring Prospectus in relation to herself and the Equity Shares being offered by her in the Offer for Sale are true and correct. Kalawati Agarwal assumes no responsibility, as a Promoter Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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Kalawati Agarwal

Place: New Delhi

Date: September 26, 2021

DECLARATION

Pratibha Agarwal, acting as a Promoter Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by her in this Draft Red Herring Prospectus in relation to herself and the Equity Shares being offered by her in the Offer for Sale are true and correct. Pratibha Agarwal assumes no responsibility, as a Promoter Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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Pratibha Agarwal

Place: New Delhi

Date: September 26, 2021

DECLARATION

Global Scrap Processors Limited, acting as the Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus specifically in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. Global Scrap Processors Limited assumes no responsibility, as the Investor Selling Shareholder, for any other statements, disclosures and undertakings including any of the statements made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF GLOBAL SCRAP PROCESSORS LIMITED

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Name: Peter Francis Amour

Designation: Director

Place: Hong Kong

Date: September 26, 2021