

**IEL LIMITED**  
(CIN- L15140GJ1956PLC124644)



Our Company was originally incorporated on February 06, 1956 as a public limited company under the name and style of “Indian Extractions Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Bombay. Subsequently, the name of our Company was changed to “IEL Limited” vide Fresh Certificate of Incorporation dated January 21, 2019. The Company has changed its registered office from the state of Maharashtra to the Gujarat under the order for change of state by the Regional Director vide certificate dated August 04, 2021 with the Registrar of Companies, Ahmedabad, Gujarat. For further details please refer to the section titled “General Information” beginning on page 43 of this Draft Letter of offer.

**Registered Office:** Shed No 15, Shyam Hari Industrial Estate, Phase 4 GIDC, Vatva, Ahmedabad, Gujarat, India, 382445  
**Tel:** 079- 40026095

**Email id:** [iellimitedamd@gmail.com](mailto:iellimitedamd@gmail.com); **Website:** [www.ielindia.in](http://www.ielindia.in)  
**Contact Person:** Mr. Kunai Jain, Company Secretary & Compliance Officer

**PROMOTERS OF OUR COMPANY: MR. RONIT CHAMPAKLAL SHAH, MR. ROMIT CHAMPAKLAL SHAH AND MRS. KALPANA CHAMPAKLAL SHAH**

**FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF IEL LIMITED**

<b>THE ISSUE</b>	
<p><b>ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF RE. 1 EACH (“EQUITY SHARES”) OF IEL LIMITED (“IEL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING PREMIUM OF RS. [●] PER EQUITY SHARE) (“ISSUE PRICE”) FOR AN AGGREGATE AMOUNT NOT EXCEEDING RS. 4,500.00 LAKHS@ TO THE ELIGIBLE EQUITY SHAREHOLDERS ON RIGHTS BASIS IN THE RATIO OF [●] EQUITY SHARES FOR EVERY [●] EQUITY SHARE HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, I.E. [●] (THE “ISSUE”). THE ISSUE PRICE IS [●] TIME OF FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE SEE THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 106 OF THIS DRAFT LETTER OF OFFER.</b></p> <p><i>@assuming full subscription.</i></p>	
<b>GENERAL RISK</b>	
<p>Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer.</p> <p>Specific attention of the investors is invited to “Risk Factors” beginning on page 23 of this Draft Letter of Offer before making an investment in this Issue.</p>	
<b>WILFUL DEFAULTER OR A FRAUDULENT BORROWER</b>	
<p>Neither our Company nor any of our Promoter or Directors has been categorized as a Wilful Defaulter or a Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on Wilful Defaulter or a Fraudulent Borrower issued by the Reserve Bank of India.</p>	
<b>ISSUER’S ABSOLUTE RESPONSIBILITY</b>	
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of offer contains all information with regard to our Company and the Issue, which is material in the context of this Issue; that the information contained in this Draft Letter of offer 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 Letter of offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
<b>LISTING</b>	
<p>The existing Equity Shares of our Company are listed on BSE Limited (BSE). Our Company has received “in-principle” approval from BSE for listing the Equity Shares to be allotted pursuant to the Issue through their letter dated [●]. Our Company will also make an application to BSE to obtain their trading approval for the rights entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.</p>	
<b>ADVISORS TO THE ISSUE</b>	<b>REGISTRAR TO THE ISSUE</b>
 <p><b>Navigant</b> <b>NAVIGANT CORPORATE ADVISORS LIMITED</b> 804, Meadows, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059. <b>Tel No.</b> +91-22-41204837/49735078 <b>Email Id-</b> <a href="mailto:navigant@navigantcorp.com">navigant@navigantcorp.com</a> <b>Investor Grievance Email:</b> <a href="mailto:info@navigantcorp.com">info@navigantcorp.com</a> <b>Website:</b> <a href="http://www.navigantcorp.com">www.navigantcorp.com</a> <b>SEBI Registration Number:</b> INM000012243 <b>Contact Person:</b> Mr. Sarthak Vijlani</p>	 <p><b>LINK INTIME INDIA PRIVATE LIMITED</b> C-101, 1<sup>st</sup> Floor, 247 Park Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai – 400 083 Maharashtra, India. <b>Tel No.:</b> +91 022 – 4918 6200 <b>Fax No.:</b> +91 022-49186060 <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>E-mail ID:</b> <a href="mailto:ipo.team@linkintime.co.in">ipo.team@linkintime.co.in</a> <b>Contact Person:</b> Mr. Haresh Hinduja <b>SEBI Registration No:</b> INR000004058</p>

<b>ISSUE PROGRAMME</b>		
<b>ISSUE OPENS ON</b>	<b>LAST DATE OF ON-MARKET RENONCIATIONS*</b>	<b>ISSUE CLOSES ON**</b>
[●]	[●]	[●]

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

\*\*Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.



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**TABLE OF CONTENTS**

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<b>SECTION</b>	<b>TITLE</b>	<b>PAGE NO</b>
<b>I</b>	<b>GENERAL</b>	
	DEFINITIONS AND ABBREVIATIONS	2
	NOTICE TO INVESTORS	12
	PRESENTATION OF FINANCIAL AND OTHER INFORMATION	15
	FORWARD LOOKING STATEMENTS	17
<b>II</b>	<b>SUMMARY OF DRAFT LETTER OF OFFER</b>	19
<b>III</b>	<b>RISK FACTORS</b>	23
<b>IV</b>	<b>INTRODUCTION</b>	
	THE ISSUE	36
	SUMMARY OF FINANCIAL STATEMENTS	37
	GENERAL INFORMATION	43
	CAPITAL STRUCTURE	48
	OBJECTS OF THE ISSUE	51
	STATEMENT OF SPECIAL TAX BENEFITS	57
<b>V</b>	<b>ABOUT OUR COMPANY</b>	
	OUR INDUSTRY	60
	OUR BUSINESS	69
	OUR MANAGEMENT	73
	OUR PROMOTERS	80
<b>VI</b>	<b>FINANCIAL INFORMATION</b>	
	FINANCIAL STATEMENTS	82
	STATEMENT OF ACCOUNTING RATIOS AND CAPITALISATION STATEMENT	83
	MARKET PRICE INFORMATION	84
	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	86
<b>VII</b>	<b>LEGAL AND OTHER INFORMATION</b>	
	OUTSTANDING LITIGATIONS AND OTHER DEFAULTS	94
	GOVERNMENT AND OTHER STATUTORY APPROVALS	96
	MATERIAL DEVELOPMENTS	97
	OTHER REGULATORY AND STATUTORY DISCLOSURES	98
<b>VIII</b>	<b>ISSUE INFORMATION</b>	
	TERMS OF THE ISSUE	106
	RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	138
	STATUTORY AND OTHER INFORMATION	140
<b>IX</b>	<b>OTHER INFORMATION</b>	
	MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	141
	DECLARATION	143



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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.*

*References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted 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 Letter of Offer but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "Statement of Special Tax Benefits" and "Financial Statements" beginning on pages 57 and 82, respectively of this Draft Letter of Offer, shall have the meaning given to such terms in such sections.*

#### Company Related Terms

<b>Terms</b>	<b>Description</b>
"IEL Limited" or "the Company" or "our Company" or "we" or "us" or "our" or "the Issuer"	IEL Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Shed No 15, Shyam Hari Industrial Estate, Phase 4 GIDC, Vatva, Ahmedabad, Gujarat, India-382445
Articles of Association	The Articles of Association of our Company as amended from time to time.
Auditors / Statutory Auditors	The Statutory Auditors of our Company being M/s. Maark & Associates, Chartered Accountants.
Board / Board of Directors / our Board	The Board of Directors of our Company or a duly constituted committee thereof, as the context may refer to.
Director(s)	Any or all the director(s) of our Board, as may be appointed from time to time.
Equity Shares / Shares	Equity Shares of face value of Re. 1.00 each of our Company.
Internal Auditors	M/s Nishesh Dalal & Co, Chartered Accountants.
Key Managerial Personnel / KMP	Mr. Ronit Champaklal Shah, Chairman & Managing Director, Mr. Hemant Harshadhkumar Kayastha, Chief Financial Officer and Mr. Kunal Jain, Company Secretary and Compliance Officer, collectively referred as Key Managerial Personnel of the Company.
Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Promoter	Mr. Ronit Champaklal Shah, Mr. Romit Champaklal Shah and Mrs. Kalpana Champaklal Shah.
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed by our Company in the filings made with the Stock Exchange under the SEBI Listing Regulations.



<b>Terms</b>	<b>Description</b>
Registered Office	Registered office of our Company situated at Shed No.15, Shyam Hari Industrial Estate Phase 4 GIDC, Vatva, Ahmedabad, Gujarat, India -382445.
Registrar of Companies / ROC	ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat
Subsidiary / Subsidiary Company / our Subsidiary	Our Company has no Subsidiary Company as on this date of filing of this Draft Letter of Offer.

**Issue Related Terms**

<b>Term</b>	<b>Description</b>
Abridged Letter of Offer or ALOF	The Abridged letter of offer to be sent to the Eligible Equity Shareholders as on the Record Date with respect to the Issue in accordance with the SEBI ICDR Regulations and the Companies Act.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allotment / Allot / Allotted / Allotment of Rights Equity Shares	The allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the Application Money lying credit to the Escrow Account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013.
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●]
Allotment Advice	The note or advice or intimation of Allotment sent to the Investors, who have been or are to be allotted the Rights Equity Shares after the basis of Allotment has been approved by the BSE.
Allotment Date	The date on which Allotment is made.
Allottee(s)	Persons to whom Rights Equity Shares of our Company are allotted pursuant to this Issue.
Applicant(s) / Investors	Eligible Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer.
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.





<b>Term</b>	<b>Description</b>
Application Supported by Blocked Amount/ASBA	The application (whether physical or electronic) used by Investors to make an application authorizing the SCSB to block the amount payable on application in their specified bank account maintained with SCSB.
ASBA Account	An account maintained with an SCSB and specified in the CAF or plain paper application, as the case may be by the Applicant for blocking the amount mentioned in the CAF or in the plain paper application.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/P/CIR/2023/75 dated May 30, 2023.
Bankers to the Company	Union Bank of India and Bank of Maharashtra.
Bankers to the Issue / Escrow Collection Bank	[●]
Banker to the Issue Agreement	Agreement dated [●] entered into by and amongst our Company, the Registrar to the Issue and the Bankers to the Issue for collection of the Application Money from Applicants/ Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in "Terms of the Issue" beginning on page 106 of this Draft Letter of Offer.
CAF / Common Application Form	The application form used by Investors to make an application for Allotment under the Issue
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a>
Designated Branches	Such branches of the SCSBs which shall collect application forms used by ASBA Investors and a list of which is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a>
Designated Stock Exchange	BSE Limited.
Depository	A depository registered with SEBI under the SEBI (Depository and Participant) Regulations, 2018, as amended from time to time, read with the Depositories Act, 2018.
Draft Letter of Offer / DLOF	This draft letter of offer dated October 03, 2024
ECS	Electronic Clearing Service
Equity Shareholder(s)/ Shareholder(s)	The holders of Equity Shares of our Company.
Eligible Equity Shareholders / Eligible Shareholders/	Holders of Equity Shares of our Company as on the Record Date, i.e. [●].



<b>Term</b>	<b>Description</b>
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors.
"Escrow Collection Bank", "Allotment Account Bank(s)" or "Refund Bank(s)"	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being, [●]
Fraudulent Borrower	A fraudulent borrower, as defined under the SEBI ICDR Regulations
General Corporate Purposes	General corporate purposes shall have the meaning as determined in Regulation 2(1)(r) of the SEBI ICDR Regulations.
GIR	General Index Registrar
IEPF	Investor Education and Protection Fund
Investor(s)	The Equity Shareholders of our Company on the Record Date i.e. [●] and the Renouncee(s).
ISIN	International Securities Identification Number
Issue / the Issue / this Issue / Rights Issue	Issue of upto [●] Equity Shares with a face value of Re. 1.00 each for cash at a price of Rs. [●] per Equity Share aggregating up to Rs. 4,500.00 Lakhs on a rights basis to Eligible Shareholders in the ratio of [●] ([●]) Rights Equity Shares for every [●] ([●]) fully paid-up Equity Share held on the Record Date i.e. [●].
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Price	Rs. [●] per Equity Share
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of upto [●] Rights Equity Shares for an amount aggregating up to Rs. 4,500.00 Lakhs.
Letter of Offer / LOF	The final letter of offer to be issued by our Company in connection with the Issue.
Listing Agreement	Uniform listing agreement entered into under the Listing Regulations between our Company and the Stock Exchange.
MICR	Magnetic Ink Character Recognition
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/ Renouncee in respect of the Rights Entitlement available in their demat account. However, supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application.
NAV	Net Asset Value calculated as Net Worth divided by number of fully paid-up Equity Shares.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 51 of this Draft Letter of Offer.
Net Worth	Net worth as defined under Section 2(57) of the Companies Act.
Non Institutional Investor(s)	Investor, including any company or body corporate, other than a Retail Individual Investor and a QIB.



<b>Term</b>	<b>Description</b>
Offer Document	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigenda thereto.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●]
QIBs / Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	A record date fixed by our Company for the purposes of determining the names of the Equity Shareholders who are eligible for the issue of Rights Equity Shares i.e. [●].
Registered Foreign Portfolio Investors / Foreign Portfolio Investors / Registered FPIs / FPIs	Foreign portfolio investors as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Registrar to the Issue / Registrar and Transfer Agent / RTA	Link Intime India Private Limited
Registrar Agreement	Agreement dated October 01, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Renouncee(s)	Person(s) who has / have acquired Rights Entitlements from the Eligible Equity Shareholders.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Retail Individual Investor(s)	Individual Investors who have applied for Rights Equity Shares for an amount less than or equal to Rs. 200,000 (including HUFs applying through their karta).
Rights Entitlements (Res)	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by such Eligible Equity Shareholder on the Record Date.
RE-ISIN	The RE-ISIN for Rights Entitlement being [●].
Rights Equity Shares / Rights Shares	The equity shares of face value Re. 1.00 each of our Company offered and to be issued and allotted pursuant to the Issue.



<b>Term</b>	<b>Description</b>
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible through on the website of our Company.
Self-Certified Syndicate Bank / SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and offer the facility of ASBA, including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a>
Stock Exchange	BSE, where the Equity Shares of our Company are presently listed being BSE.
Transfer Date	The date on which the Application Money held in the Escrow Account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Willful Defaulter	Willful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

#### **Business and Industry related Terms / Abbreviations**

<b>Term</b>	<b>Description</b>
B2B	Business to Business
Bn	Billion
CNG	Compressed Natural Gas
DFC	Dedicated Freight Corridor
DG Sets	Diesel Generator Sets
ESH	Environment Health and Safety
EMEs	Emerging Market Economies
EN Standards	European Standards
CHEMEXCIL	Chemicals Cosmetics & Dyes Export Promotion Council
KL	Kilo Litre
PH	Potential of Hydrogen
ISO	International Organisation of Standardisation
HDPE	High density polyethylene
HPLC	High Performance Liquid Chromatography
GC	Gas Chromatography



<b>Term</b>	<b>Description</b>
SS Chambers	Stainless Steel Chamber
20TR	20 Ton of Refrigeration
NDA	Non-Disclosure Agreement

### Conventional and General Terms or Abbreviations

<b>Term</b>	<b>Description</b>
"~" / "Rs." / "Rupees" / "INR"	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
AY	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2020
CBIC	Central Board of Indirect Taxes and Customs
CDSL	Central Depository Services (India) Limited
Central Government	The Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identity Number
Companies Act	Companies Act, 2013, as amended from time to time
Companies Act, 1956	Companies Act, 1956 and the rules made thereunder, as the context requires
Companies Act, 2013	Companies Act, 2013 and the rules made thereunder
COVID-19 / Novel Coronavirus	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CRAR	Capital adequacy ratio/Capital to risk assets ratio
CrPC	Code of Criminal Procedure, 1973
CTS	Cheque Truncation System
Depositories Act	The Depositories Act, 2018 as amended from time to time
DIN	Director Identification Number
DP	Depository Participant as defined under the Depositories Act
DP ID	Depository Participant's Identity
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EPS	Earnings per Share
EGM	Extraordinary General Meeting
FCNR Account / FCNR	Foreign Currency Non Resident Account
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign Direct Investment
FEMA Act / FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations promulgated there under and any amendments thereto.



<b>Term</b>	<b>Description</b>
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2017 as amended from time to time
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Fiscal /Fiscal Year/ Financial Year/FY	12 month period commencing from April 1 and ending on March 31 of the immediately succeeding year.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FPI	Foreign Portfolio Investor
FVCIs	Foreign venture capital investors as defined in and registered with SEBI under the SEBI FVCI Regulations.
GCP	General Corporate Purpose
Government/GoI	Government of India
GST	Goods and Service Tax
HFC	Housing finance companies
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
Indian GAAP	Generally accepted accounting principles followed in India.
Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time
ISIN	International Securities Identification Number
I.T. Act / IT Act	Income Tax Act, 1961
I. T. Rules	Income Tax Rules, 1962, as amended from time to time.
KMP	Key Managerial Personnel
Lakh	One hundred thousand
MCA	Ministry of Corporate Affairs, Government of India
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House which is a consolidated system of ECS.
NBFC	Non-banking financial companies
NCD (s)	Non-convertible debentures
Net Worth	Aggregate of Equity Share capital and other equity
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer
N.A.	Not Applicable
NI Act	The Negotiable Instruments Act, 1881
NR	Non Resident





<b>Term</b>	<b>Description</b>
NRE	Non Resident External Account
NRI	Non Resident Indian
NSDL	National Securities Depositories Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Deposit) Regulations, 2000 and which was in existence on the date of the commencement of Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's)) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the regulations.
OPC	One Person Company
p.a.	Per Annum
PAN	Permanent Account Number
PAT	Profit after tax
QP	Qualified purchaser as defined in the U.S. Investment Company Act
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
SCORES	SEBI Complaints Redress System
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations /ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Listing Regulations/ Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI Takeover Regulations/ SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time



<b>Term</b>	<b>Description</b>
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time
SEBI Relaxation Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, read with SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 and SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021
SEBI Rights Issue Circulars	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and the SEBI Relaxation Circulars
STT	Securities Transaction Tax
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Total Borrowings	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities
UPI	Unified Payments Interface
U.S./United States	The United States of America
USD / US\$	United States Dollars
US Securities Act	The United States Securities Act of 1933, as amended from time to time
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.
WHO	World Health Organization

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.



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## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Draft Letter of Offer / Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Draft Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Draft Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchange.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Draft Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Draft Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Draft Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Draft Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Draft Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights



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Entitlement Letter or the date of such information.

**THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

#### **NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("**United States**"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Draft Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Draft Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.



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## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

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### Certain Conventions

In this Draft Letter of Offer, unless otherwise specified or context otherwise requires, references to 'US\$', '\$', 'USD' and 'U.S. dollars' are to the legal currency of the United States of America, and references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to 'India' are to the Republic of India and its territories and possessions and the references herein to 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

### Financial Data

Unless stated or the context requires otherwise, our financial data included in this Draft Letter of Offer is derived from the Audited Financial Statements. For further information, refer chapter titled "Financial Statements" on page 82.

We have prepared our Audited Financial Statements in accordance with Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

Our Company's Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in Lakhs.

### Currency of Presentation

- All references to 'INR', '₹', 'Indian Rupees', 'Rs.' and 'Rupees' are to the legal currency of India.
- Any reference to 'US\$', 'USD', '\$' and 'U.S. dollars' are to the legal currency of the United States of America.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in lakh.

### Market and Industry Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer have been obtained or derived from publicly available information. Publicly available Information generally state that the information contained in those publications has been obtained from sources believed to be reliable but





that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Although we believe that industry data used in this Draft Letter of Offer is reliable, it has not been independently verified and neither we, nor any of our affiliates, jointly or severally, make any representation as to its accuracy or completeness. The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section "Risk Factors" beginning on page 23 of this Draft Letter of Offer.

#### **Conversion rates for foreign currency:**

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

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

*(Rs. per unit of Foreign Currency)*

Sr. No.	Name of Currency	As on October 02, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
1	U.S. Dollar	83.94	83.33	82.18	75.91

Source: <https://www.poundsterlinglive.com/>



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## FORWARD LOOKING STATEMENTS

Our Company has included statements in this Draft Letter of Offer which contain words or phrases such as 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'future', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'will continue', 'would', or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements. However, these are not the exclusive means of identifying forward looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

Forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- Uncertainty of the continuing impact of the COVID-19 pandemic on our business and operations;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various business plans;
- Any failure or disruption of our information technology system;
- Increasing competition in or other factors affecting the industry segments in which our Company operates;
- Changes in laws and regulations relating to the industries in which we operate;
- Fluctuations in operating costs and impact on the financial results;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in other countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices; and
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the section titled "Risk Factors" beginning on page 23 of this Draft Letter of Offer. By their very nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact or net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections.

Whilst we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Draft Letter of Offer or the respective dates indicated in this Draft Letter of Offer, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward- looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI / Stock Exchange requirements, our Company will ensure that Investors are informed of material developments until the time of the grant of listing and trading permission for the Rights Equity Shares by the Stock Exchange.



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## SECTION II - SUMMARY OF DRAFT LETTER OF OFFER

*The following is a general summary of certain disclosures included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the 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 Letter of Offer, including, "Objects of the Issue", "Our Business", "Outstanding Litigation and other Defaults" and "Risk Factors" beginning on pages 51, 69, 94, and 23 respectively of this Draft Letter of Offer.*

### **1. Summary of Business**

Our Company was originally incorporated on February 06, 1956 as a public limited company under the name and style of "Indian Extractions Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Bombay. Subsequently, the name of our Company was changed to "IEL Limited" vide Fresh Certificate of Incorporation dated January 21, 2019. The Company has changed its registered office from the state of Maharashtra to the Gujarat under the order for change of state by the Regional Director vide certificate dated August 04, 2021 with the Registrar of Companies, Ahmedabad. The Corporate Identification Number of the Company is L15140MH1956LC009720.

The Company is involved in the business of Trading (Whole-Sale and Retail) of Chemicals, Dyes, Pigments, Intermediates and Commodities. The Company is also providing Marketing and Support Services.

For further details, refer chapter titled "Our Business" on page 69.

### **Summary of Industry**

Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers. India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP. India's chemical sector, which was estimated to be worth US\$ 220 billion in 2022, is anticipated to grow to US\$ 300 billion by 2025 and US\$ 1 trillion by 2040.

Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world's production of dyestuffs and dye intermediates. India's agrochemicals export was estimated to be at US\$ 3.12 billion from April 2023 to December 2023. Indian colourants industry has emerged as a key player with a global market share of ~15%. The country's chemicals industry is de-licensed, except for a few hazardous chemicals. India has traditionally been a world leader in generics and biosimilars and a major Indian vaccine manufacturer, contributing more than 50% of the global vaccine supply. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at the global level (excluding pharmaceuticals).

(Source: <https://www.ibef.org/industry/chemical-industry-india>)

For further details, refer chapter titled "Our Industry" on page 60.



## 2. Object of the Issue

Our Company intends to utilize the Net Proceeds for the following object:

(Amount in Lakhs)

S. No.	Particulars	Amounts*	% of gross proceeds	% of Net proceeds
1.	To acquire land for construction of warehouses	Upto 1,068.00	[•]*	[•]*
2.	To finance construction of the warehouses	Upto 2,414.31	[•]*	
3.	To meet General corporate purposes	[•]	[•]*	[•]*
	<b>Total</b>	<b>Upto 4,500.00</b>	<b>[•]*</b>	<b>[•]*</b>

\*assuming full subscription.

For further details, refer chapter titled "Objects of the Issue" on page 51.

## 3. Intention and extent of participation by the Promoter and Promoter Group

The Promoters of our Company have, vide their letters dated 27<sup>th</sup> September, 2024 ("Subscription Letters") indicated that they will not subscribe fully to their portion of right entitlement and that they may renounce their rights entitlements. Further, the promoters have confirmed that do not intend to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any).

The Company shall maintain minimum public shareholding requirements as stipulated under the SEBI Listing Regulations.

As such, other than meeting the requirements indicated in the chapter titled "Objects of the Issue" at page 51 of this Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares.

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

## 4. Auditor Qualifications

There are no qualifications, reservations and adverse remarks made by our Statutory Auditors in their report to Audited financial statements of the Company for the financial year 2023-24, 2022-23 and 2021-22.

## 5. Summary of outstanding litigations

Nature of Case	Number of cases / Notices issued	Amount involved (₹)
Litigations involving our Company	Nil	Nil
Litigation Involving Actions by Statutory/ Regulatory	Nil	Nil



Nature of Case	Number of cases / Notices issued	Amount involved (₹)
Authorities;		
Litigation involving Tax Liabilities;	Nil	Nil
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company;	Nil	Nil
Proceedings involving Material Violations of Statutory Regulations by our Company;	Nil	Nil
Matters involving economic offences where proceedings have been initiated against our Company;	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;	Nil	Nil
Litigation involving our Directors, Promoters and Promoter Group;	Nil	Nil
Litigation involving our Group Companies;	Nil	Nil

For further details, please refer to section titled “*Outstanding Litigations, Defaults and Material Developments*” beginning on page 94 of this Letter of Offer.

#### 6. Financial Summary:

Sr. No.	Particulars	For the quarter ended	For the year ended on		
			June 30, 2024	March 31, 2024	March 31, 2023
		Ind AS	Ind AS	Ind AS	Ind AS
1.	Equity Share Capital (Rs. in Lacs)	333.76	333.76	333.76	333.76
2.	Net worth (Rs. in Lacs)	153.00	122.35	96.67	207.48
3.	Revenue from operations (Rs. in Lacs)	531.27	1,725.93	1,107.25	63.87
4.	Profit After Tax (Rs. in Lacs)	30.65	25.68	236.63	31.99
5.	Earnings Per Share - Basic (Rs.)	0.918	0.077	0.709	0.096
6.	Earnings Per Share - Diluted (Rs.)	0.918	0.077	0.709	0.096

#### 7. Risk Factors

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does





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Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Letter of Offer.

For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled "Risk Factors" beginning on page no. 23 of this Draft Letter of Offer.

#### **8. Contingent liabilities**

For details of the contingent liabilities, as reported in the Audited Financial Statements, please refer to the section titled "*Financial Statements*" beginning on page 82 of Draft this Letter of Offer.

#### **9. Related party transactions**

For details regarding our related party transactions as per Ind AS 24, see "Financial Statements" beginning on page 82 of this Draft Letter of Offer.

#### **10. Financing Arrangements**

There has been no financing arrangement whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 (six) months immediately preceding the date of this Draft Letter of Offer.

#### **11. Issue of Equity Shares for consideration other than cash in last one year**

Our Company has not issued any Equity Shares for consideration other than cash during the last one year immediately preceding the date of this Draft Letter of Offer.

#### **12. Split / Consolidation**

There has been sub division (face value split) of every 1 (One) Equity Share of the Nominal/ Face Value of Rs. 10/- (Rupees Ten Only) each into 10 (Ten) Equity Shares of the Nominal/ Face Value of Re. 1/- (Rupee One Only) each on September 25, 2023.

#### **13. Exemption from complying with any provisions of Securities Laws, if any, granted by SEBI**

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities.



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### **SECTION III - RISK FACTORS**

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including in "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and "Financial Statements" before making an investment in our Equity Shares.*

*The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.*

*This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.*

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

#### **INTERNAL RISK FACTORS**

##### **BUSINESS RELATED RISK**

- 1. Our business involves trading of the hazardous, corrosive and flammable industrial chemicals, which require expert handling and storage, as applicable and which entails significant risks and could also result in enhanced obligations. Any accidents may result in loss of life or property and disrupt our operations which may have an adverse effect on our results of operation, cash flows and financial condition.**

The industrial chemicals we use are hazardous, corrosive, and flammable and require expert handling and storage, as applicable. Any failure of our control systems, mishandling of hazardous chemicals, leakages, explosion or any adverse incident related to the use of these chemicals or otherwise during the transportation, handling or storage of products and certain raw materials, may cause industrial accidents, fire, loss of human life and property, damage to our and third-party property and / or environmental damage, require shutdown of our business and expose us to civil or criminal liability.

While our Company believes that it has necessary controls and processes in place, any failure of such systems, mishandling of hazardous chemicals or any adverse incident related to the use of these chemicals or otherwise during the time of process may cause industrial accidents, fire, loss of human life, damage to our and third-party property and, or, environmental damage. However, the occurrence of any such event in the future may adversely affect our reputation and may also result in a loss of life or property which in turn could lead to disruption of our operations, resulting in an



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adverse effect on our results of operations, cash flows, and financial condition. The improper storage or mishandling of our products during transit may compromise the quality of the products being delivered to our customers and can potentially expose us to liabilities and claims which could adversely affect our brand image and reputation and have a material and adverse effect on our business prospects, results of operations and financial condition.

**2. If we are unable to maintain and enhance our brand, the sales of our products may suffer which would have a material adverse effect on our business operations.**

Over the years, our company has significantly contributed to the success of our business and maintaining and enhancing our brand and may require us to make substantial investments in areas such marketing and employee training, and these investments may not be successful. Given the kind of competition, we anticipate that maintaining and enhancing our brand may become increasingly difficult and expensive. Our success will depend largely on our ability to maintain, anticipate, gauge and respond in a timely manner to consumer demands, and to continue to provide quality chemical products and services. This will attract our prospective consumers and develop faith for our brand. If our Company is unable to maintain the quality of its products, it could lead to a negative publicity of our brand name and image in the market. Such negative publicity of our brand name could adversely affect our profitability and business operations.

**3. We derive a significant part of our revenue from major customers and we do not have long term contracts with all of these customers. If one or more of such customers choose not to source their requirements from us or to terminate our long-term contracts, our business, financial position and results of operations may be adversely affected.**

Our customer base currently comprises a host of domestic companies. During the stub period ended on June 30, 2024 and for Fiscal 2024, 2023 and 2022, our top 10 customers contributed approximately 100%, 87.82%, 100% and 99.09% of our revenue from operations respectively. We expect that we will continue to be reliant on our major customers in future. Accordingly, any failure to retain these customers and/or negotiate on terms that are commercially viable, with these select customers, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer may have an adverse effect on business, financial position and results of operations. There are also a number of factors, other than our performance that could cause the loss of a customer, which include those customers who may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, or replace their existing products with alternative products, any of which may have an adverse effect on our business, financial condition, results of operations and prospects. We typically do not enter into long-term agreements with majority of our customers, and an inability to continue to engage with them would have a material adverse effect on our business, results of operations and financial condition.

**4. We are subject to strict quality requirements and the success and wide acceptability of our products is largely dependent upon our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance, including cancellation of existing and future orders.**

All our products are subject to stringent quality standards and specifications as specified by our customers. Given the nature of our products and the sector in which we operate, we believe that our customers have high standards for product quality and delivery schedules. Adherence to quality



standards is a critical factor as a defect in intermediates manufactured or failure to comply with the specifications of our customers may, in turn, lead to the manufacture of faulty end-products. This may lead to cancellation of supply orders or non-renewal of agreements by our customers. As a result, cancellation of the order, loss of customers, rejection of the product, which will require us to incur additional cost to replace the rejected product, all or any of which could have adverse effect on our business and financial condition. Additionally, it could expose us to monetary liability and/ or litigation.

**5. The top -level management of the company is associated with the company from less than 2 years.**

In the year 2020, our company was acquired by its current promoters from its former promoters pursuant to a Share Purchase Agreement dated 12<sup>th</sup> March, 2020 and an Open Offer from 05<sup>th</sup> June, 2020 to 18<sup>th</sup> June, 2020 (both dates inclusive). Consequently, the management of the company has been changed to its current. Further, our Managing Director and Chief Financial Officer is associated with our company from less than two years. For more details on the top management, Key Management Personnel and their appointment, please refer to chapter “Our Management” beginning on page 73.

**6. We face significant competition and our business, financial condition, results of operations, and cash flows could be materially harmed if we are unable to compete effectively.**

Our competitors may have significantly greater financial, technical and marketing resources and might be generating greater revenues. Further, some of them have a pan-India presence resulting in better brand recall across India and have long-standing relationships with their clients within and outside our country and are therefore the preferred service providers for many of the clients. Our Company cannot assure its investors that it will be able to retain its clients or attract new clients while competing successfully against such competitors. Moreover, the Company’s ability to compete also depends on a number of factors beyond its control, including the ability of its competitors to attract, train, motivate and retain highly skilled technical people, the price at which the competitors offer comparable services and the extent of competitors' responsiveness to client needs. Its failure to remain competitive would have a material adverse effect on its business, financial condition and results of operations of our company on a consolidated basis, and could cause the price of the Equity Shares to decline.

**7. Our Registered office has been leased from our Promoter.**

Our Registered office has been leased from Mr. Romit Champaklal Shah, Promoter of our Company. Key terms of the lease of our Registered office are set forth below:

<b>Add of the Registered Office</b>	<b>Name of the party</b>	<b>Date of the Agreement</b>	<b>Lease period</b>	<b>Lease Cost</b>
Shed No 15, Shyam Hari Industrial Estate, Phase 4 GIDC, Vatva, Ahmedabad, Gujarat, India, 382445	Mr. Romit Champaklal Shah	14.08.2024	1.08.2024 to 30.06.2024	Rs. 30,000/- p.m.



We cannot assure you that we will be able to renew or register our leases on commercially acceptable terms, or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements and we cannot assure that the new arrangements will be on commercially acceptable terms.

**8. We are dependent on third party transportation and logistics service providers. Any increase in the charges of these entities could adversely affect our business, results of operations and financial condition.**

We rely on third party transportation and logistics providers for supply of our products to our customers. We do not have any long-term contractual arrangements with such third-party transportation and logistics providers and engage their services, as and when required, on spot basis. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time, which could materially and adversely affect our business, financial condition and results of operations.

**9. We may face several risks associated with the setting up of our new warehouses which could hamper our growth and consequently our business and financial condition.**

A significant part of the Net Proceeds from the Issue is allocated for capital expenditure for setting up new warehouse. When setting up new warehouse, we may encounter cost overruns or delays for various reasons including delays in construction, delay in receiving government approvals and non-delivery of equipment by suppliers. If the warehouse proposed to be set up is not completed in a timely manner, or at all, our business and results of operations may be adversely affected. Further, our budgeted resources may prove insufficient to meet our requirements which could drain our internal accruals or compel us to raise additional capital which may not be available on terms favourable to us or at all.

In addition:

- we may not be able to recruit skilled and experienced manpower to set-up and operate our new warehouses in a timely manner; and
- the warehouse(s) we set-up may not achieve anticipated levels of profitability.

**10. We have experienced negative cash flows in previous years. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial conditions.**

The detailed break up of cash flows as per audited financials is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

<b>(Amount in Lakhs)</b>			
<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Net Cash flow from Operating activities	(190.82)	92.51	14.28
Net Cash Flow from investing activities	(0.26)	(20.67)	0.61
Net Cash Flow from Financing activities	0.00	(1.13)	(0.24)
<b>Net Cash Flow for the Year</b>	<b>(199.08)</b>	<b>70.71</b>	<b>14.65</b>



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**11. Our Company has not taken insurance which may expose it from potential losses to which we may be subject to risk and this may have a material effect on our business and financial condition.**

Our Company has not taken insurance policy including but not limited to its employees or Directors. Any unforeseen situation or any liability will not compensate due to absence of Insurance policy. Further, our business involves risks which may adversely affect our profitability, including failure of systems and employee frauds. We cannot assure you that the operation of our business will not be affected by any of the incidents listed above or by other factors. In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or coinsurance requirements), could have an effect on our business, results of operations, financial condition and cash flows.

**12. We don't have any our own manufacturing facility; all the manufacturing is done by third party company and we have not entered into any long-term agreements with our manufacturer for supply of our products and accordingly we may face disruptions in supply from our current third party/group company manufacturer/suppliers.**

We do not have any production facilities or production lines of our own and we have to outsource the production of all products to external manufacturers. However, our control over these external manufacturers in respect of their production process and our products is to some extent limited. We cannot assure you that (i) there will not be any unexpected interruption of their supply of products to us or any increase in the production costs for any reason beyond our control or expectation, such as introduction of new regulatory requirements, loss of their certifications or licences, power interruptions, fires or other events; or (ii) the products provided to us by them can meet our quality requirements. Any such problems in relation to the supply of our products by external manufacturers could have a material adverse impact on the Product Development Segment of our business.

**13. Any disruption in our information technology systems may adversely affect our business, results of operations and prospects.**

In today's digital world like any other organization, we also depend extensively on the capacity and reliability of our information technology systems, which are subject to damage or incapacitation by natural disasters, human error, power loss, sabotage, computer viruses, hacking, acts of terrorism and similar events or the loss of support services from third parties. Considering the nature of our business and the industry in which we operate, it is imperative for us to have a robust information technology platform. If our data capturing, processing and sharing cannot be integrated and/or we experience any defect or disruption in the use of, or damage to, our information technology systems, it may adversely affect our operations and thereby our business and financial condition.

**14. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.**

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees, expand our sales channel and to implement systems capable of effectively accommodating our growth. However, we cannot assure that any such employees or franchisee





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partners will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analysis of market conditions and other data or the strategies that we may use in future to use will be successful under various market conditions.

**15. Failure in maintaining the requisite standard for storage of products warehoused with us could have negative impact on our business.**

We would be required to maintain the requisite standard for storage of the products that we warehouse. We warehouses adhere to prescribed regulatory standards and deploying data loggers. However, if we consistently, or frequently, fail to maintain the prescribed and / or requisite standards at our warehouses, we may be unable to retain our customers which may have an adverse impact on our business, growth prospects and our financial results. Further, in the event that we fail to maintain the prescribed and / or requisite standards of storage or if the integrity of products that are warehoused or is compromised, we could be in breach of our contractual obligations to our customers which could lead, amongst others, to monetary damages.

**16. We require a number of approvals, NOCs, License's, registrations and permits in the ordinary course of our business. Any failure or delay in obtaining the same in a timely manner may adversely affect our operations.**

We may require several statutory and regulatory permits, licenses and approvals in the ordinary course of our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, delay in issuance or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.

**17. We are susceptible to risks relating to interruptions and disruptions at warehousing facility.**

The operations at our warehousing facility are also subject to various operating risks such as the breakdown or failure of equipment, power supply or processes, natural disasters and accidents. Any interruption of our operations at warehousing facility could significantly reduce our ability to manage and carry out our business operations. If prolonged, such interruption could impact our ability to service our clients and our business, financial condition and results of operations may be materially and adversely affected.

**18. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects.**

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure



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funds on favourable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

**19. The cost of implementing new technologies for our operations could be significant and could adversely affect our results of operations, cash flows and financial condition.**

Our future success will depend in part on our ability to respond to technological advances and emerging standards and practices on a cost effective and timely basis. We cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to the technology used in our operational platform, keep up with technological improvements in order to meet our customers' needs or that the technology developed by others will not render our services less competitive or attractive. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of services we provide. Further, implementation of new or upgraded technology may not be cost effective, which may adversely affect our business, results of operations and financial condition.

**20. Improper handling of goods at our facilities could damage our reputation and have an adverse effect on our business, results of operations and financial condition.**

We remain susceptible to risks associated with the improper handling of goods at our facilities. Any shortcoming due to fraudulent activities, theft, negligence, human error, or otherwise by our labour force could damage our reputation, adversely affecting our business, financial condition and results of operations. Further, such activities may also result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis.

**21. Changing regulations in India could lead to new compliance requirements that are uncertain.**

The regulatory environment in which we, and our key customers, operate is evolving and is subject to change. The Government of India may implement new laws or other regulations that could affect the logistics industry or the sectors we serve, which could lead to additional compliance requirements. Additional compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which additional requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations.

**22. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.**

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India.

**23. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry contained in the Draft Letter of Offer.**



While facts and other statistics in the Draft Letter of Offer relating to India, the Indian economy and industry in which we operate has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**24. Any failure or disruption or change of our information technology systems may adversely impact our business and operations.**

We use information technology systems to monitor all aspects of our business and rely significantly on such systems for the efficient operations and the security of our information. Our information technology systems may not always operate without interruption and may encounter temporary abnormality or become obsolete. Further, we cannot assure you that the level of security we presently maintain is adequate or that our systems can withstand intrusions from or prevent improper usage by third parties. We may not always be successful in installing, running and migrating to new software or systems as required for the development of our business. Even if we are successful in this regard, significant capital expenditure may be required, and we may not be able to benefit from the investment immediately. All of these may have a material adverse impact on our operations and profitability.

**25. We may not be successful in implementing our business and growth strategies.**

The success of our business depends substantially on our ability to implement our business and growth strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Failure to implement our business and growth strategies would have a material adverse effect on our business and results of operations.

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

Our Company has entered into certain transactions with our related parties including our Promoters, the Promoter Group, our directors and their relatives. Further we have loans taken from promoter and members of promoter group. While we believe that all such transactions have been conducted on the arm's length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such



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transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation.

**27. Our Promoters and certain of our directors hold Equity Shares in our Company and are therefore interested in our performance in addition to their remuneration and reimbursement of expenses.**

Certain of our Directors including our Promoters are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders.

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

Our ability to pay dividends in future will depend on the earnings, financial condition and capital requirements of our Company. Our business is capital intensive and we may make additional capital expenditure towards acquisition of assets. We may be unable to pay dividends in the near- or medium-term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our projects, financial condition and results of operations.

**29. As the Equity Shares of our Company are listed on the Stock Exchange, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and comply with other SEBI Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.**

The Equity Shares of our Company are listed on Stock Exchange, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavors to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

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

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled "Industry Overview" beginning on page 60 of this Letter of Offer. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained.



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We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Letter of Offer. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

**31. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.**

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For details, see “Objects of the Issue” on page 51 of this Draft Letter of Offer.

**ISSUE RELATED RISK**

**32. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of Investor’s shareholding**

The Rights Entitlements that are not exercised prior to the end of the Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted pursuant to increase in paid up share capital. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Rights Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the Demat Account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Rights Issue with respect to such Rights Entitlements.

**33. You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.**

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

**34. There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.**

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchange until after those Equity Shares have been issued and



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allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchange. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

**35. The Issue Price of our Right Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.**

The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price.

There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:

- (a) quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- (b) changes in revenue or earnings estimates or publication of research reports by analysts;
- (c) speculation in the press or investment community;
- (d) general market conditions; and
- (e) domestic and international economic, legal and regulatory factors unrelated to our performance.

#### **EXTERNAL RISK FACTORS**

**36. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.**

There could be a downgrade of India's sovereign debt rating due to various factors, including changes in tax or fiscal policy, or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available.

Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India, which may cause fluctuations in the prices of our Equity Shares. This could have an adverse effect on our business and financial performance, and ability to obtain financing for expenditures.

**37. Investing in securities that carry emerging market risks can be affected generally by volatility in the emerging markets.**

The markets for securities bearing emerging market risks, such as risks relating to India, are, to varying degrees, influenced by economic and securities market conditions in other emerging market countries. Although economic conditions differ in each country, investors' reactions to developments in one country may affect securities of issuers in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general.





Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India, which could adversely affect the Indian financial sector in particular. Any such disruption could have an adverse effect on our Company's business, future financial performance, financial condition and results of operations, and affect the price of the Equity Shares. Accordingly, the price and liquidity of the Equity Shares may be subject to significant fluctuations, which may not necessarily be directly or indirectly related to our financial performance.

**38. Political instability or changes in the Government or Government policies could impact the liberalization of the Indian economy and adversely affect economic conditions in India generally.**

The performance and growth of our Company is dependent on the health of the Indian economy and more generally the global economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. As a result, our business and the market price and liquidity of the Equity Shares may be affected by such economic and / or political changes. While the current Government is expected to continue the liberalization of India's economic and financial sectors and deregulation policies, there can be no absolute assurance that such policies will be continued. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and specifically have an adverse effect on the operations of our Company.

**39. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect our business, prospects, results of operations and financial condition.**

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade as well as the worldwide financial markets. The Asian region has from time to time experienced instances of civil unrest and hostilities among neighbouring countries which may persist and occur in the future. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the World, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

**40. Natural disasters and other disruptions could adversely affect the Indian economy and could cause our business and operations to suffer and the trading price of our Equity Shares to decrease.**

Our operations, may be damaged or disrupted as a result of natural disasters such as earthquakes, floods, heavy rainfall, epidemics, tsunamis and cyclones and other events such as protests, riots and labour unrest. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations which could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or





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rebuild parts of our infrastructure. We may also be liable to our customers for disruption in supply resulting from such damage or destruction. Our insurance coverage for such liability may not be sufficient. Any of the above factors may adversely affect our business, our financial results and the price of our Equity Shares.

**41. Any future issuance of the Equity Shares may dilute your future shareholding and sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.**

Any future equity issuances by our Company may lead to dilution of your future shareholding in our Company. Any future equity issuances by our Company or sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Share. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Share. Except as otherwise stated in the Draft Letter of Offer, there is no restriction on our Company's ability to issue the Securities or the relevant shareholders' ability to dispose of their Equity Share, and there can be no assurance that our Company will not issue Equity Share or that any such shareholder (including Promoters and Promoter Group) will not dispose of, encumber, or pledge its Securities.

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

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

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

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



**SECTION IV- INTRODUCTION**

**THE ISSUE**

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter titled “*Terms of the Issue*” beginning on page 106 of this Draft Letter of Offer:

**Authority for the Issue**

The Equity Shares in the present Issue are being offered pursuant a resolution passed by our Board at its meeting held on 22<sup>nd</sup> July, 2024 in accordance with the provisions of the Companies Act.

**Summary of the Issue**

<b>Rights Equity Shares to be Issued</b>	Upto [●]Equity Shares
<b>Rights Entitlement for Equity Shares</b>	[●] ([●])Rights Equity Shares for every [●] ([●]) fully paid-up Equity Share held on the Record Date.
<b>Record Date</b>	[●]
<b>Face value per Equity Share</b>	Re. 1.00 each
<b>Issue Price per Rights Equity Share</b>	Rs. [●] per Rights Equity Share
<b>Issue Size</b>	Upto Rs. 4,500.00 Lakhs
<b>Equity Shares outstanding prior to the Issue</b>	14,77,06,800 fully paid-up Equity Shares
<b>Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b>	[●] Equity Shares
<b>ISIN and Symbol</b>	<b>ISIN: INE056E01024, BSE Scrip Code: 524614</b>
<b>ISIN for Right Entitlements</b>	[●]
<b>Terms of the Issue</b>	For more information, please see the chapter titled “ <i>Terms of the Issue</i> ” beginning on page 106 of this Draft Letter of Offer.
<b>Use of Issue Proceeds</b>	For more information, please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 51 of this Draft Letter of Offer.

For details in relation fractional entitlements, see "Terms of the Issue - Fractional Entitlements" beginning on page 125 of this Draft Letter of Offer.

**Terms of payment**

<b>Due Date</b>	<b>Amount payable per Equity Shares</b>
On the Issue application (i.e. along with the Application Form)	Rs. [●]



### **SUMMARY OF FINANCIAL STATEMENTS**

The summary financial information of our Company as derived from the Audited Financial Statements of our Company for the financial year ended on March 31, 2024 and Unaudited Financial results for the quarter ended June 30, 2024 is reproduced below. Our summary financial information should be read in conjunction with the financial statements and the notes (including the significant accounting principles) thereto included in chapter titled “*Financial Statements*” beginning on page 82 of this Draft Letter of Offer.

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



**AUDITED STANDALONE PROFIT AND LOSS FOR FINANCIAL RESULTS FOR THE YEAR  
ENDING 31<sup>ST</sup> MARCH, 2024**

IEL LIMITED						
Reg. Off. - Shed No 15, Shyam Hari Industrial Estate, Phase 4, GIDC, Vatva, Ahmedabad-382445, Gujarat, INDIA						
Phone: 079-40026095 Website: www.ielindia.in, E-mail: iellimitedamd@gmail.com						
CIN - L15140G1956PLC124644						
STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE FOURTH QUARTER AND THE FINANCIAL YEAR ENDED 31ST MARCH, 2024						
(Rs. in Lakhs, except EPS)						
Sr.No.	Particulars	Quarter ended			Year ended	
		31.03.2024 (Un-Audited) Refer Note 7	31.12.2023 (Un-Audited)	31.03.2023 (Un- Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)
1.	<b>Income from Operations</b>					
	(a) Revenue from Operations	912.32	548.96	103.46	1,725.93	1,107.25
	(b) Other Income	0.05	0.23	2.55	0.28	2.61
	(c) Closing stock of Finished Goods	-	-	-	-	-
	<b>Total Income</b>	<b>912.37</b>	<b>549.19</b>	<b>106.01</b>	<b>1726.21</b>	<b>1109.86</b>
2.	<b>Expenses</b>					
	(a) Cost of Materials Consumed	-	-	-	-	-
	(b) Purchase of Stock-in-Trade	956.10	547.58	102.91	1,737.96	814.75
	(c) Changes in Inventories of Finished goods, Work-in-Progress and Stock in Trader trade	(77.89)	(23.60)	-	(101.48)	-
	(d) Employee Benefits Expense	3.45	3.45	3.45	13.80	7.63
	(e) Finance Cost	-	-	0.03	-	0.03
	(f) Depreciation, Depletion and Amortisation Expense	0.83	0.84	0.33	3.32	6.67
	(g) Other Expenses	11.28	7.58	5.05	37.98	45.71
	<b>Total Expenses</b>	<b>893.85</b>	<b>535.85</b>	<b>111.77</b>	<b>1,691.58</b>	<b>874.79</b>
3.	<b>Total Profit/(Loss) before Exceptional Items and tax</b>	<b>18.52</b>	<b>13.34</b>	<b>(5.76)</b>	<b>34.63</b>	<b>235.07</b>
4.	<b>Exceptional Items</b>	-	-	0.66	-	0.66
5.	<b>Total Profit/(Loss) before Tax</b>	<b>18.52</b>	<b>13.34</b>	<b>(5.10)</b>	<b>34.63</b>	<b>235.73</b>
6.	<b>Tax Expenses</b>					
7.	Current Tax	(5.05)	(2.25)	(0.38)	(9.05)	(0.38)
8.	Deferred Tax	0.10	-	1.28	0.10	1.28
9.	<b>Total Tax Expenses</b>	<b>(4.95)</b>	<b>2.25</b>	<b>0.90</b>	<b>(8.95)</b>	<b>0.90</b>
10.	Net movement in Regulatory Deferred Account Balances related to Profit or Loss and other related deferred tax movement	13.57	11.09	(4.20)	25.68	236.63
11.	<b>Net Profit/(Loss) for the period from Continuing Operations</b>	<b>13.57</b>	<b>11.09</b>	<b>4.20</b>	<b>25.68</b>	<b>236.63</b>
12.	Profit/(Loss) from discontinued operation before tax	-	-	-	-	-
13.	Tax Expense of discontinued operations	-	-	-	-	-
14.	<b>Net Profit/(Loss) from discontinued operations after tax</b>	-	-	-	-	-
15.	<b>Share of Profit/(Loss) of associates and Joint Ventures Accounted for using Equity Method</b>	-	-	-	-	-
16.	<b>Total Profit/(Loss) for period</b>	<b>13.57</b>	<b>11.09</b>	<b>(4.20)</b>	<b>25.68</b>	<b>236.63</b>
17.	<b>Other Comprehensive Income net of Taxes</b>					
18.	<b>Total Comprehensive Income for the period</b>					
19.	<b>Total Profit or Loss attributable to</b>	<b>13.57</b>	<b>11.09</b>	<b>(4.20)</b>	<b>25.68</b>	<b>236.63</b>
	Profit or Loss attributable to owner of parent	-	-	-	-	-
	Total Profit or Loss, attributable to non-controlling interests	-	-	-	-	-
20.	<b>Total Comprehensive Income for the period attributable to</b>	<b>13.57</b>	<b>11.09</b>	<b>(4.20)</b>	<b>25.68</b>	<b>236.63</b>
	Comprehensive Income for the period attributable to owners of parent	-	-	-	-	-
	Total Comprehensive Income for the period attributable to owners of parent non controlling interests	-	-	-	-	-
21.	<b>Details of Equity Share Capital</b>					
	Paid - Up Equity Share Capital	333.76	333.76	333.76	333.76	333.76
	Face Value of Equity Share Capital	1.00	1.00	10.00	1.00	10.00
22.	<b>Details of Debt Securities</b>					
	Paid-up Debt Capital	-	-	-	-	-
	Face Value of Debt Securities	-	-	-	-	-
23.	Reserves excluding revaluation reserve	-	-	-	(211.41)	(237.09)
24.	Debt Redemption Reserve	-	-	-	-	-
25.	<b>Earnings Per Share</b>					
i	Earnings per equity share for continuing operations					
	Basic Earnings (Loss) per share from continuing operations	0.041	0.033	(0.013)	0.077	0.709
	Diluted Earnings (Loss) per share from continuing operations	0.041	0.033	(0.013)	0.077	0.709
ii	Earnings per equity share for discontinued operations					
	Basic Earnings (Loss) per share from discontinued operations	-	-	-	-	-
	Diluted Earnings (Loss) per share from discontinued operations	-	-	-	-	-
iii	<b>Earnings per Equity Share (of Rs.10/- each)</b>					
	Basic Earning (Loss) per share from continuing and discontinued operations	0.041	0.033	(0.013)	0.077	0.709
	Diluted Earnings (Loss) per share from continuing and discontinued operations	0.041	0.033	(0.013)	0.077	0.709
26.	Debt Equity Ratio	-	-	-	-	-
27.	Debt Service Coverage Ratio	-	-	-	-	-
28.	Interest Service Coverage Ratio	-	-	-	-	-



**AUDITED STANDALONE BALANCE SHEET AS ON 31<sup>ST</sup> MARCH, 2024**

<b>IEL LIMITED</b>		
Reg. Off. - Shed No 15, Shyam Hari Industrial Estate, Phase 4, GIDC, Vatva, Ahmedabad-382445, Gujarat, INDIA Phone: 079-40026095 Website: www.ielindia.in, E-mail: iellimitedamd@gmail.com CIN - L15140G1956PLC124644		
<b>AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2024</b>		
<i>(Rs. in Lakhs)</i>		
Particulars	As at 31.03.2024	As at 31.03.2023
<b>Assets</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	17.27	20.33
(b) Capital work-in-progress	-	-
(c) Other intangible assets	-	-
(d) Intangible assets under development	-	-
(e) Financial Assets	-	-
(i) Investments	-	-
(ii) Loans	-	-
(iii) Others	-	-
(f) Defferd tax assets (net)	1.39	1.29
(g) Current tax assets (net)	-	-
(h) Other non-current assets	-	-
<b>Total Non-current assets</b>	<b>18.66</b>	<b>21.62</b>
<b>2 Current assets</b>		
(a) Inventories	101.49	-
(b) Financial assets	-	-
(i) Investments	-	-
(ii) Trade receivables	165.61	228.55
(iii) Cash and cash equivalents	40.87	91.08
(iv) Other bank balances	-	-
(v) Advances to Suppliers	3.35	2.50
(c) Other current assets	45.84	9.85
<b>Total current assets</b>	<b>357.16</b>	<b>331.98</b>
<b>Total Assets</b>	<b>375.82</b>	<b>353.60</b>
<b>Equity and Liabilities</b>		
<b>1 Equity</b>		
(a) Equity share capital	333.76	333.76
(b) Other equity	-	-
(c) Reserves & Surplus	(211.41)	(237.09)
<b>Total Equity</b>	<b>122.35</b>	<b>96.67</b>
<b>2 Liabilities</b>		
<b>Non current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	90.00	90.00
(ii) Other financial liabilities	-	-
(b) Provisions	-	-
(c) Other non current liabilities	-	-
<b>Total non-current liabilities</b>	<b>90.00</b>	<b>90.00</b>
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ii) Trade payables	-	-
Total Outstanding dues of Micro and Small Enterprises	140.86	-
Total Outstanding dues of Creditors other than Micro and Small Enterprises	13.21	166.00
(iii) Other financial liabilities (Advances from Customers)	-	-
(b) Provisions	8.66	0.38
(c) Current tax liabilities (net)	0.74	0.55
<b>Total Current Liabilities</b>	<b>163.47</b>	<b>166.93</b>
<b>Total Equity and Liabilities</b>	<b>375.82</b>	<b>353.60</b>





**AUDITED STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDING 31<sup>ST</sup> MARCH, 2024**

<b>IEL LIMITED</b>		
Reg. Off. - Shed No 15, Shyam Hari Industrial Estate, Phase 4, GIDC, Vatva, Ahmedabad-382445, Gujarat, INDIA Phone: 079-40026095 Website: www.ielindia.in, E-mail: iellimitedamd@gmail.com CIN - L15140GJ1956PLC124644		
<b>Standalone Statement of Cash Flow for the Financial year ended March 31, 2024</b>		
	(Rs. in Lakhs)	
	Year ended 31-03-2024 (Audited)	Year ended 31-03-2023 (Audited)
<b>Cash flow from operating activities</b>		
<b>Net profit before tax</b>	34.62	235.73
<b>Adjustments for :</b>		
Depreciation expense	3.32	6.67
Finance costs	-	0.03
Profit on sale of assets	-	-
Exceptional Items - Written Off Assets	-	-0.65
<b>Operating profit before working capital changes</b>	<b>37.94</b>	<b>241.78</b>
<b>Adjustment for change in working capital</b>		
(Increase)/decrease in Inventory	-101.49	-
(Increase)/decrease in trade receivable	62.94	-178.24
(Increase)/decrease in other current assets	-35.99	-6.23
(Increase)/decrease in other non current assets	-	-
Increase/(decrease) long term provisions	-	-
Increase/(decrease) trade payables	-152.79	164.47
Increase/(decrease) short term provisions	-0.77	-
Increase/(decrease) other non current liabilities	-	-106.69
(Increase)/decrease Advances to Suppliers	-0.85	34.53
Increase/(decrease) other current tax liabilities	0.19	-6.14
Increase/(decrease) other current liabilities	0.00	-50.97
<b>Cash generated from operations</b>	<b>-190.82</b>	<b>92.51</b>
<b>Cash flow from investing activities</b>		
Sale proceeds from sale of fixed assets	-	-
Purchase of Fixed Assets	-0.26	-20.67
<b>Net cash flow from investing activities</b>	<b>-0.26</b>	<b>-20.67</b>
<b>Cash flow from financing activities</b>		
Finance cost	-	-0.03
Borrowings repaid	-	-1.10
<b>Net cash flow from financing activities</b>	<b>0.00</b>	<b>-1.13</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-191.07</b>	<b>70.72</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>91.08</b>	<b>20.36</b>
<b>Cash and cash equivalents at the end of year</b>	<b>-99.99</b>	<b>91.08</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	3.36	4.20
Balance with scheduled banks		
- Current Accounts	37.51	86.88
	<b>40.87</b>	<b>91.08</b>
<b>NOTES :</b>		
1. The above Audited Standalone Financial Results for the Fourth Quarter and the Financial Year ended 31st March 2024 have been reviewed by the Audit Committee & approved by the Board of Directors of the Company at their respective meetings held on Monday, 22nd April 2024.		



**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>TH</sup> JUNE, 2024**

<b>IEL LIMITED</b>					
Reg. Off.: Shed No. 15, Shyam Hari Industrial Estate, Phase 4, GIDC, Vatva, Ahmedabad - 382445, Gujarat, INDIA					
Phone: 079-40026095 Website: www.ielindia.in, E-mail: iellimitedamd@gmail.com					
CIN - L15140GJ1956PLC124644					
STATEMENT OF UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2024					
(Rs. in Lakhs, except EPS)					
Sr. No.	Particulars	Quarter ended		Year ended	
		30.06.2024 (Un-Audited)	31.03.2024 (Audited)	30.06.2023 (Un-Audited)	31.03.2024 (Audited)
1.	<b>Income from Operations</b>				
	(a) Revenue from Operations	531.27	912.32	160.50	1,725.93
	(b) Other Income	22.00	0.05	-	0.28
	<b>Total Income</b>	<b>553.27</b>	<b>912.37</b>	<b>160.50</b>	<b>1726.21</b>
2	<b>Expenses</b>				
	(a) Cost of Materials Consumed	-	-	-	-
	(b) Purchase of Stock-in-Trade	388.31	956.18	136.00	1,737.96
	(c) Changes in Inventories of Finished goods, Work-in-Progress and Stock in Trader trade	101.48	(77.89)	-	(101.48)
	(d) Employee Benefits Expense	3.62	3.45	3.45	13.80
	(e) Finance Cost	-	-	-	-
	(f) Depreciation, Depletion and Amortisation Expense	0.83	0.83	0.82	3.32
	(g) Other Expenses	18.38	11.28	12.53	37.98
	<b>Total Expenses</b>	<b>512.62</b>	<b>893.85</b>	<b>152.80</b>	<b>1,691.58</b>
3	<b>Total Profit/(Loss) before Exceptional Items and tax</b>	<b>40.65</b>	<b>18.52</b>	<b>7.70</b>	<b>34.63</b>
4	<b>Exceptional Items</b>	-	-	-	-
5	<b>Total Profit/(Loss) before Tax</b>	<b>40.65</b>	<b>18.52</b>	<b>7.70</b>	<b>34.63</b>
6	<b>Tax Expenses</b>				
7	Current Tax	(10.00)	(5.05)	(1.75)	(9.05)
8	Deferred Tax	-	0.10	-	0.10
9	<b>Total Tax Expenses</b>	<b>(10.00)</b>	<b>(4.95)</b>	<b>(1.75)</b>	<b>(8.95)</b>
10	Net movement in Regulatory Deferred Account Balances related to Profit or Loss and other related deferred tax movement	30.65	13.57	5.95	25.68
11	<b>Net Profit/(Loss) for the period from Continuing Operations</b>	<b>30.65</b>	<b>13.57</b>	<b>5.95</b>	<b>25.68</b>
12	Profit/(Loss) from discontinued operation before tax	-	-	-	-
13	Tax Expense of discontinued operations	-	-	-	-
14	<b>Net Profit/(Loss) from discontinued operations after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
15	<b>Share of Profit/(Loss) of associates and Joint Ventures Accounted for using Equity Method</b>				
16	Total Profit/(Loss) for period	30.65	13.57	5.95	25.68
17	<b>Other Comprehensive Income net of Taxes</b>				
18	<b>Total Comprehensive Income for the period</b>				
19	<b>Total Profit or Loss attributable to</b>	<b>30.65</b>	<b>13.57</b>	<b>5.95</b>	<b>25.68</b>
	Profit or Loss attributable to owner of parent	-	-	-	-
	Total Profit or Loss, attributable to non controlling interests	-	-	-	-
20	<b>Total Comprehensive Income for the period attributable to</b>	<b>30.65</b>	<b>13.57</b>	<b>5.95</b>	<b>25.68</b>
	Comprehensive Income for the period attributable to owners of parent	-	-	-	-
	Total Comprehensive Income for the period attributable to owners of parent non controlling interests	-	-	-	-
21	<b>Details of Equity Share Capital</b>				
	Paid - Up Equity Share Capital	333.76	333.76	333.76	333.76
	Face Value of Equity Share Capital (in Rs.)	Re. 1/-	Re. 1/-	Re. 1/-	Re. 1/-
22	<b>Details of Debt Securities</b>				
	Paid-up Debt Capital	-	-	-	-
	Face Value of Debt Securities	-	-	-	-
23	Reserves excluding revaluation reserve	-	-	-	(211.41)
24	Debt Service Redemption Reserve	-	-	-	-
25	<b>Earning Per Share</b>				
I	Earnings per equity share for continuing operations				
	Basic Earnings (loss) per share from continuing operations	0.092	0.041	0.018	0.077
	Diluted Earnings (Loss) per share from continuing operations	0.092	0.041	0.018	0.077
II	Earnings per equity share for discontinued operations	-	-	-	-
	Basic Earnings (loss) per share from discontinued operations	-	-	-	-
	Diluted Earnings (Loss) per share from discontinued operations	-	-	-	-
III	<b>Earnings per Equity Share (of Rs.10/- each)</b>				
	Basic Earning (Loss) per share from continuing and discontinued operations	0.918	0.041	0.018	0.077
	Diluted Earnings (Loss) per share from continuing and discontinued operations	0.918	0.041	0.018	0.077
26	Debt Equity Ratio	-	-	-	-
27	Debt Service Coverage Ratio	-	-	-	-
28	Interest Service Coverage Ratio	-	-	-	-

**NOTES:**

1. The above Un-Audited Standalone Financial Results for the Quarter ended 30th June, 2024 have been reviewed by the Audit Committee & approved by the Board of Directors of the Company at their respective meetings held on Monday, 22nd July 2024.

2. The above Un-Audited Standalone Financial Results for the Quarter ended 30th June, 2024 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (Ind AS), prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.





**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

3. The Statutory Auditors of the Company have carried out "Limited Review" of the Un-Audited Standalone Financial Results for the Quarter ended 30th June, 2024. The Limited Review Report is annexed herewith. The Statutory Auditors have expressed an unmodified opinion.

4. The figures of the previous periods have been regrouped/rearranged/recasted wherever considered necessary.

5. The Un-Audited Standalone Financial Results for the Quarter ended 30th June, 2024 are available on the Company's website and also on the website of the BSE Limited where the shares of the Company are listed.

6. In line with Ind AS - 108 - "Operating Segments", the operations of the Company fall under Chemical Business which is considered to be the only reportable business segment.

Place: Ahmedabad  
Date : 22/07/2024



By Order of the Board  
For IEL Limited

*Ronit*

Ronit Champaklal Shah  
Chairman and Director (Executive)  
DIN : 02851806



## GENERAL INFORMATION

Our Company was originally incorporated on February 06, 1956 as a public limited company under the name and style of “Indian Extractions Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Bombay. Subsequently, the name of our Company was changed to “IEL Limited” vide Fresh Certificate of Incorporation dated January 21, 2019. The Company has changed its registered office from the state of Maharashtra to the Gujarat under the order for change of state by the Regional Director vide certificate dated August 04, 2021 with the Registrar of Companies, Ahmedabad, Gujarat. The Corporate Identification Number of the Company is L15140MH1956LC009720.

### OFFICE(S) OF OUR COMPANY

#### REGISTERED OFFICE

**IEL Limited**

Shed No-15, Shyam Hari Industrial Estate,  
Phase 4 GIDC, Vatva, Ahmedabad, Gujarat- 382445, India.

CIN: L15140GJ1956PLC124644

Email: [iellimitedamd@gmail.com](mailto:iellimitedamd@gmail.com)

Website: [www.ielindia.in](http://www.ielindia.in)

Tel: 079-40026095

### ADDRESS OF REGISTRAR OF COMPANIES

ROC Bhavan, Opp Rupal Park Society,  
Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.

Contact No: 079-27438531

Email: [roc.ahemdabad@mca.gov.in](mailto:roc.ahemdabad@mca.gov.in)

### CHANGES IN REGISTERED OFFICE

There has been no change in the registered office of the company in the last five years.

### BOARD OF DIRECTORS OF OUR COMPANY

NAME	DESIGNATION	DIN	PAN	ADDRESS
Mr. Ajaykumar Bholanath Gupta	Managing Director	07542693	AKWPG4996K	A/303 Paradise Tower Building Number3, Unitech Road, New Viva College, Virar (West), Palghar - 401303
Mr. Ronit Champaklal Shah	Chairman & Executive Director	02851806	CMHPS9711F	C, 302, Shilalekh Opp. Police Stadium, Shahibag, Ahmedabad, 380004
Mr. Arpit Singh	Non-Executive Non-Independent Director	10645601	JWAPS5114J	Gopalnarayan Singh, B58 Arti Tenaments, Chandlodia, Station Road, Swaminarayan, Temple, Ghatlodia, Ahmedabad City, Gujarat-



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

NAME	DESIGNATION	DIN	PAN	ADDRESS
				380061
Ms. Juhi Sawajani	Non-Executive and Independent Director	09811893	HRIPS8647R	Thikadar Pada, Titilagarh, Orissa- 380009
Ms. Avani Ashwinkumar Shah	Non-Executive and Independent Director	09608898	FVTPS0549R	5, Sambhavnath Apartment, Above Dena Bank, Jawaharchowk, Sabarmati, Ahmedabad City, Gujarat- 380005

For more details, please see the section titled "Our Management" on page 73 of this Draft Letter of Offer.

**COMPANY SECRETARY & COMPLIANCE OFFICER:**

**Mr. Kunal Jain**

Shed No-15, Shyam Hari Industrial Estate,  
Phase 4 GIDC, Vatva, Ahmedabad, Gujarat- 382445, India.

**Email:** [iellimitedamd@gmail.com](mailto:iellimitedamd@gmail.com)

**Website:** [www.ielindia.in](http://www.ielindia.in)

**Tel:** 079-40026095

*Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" beginning on page 106 of this Draft Letter of Offer.*

**CHIEF FINANCIAL OFFICER:**

**Mr. Arpit Singh**

Shed No-15, Shyam Hari Industrial Estate,  
Phase 4 GIDC, Vatva, Ahmedabad, Gujarat- 382445, India.

**Email:** [iellimitedamd@gmail.com](mailto:iellimitedamd@gmail.com)

**Website:** [www.ielindia.in](http://www.ielindia.in)

**Tel:** 079-40026095

**ADVISOR TO THE ISSUE:**

**Navigant Corporate Advisors Limited**

804, Meadows, Sahar Plaza Complex,  
J B Nagar, Andheri Kurla Road,  
Andheri East, Mumbai-400 059



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**Tel. No.** +91-22-41204837/49735078  
**Email Id-** [navigant@navigantcorp.com](mailto:navigant@navigantcorp.com)  
**Investor Grievance Email:** [info@navigantcorp.com](mailto:info@navigantcorp.com)  
**Website:** [www.navigantcorp.com](http://www.navigantcorp.com)  
**SEBI Registration Number:** INM000012243  
**Contact Person:** Mr. Sarthak Vijlani

#### REGISTRAR TO THE ISSUE

**Link Intime Private Limited**  
C 101, 247 Park, L.B.S Marg,  
Vikhroli (West), Mumbai, Maharashtra, 400083.  
**Tel No.:** 022-49186270.  
**Fax No.:** 022-49186060  
**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)  
**E-mail ID:** [ipo.team@linkintime.co.in](mailto:ipo.team@linkintime.co.in)  
**Contact Person:** Mr. Haresh Hinduja  
**SEBI Registration No:** INR000004058

#### STATUTORY AUDITORS

**M/s. Maark & Associates**  
Chartered Accountants  
807, Ijmima Complex, Off New Link Rd, behind Infiniti Mall,  
Malad, Mindspace, Malad West, Mumbai, Maharashtra 400064  
**Tel:** +91 022 49726641, 916766414  
**Email:** [info@camaark.com](mailto:info@camaark.com), [ca@camaark.com](mailto:ca@camaark.com)  
**Website:** [www.camaark.com](http://www.camaark.com)

#### EXPERT OPINION

Our Company has not obtained any expert opinion.

#### BANKER TO THE ISSUE AND REFUND BANK:

[•]

#### Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA process is provided on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. Details relating to Designated Branches of SCSBs collecting the ASBA application forms are available at the above mentioned link.

#### Credit rating



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This being a Rights Issue of Equity Shares, no credit rating is required.

#### **Debenture Trustee**

As the Issue is of Equity Shares, the appointment of a debenture trustee is not required.

#### **Monitoring Agency**

Since the size of the Issue is less than Rs. 10,000 Lakh, our Company is not required to appoint a monitoring agency.

#### **Appraising Agency**

None of the purposes for which the Net Proceeds are proposed to be utilized have been appraised by any bank or financial institution.

#### **Underwriting**

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

#### **Minimum Subscription**

The objects of the Issue are acquisition of land, Capital Expenditure and General Corporate Purpose.

However, our promotor has indicated that they will not subscribe fully to their portion of right entitlement and that they may renounce their rights entitlements. Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirements of minimum subscription are applicable to the issue.

In accordance with Regulation 86 of SEBI (ICDR) Regulations, if our Company does not receive the minimum subscription of at least 90% of the Issue of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under "Terms of the Issue" on page 106 of this Draft Letter of Offer.

#### **FILLING OF THIS DRAFT LETTER OF OFFER:**

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3(b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, this Draft Letter of Offer will be filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.



**ISSUE SCHEDULE:**

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

<b>Issue Opening Date</b>	[●]
<b>Last Date of Market renunciation of rights entitlements*</b>	[●]
<b>Issue Closing Date**</b>	[●]

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

*\*\*Our Board or the Rights Issue Committee, duly constituted and authorized by the Board of Directors, thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

*Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].*

*Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. For details on submitting Application Forms, see "Terms of the Issue - Process of making an Application in the Issue" beginning on page 108 of this Draft Letter of Offer.*

*The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at [www.linkintime.co.in](http://www.linkintime.co.in) after keying in their respective details along with other security control measures implemented thereat. For further details, see "Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders" beginning on page 120 of this Draft Letter of Offer.*

*Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.*



**CAPITAL STRUCTURE**

The share capital of our Company as on the date of this Draft Letter of Offer is set forth below:

(Rs. in Lakh, except the shares data)

	Particulars	Aggregate value at face value	Aggregate value at Issue Price
<b>A.</b>	<b>AUTHORIZED SHARE CAPITAL</b>		
	8,10,00,000 Equity Shares of Re. 1.00 each	810.00	-
	90,000 Zero-Coupon Redeemable Preference Share of Rs. 100 each	90.00	
<b>B.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE</b>		
	3,33,76,330 Equity Shares of Re. 1.00 each	333.76	-
	90,000 Zero-Coupon Redeemable Preference Share of Rs. 100 each	90.00	
<b>C.</b>	<b>PRESENT ISSUE BEING OFFERED TO THE EXISTING EQUITY SHAREHOLDERS THROUGH THIS DRAFT LETTER OF OFFER <sup>(1)</sup></b>		
	Upto [●] Equity Shares at an Issue Price of Rs. [●] per Equity Share	[●]	[●]
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE ISSUE <sup>(2)</sup></b>		
	Upto [●] Equity Shares of face value of Re. 1.00 each paid up	[●]	[●]
<b>E.</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		194.79
	After the Issue		[●]

(1) The Issue has been authorized by a resolution of our Board passed at its meeting held on 22<sup>nd</sup> July, 2024 pursuant to Section 62 of the Companies Act, 2013.

(2) Assuming full subscription for and allotment of the Rights Entitlement.

**Notes to the Capital Structure:**

1. Our Company does not have any employee stock option scheme or employee stock purchase scheme.
2. Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Draft Letter of Offer, which would entitle the holders to acquire further Equity Shares.





### 3. Shareholding of Promoter and Promoter Group:

The details of specified securities held by the Promoter and Promoter Group including the details of lock-in, pledge and encumbrance on such securities as on date of Draft Letter of Offer are set forth hereunder:

Sr. No.	Name of the Promoter & Promoter Group	Category	No. of Equity Shares held	% of total share capital	Details of Equity Shares pledged/ encumbered		Details of Equity Shares locked-in	
					No. of Equity Shares	% of total share capital	No. of Equity Shares	% of total share capital
1.	Kalpanaben Shah	Promoter	14,46,232	4.33	-	-	-	-
2.	Ronit Shah	Promoter	9,75,111	2.92	-	-	-	-
3.	Romit Shah	Promoter	37,109	0.11	-	-	-	-

None of the Equity Shares held by our Promoter and Promoter Group are pledged with any bank or institution, locked-in or otherwise.

4. No Equity Shares have been acquired by the Promoter or members of the Promoter Group in the year immediately preceding the date of filing of this Draft Letter of Offer.

### 5. Intention and extent of participation in the Issue by the Promoter and Promoter Group

The Promoters of our Company have, vide their letters dated September 27, 2024 ("Subscription Letters") indicated that they will not subscribe fully to their portion of right entitlement and that they may renounce their rights entitlements. Further, the promoters have confirmed that do not intend to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any).

The Company shall maintain minimum public shareholding requirements as stipulated under the SEBI Listing Regulations.

As such, other than meeting the requirements indicated in the chapter titled "Objects of the Issue" at page 51 of this Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares.

6. All the Equity Shares of our Company are fully paid-up as on the date of this Draft Letter of Offer. Further, the Equity Shares offered in the Rights Issue shall be made fully paid at the time of their allotment.

7. At any given time, there shall be only one denomination of the Equity Shares of our Company, excluding any equity shares with superior rights, if any, issued by our Company.

8. The ex-rights price per Equity Share arrived in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is [●].

9. The details of the shareholders holding more than 1% of the share capital of the Company as on June



30, 2024 are as under:

Sr. No.	Name of Shareholders	No. of Equity Shares held	% of total share capital
1.	Kalpanaben Shah	14,46,232	4.33
2.	Ronit Shah	9,75,111	2.92
3.	Pradeep Jhaveri	7,50,000	2.25
4.	Sumit Singhania	5,87,395	1.76
5.	Kusumben Jhaveri	5,00,000	1.50
6.	PCG Finvest Private Limited	5,00,000	1.50
7.	Nitin Garg	4,99,627	1.50
8.	Manali Kirit Bhuvra	4,00,000	1.20
9.	Garima Venture Finance Limited	3,49,756	1.05

#### 10. Shareholding Pattern of our Company

Shareholding Pattern of the Equity Shares of our Company as per the last filing with the Stock Exchange, i.e., as on June 30, 2024 can be accessed on the website of the BSE at <https://www.bseindia.com/stock-share-price/iel-ltd/indxttra/524614/shareholding-pattern/>

The statement showing the holding of Equity Shares of persons belonging to the category “Promoter and Promoters Group” as on June 30, 2024 can be accessed on the website of the BSE at

<https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=524614&qtrid=122.00&QtrName=June%202024>

The Statement of showing the details of shares pledged, encumbrance by promoters and promoter group as on June 30, 2024 can be accessed on the website of the BSE at

<https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=524614&qtrid=122.00&QtrName=June%202024>

#### 11. Details of options and convertible securities outstanding as on the date of this Draft Letter of Offer

There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer.



### OBJECTS OF THE ISSUE

Our Company proposes to utilize the net proceeds from the Issue towards funding the following objects.

1. To acquire land for construction of warehouses;
2. To finance construction of the warehouses;
3. To meet General corporate purposes;
4. To meet the expenses of the Issue.  
(Collectively, referred herein as the “objects”).

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

#### Utilization of Net Proceeds

The details of the proceeds of the Issue are summarized below:

(Rs. In Lakhs)

S. No.	Particulars	Amounts*
1)	Gross Proceeds	Upto 4,500.00
2)	(Less) Issue related expenses	[•]
3)	<b>Net Proceeds</b>	<b>[•]</b>

\* To be finalized on determination of Issue Price.

#### UTILISATION OF NET PROCEEDS

We intend to utilise the Net Proceeds from the Issue, in the manner set below:

(Rs. In lakhs)

S. No.	Particulars	Amounts*	% of gross proceeds
1.	To acquire land for construction of warehouses	Upto 1,068.00	[•]
2.	To finance construction of the warehouses	Upto 2,414.31	[•]
3.	To meet General corporate purposes.	[•]	[•]
	<b>Total</b>	<b>Upto 4,500.00</b>	<b>100.00</b>

\* To be finalized on determination of Issue Price.

#### Schedule of implementation/ Utilization of Issue Proceeds

Our Company proposes to deploy the Net Proceeds in the aforesaid objects as follows:

(Rs. In lakhs)

Sr. No.	Particulars	Amount Proposed to be Deployed from Issue Proceeds*	Estimated Schedule of Deployment of Net Proceeds*



			FY 2024-25	FY 2025-26
1.	To acquire land for construction of warehouses	Upto 1,068.00	Upto 1,068.00	-
2.	To finance construction of the warehouses	Upto 2,414.31	Upto 1448.59	Upto 965.72
3.	To meet General corporate purposes.	[•]	[•]	[•]
	<b>Total</b>	<b>Upto 4,500.00</b>	<b>[•]</b>	<b>[•]</b>

*\* To be finalized on determination of Issue Price.*

*To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, Our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.*

#### **MEANS OF FINANCE:**

**Our Company proposes to meet the entire requirement of funds for the objects of the Issue 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 for the aforesaid object, excluding the amount to be raised from the Issue.**

**The fund requirement and deployment is based on internal management estimates and our Company's current business plan and is subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy. These estimates have not been appraised by any bank or financial institution.**

Any amount, deployed by our Company out of internal accruals towards the aforementioned objects till the date of receipt of Issue Proceeds shall be recouped by our Company from the Issue Proceeds of the Issue. In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 23 of this Draft Letter of offer.

#### **DETAILS OF THE OBJECTS**

The details of the objects of the Issue are set out below:

##### **1. TO ACQUIRE LAND FOR CONSTRUCTION OF THE WAREHOUSES**



As the company is expanding its operations into the warehousing business, the Company has entered into an Agreement dated September 30, 2024 with M/s. Chauras Corporation for the purchase of land for construction of Warehouses. The land is situated at Village - Neeva, Tahsheel - Sarojani Nagar, District - Lucknow for setting up of new warehouses. Following are the details of such land:

Location with area	Purpose	Seller Details
Village - Neeva, Tahsheel - Sarojani Nagar, District - Lucknow  <b>Area: 12 Bigha land</b>	For Construction and setting up of Warehouses.	M/s. Chauras Corporation

As per the terms of the Agreement, the payment schedule is as under:

Particulars	Amount (Rs. in Lakhs)
Total Consideration	1,200.00
Less: Advance paid	132.00
<b>Balance Amount to be paid</b>	<b>1,068.00</b>

Please note that out of the total issue proceeds, Rs. 1,068.00 Lakhs will be paid to M/s. Chauras Corporation within 8 months from the date of MOU i.e., September 30, 2024 and the estimated period of completion of work is 2(Two) years from the commencement of the construction.

## 2. TO FINANCE CONSTRUCTION OF THE WAREHOUSES

Our Company proposes to utilise Rs. 1,448.59 and Rs. 9,65.72 in the financial year 2024-25 and 2025-26 respectively out of Net Proceeds of issue towards expenditure for funding of construction of new warehouse for providing on lease or to rent the warehouses according to requirement of the customers. We expect the warehouse to be operations during financial year within 2 years from the commencement of the construction. We expect to benefit from the set-up and operation of warehouses by our Company by contributing to our growth, increased efficiency and services to our end customers and the expansion of our businesses. The Premises for the proposed warehouses is purchased by the company by paying an advance of Rs. 132.00 Lakhs and balance to be paid of Rs. 1,068.00 Lakhs from the Issue proceeds. The land is situated at Village - Neeva, Tahsheel - Sarojani Nagar, District - Lucknow for setting up of new warehouses.

Our estimate of costs is based on quotations received from vendor. The table below sets forth the estimated costs for setting up of construction of new warehouses:

Sr. No.	Description of Work	Quantity	Unit	Rate (Rs.)	Amount (Rs.)
1.	Supply of Material & Labour for Construction of Foundation work, Wall	13,800.00	Sq m	6,000.00	8,28,00,000.00
2.	Supply of Material & Labour for Construction of Super Structure Prefab work, wall cladding	13,800.00	Sq m	7,500.00	10,35,00,000.00
3.	Supply of Material & Labour for Construction of Office block	750.00	Sq m	15,000.00	1,12,50,000.00



	building, Staff quarter 'Toilet block, Cafeteria work				
4.	Supply of Material & Labour for Construction of Boundary wall Gate, Guard Room	2,400.00	RM	6,000.00	1,44,00,000.00
5.	Supply of Material & Labour for Construction of Internal Road	350.00	RM	10,000.00	35,00,000.00
6.	Supply of Material & Labour for Construction of Warehouse RCC floor	13,800.00	SQ.M	600.00	82,80,000.00
7.	Supply of Material & Labour for Construction of Outdoor development	16,500.00	SQ.M	1,000.00	1,65,00,000.00
	<b>Total</b>				<b>24,02,30,000.00</b>
	<b>Add 5 % for Electrical, plumbing etc</b>				<b>12,01,150.00</b>
	<b>Grand Total</b>				<b>24,14,31,150.00</b>

Sr. No.	Particulars	Total Cost (Amount in Rs. Lakhs)
1.	To acquire land for construction of Warehouses	1,068.00
2.	To finance construction of the Warehouses	2,414.31
	<b>Total Estimated Cost to be financed from Issue proceeds</b>	<b>3,482.31</b>

### 3. TO FINANCE THE GENERAL CORPORATE PURPOSE

The Net Proceeds will first be utilized towards the Objects set out above, as well as meeting the Issue related expenses. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds of Rs. [●] \* Lacs towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time. We confirm that utilization for general corporate purposes will not exceed 25% of the Net Proceeds of the Issue.

Such general corporate purposes may include, but are not restricted to, the following:

- Strategic initiatives, including investments or acquisitions, from time to time;
- Brand building, promotional and outreach activities;
- Strengthening our infrastructure and systems and processes, in-house training initiatives, etc.;
- Repayment of present or future loans;
- Redemption of preference shares;
- Research and Development;
- Ongoing general corporate purposes or exigencies, as approved by the Board, subject to compliance with applicable law.

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



\* To be finalized on determination of Issue Price.

#### 4. ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. [●]\* Lakhs.

Particulars	Amount (Rs. in Lacs)	% of Total Issue Expenses	% of Total Issue Size
Issue management fees, brokerages, Payment to other intermediaries such as Registrars etc.	[●]*	[●]*	[●]*
Advertisement & Marketing Expenses, Printing & Stationery, Distribution, Postage, etc.	[●]*	[●]*	[●]*
Regulatory & other expenses	[●]*	[●]*	[●]*
<b>Total</b>	<b>[●]*</b>	<b>[●]*</b>	<b>[●]*</b>

\* To be finalized on determination of Issue Price.

#### Details of funds already deployed till date and sources of funds deployed

The funds deployed up to October 01, 2024 pursuant to the object of this Issue as certified by M/s Maark & Associates, Chartered Accountants pursuant to their certificate dated October 01, 2024 is given below:

Deployment of funds	Amount (Rs. In Lakhs)
Issue Related Expenses	-
Objects Related Expenses	-
<b>Total</b>	<b>-</b>

Sources of funds	Amount (Rs. In Lacs)
Internal Accruals	-
Bank Finance	-
<b>Total</b>	<b>-</b>

#### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds.

#### APPRAISAL BY APPRAISING AGENCY

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization.

#### INTERIM USE OF FUNDS





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Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

#### **MONITORING UTILIZATION OF FUNDS**

As the size of the Issue does not exceed Rs. 10,000 lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a Quarterly yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year.

Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Draft Letter of offer.

#### **CONFIRMATION REGARDING PURCHASE OF SECOND-HAND EQUIPMENT AND MACHINERY**

No second-hand equipment and machinery are proposed to be purchased by our Company from the Net Proceeds.

#### **OTHER CONFIRMATIONS**

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Management Personnel, except as stated above and in the normal course of business and in compliance with applicable.



## STATEMENT OF SPECIAL TAX BENEFITS

### STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS AS PER THE CERTIFICATE ISSUED BY STATUTORY AUDITORS OF THE COMPANY

To,  
**The Board of Directors,**  
**IEL Limited**  
Shed No-15, Shyam Hari Industrial Estate,  
Phase 4 GIDC, Vatva, Ahmedabad, Gujarat- 382445, India

Dear Sirs,

**Subject: Proposed Rights Issue of equity shares with a Face value of Re. 1.00/- each by IEL Limited (the "Company") (the "Issue")**

We hereby confirm that the enclosed statement states the possible special direct tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ("Act") as amended from time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfill.

This statement is only intended to provide general information to the investors and hence 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 rights issue of equity shares of the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor are we advising the investor to invest money based on this statement.

The contents of the enclosed statement are based on the information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with

This statement is intended solely for information and for inclusion in the Draft Letter of Offer in relation to the Issue of equity shares of the Company and is not to be used, circulated or referred to for any other purpose without our prior written consent. Our views are based on the existing provisions of law referred to earlier and its interpretation, which are subject to change from time to time.



We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

**For M/s Maark & Associates**  
**Chartered Accountants**  
**Firm Registration No.- 145153W**  
**Sd/-**  
**CA Manish Agarwal**  
**Partner**  
**Membership No. 612103**  
**Place: Mumbai**  
**Date: 01/10/2024**  
**UDIN:24612103BKILCX4736**



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**Annexure**

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

I Special Tax Benefits available to the Company under the Act:

There are no special tax benefits available to the Company.

II. Special Tax Benefits available to the Shareholders under the Act:

There are no special tax benefits available for the shareholders of the Company under the provisions of the Act.

**NOTES:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement of possible special tax benefits is as per the current direct tax laws relevant for the F.Y.2024-25 relevant to A.Y. 2025-26.
4. 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 interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

**For M/s Maak & Associates**  
**Chartered Accountants**  
**Firm Registration No.- 145153W**  
**Sd/-**  
**CA Manish Agarwal**  
**Partner**  
**Membership No. 612103**  
**Place: Mumbai**  
**Date: 01/10/2024**  
**UDIN:24612103BKILCX4736**

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## SECTION V: ABOUT OUR COMPANY

### OUR INDUSTRY

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

*Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this entire Draft Letter of Offer, including the information in the sections "Risk Factors" and "Financial Statements" on pages 23 and 82 respectively of this Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 23 of this Draft Letter of Offer.*

### GLOBAL PROSPECTS AND POLICIES

Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers. India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP. India's chemical sector, which was estimated to be worth US\$ 220 billion in 2022, is anticipated to grow to US\$ 300 billion by 2025 and US\$ 1 trillion by 2040.



Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world's production of dyestuffs and dye intermediates. India's agrochemicals export was estimated to be at US\$ 3.12 billion from April 2023 to December 2023. Indian colourants industry has emerged as a key player with a global market share of ~15%. The country's chemicals industry is de-licensed, except for a few hazardous chemicals. India has traditionally been a world leader in generics and biosimilars and a major Indian vaccine manufacturer, contributing more than 50% of the global vaccine supply. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at the global level (excluding pharmaceuticals).

From April 2023 to December 2023, India's dye exports (Dyes and Dye Intermediates) totalled US\$ 1.69 billion. India's proximity to the Middle East, the world's source of petrochemicals feedstock, enables it to benefit on economies of scale.

## Market Size

India's chemical sector, which was estimated to be worth US\$ 220 billion in 2022, is anticipated to grow to US\$ 300 billion by 2025 and US\$ 1 trillion by 2040. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$ 383 billion to India's GDP by 2030.

India has traditionally been a world leader in generics and biosimilars and major Indian vaccine manufacturers, contributing more than 50% of the global vaccine supply. Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040.

An investment of Rs. 8 lakh crore (US\$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025. Specialty chemicals account for 20% of the global chemicals industry's US\$ 4 trillion, with India's market expected to increase at a CAGR of 12% to US\$ 64 billion by 2025.

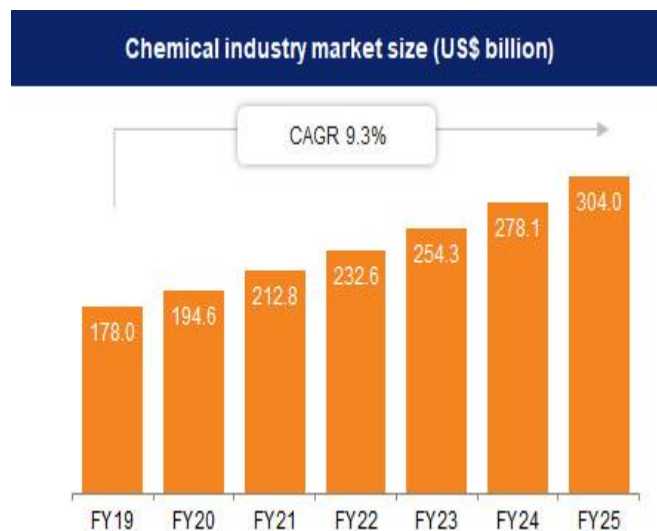
This gain would be driven by a healthy demand growth (CAGR of 10-20%) in the export/end-user industries. The Department of Chemicals & Petrochemicals intends to bring PLI in the chemical & petrochemical sector and will redraft the Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) guidelines.

The Indian chemical industry is expected to further grow with a CAGR of 11-12% by 2027, increasing India's share in the global specialty chemicals market to 4% from 3%.

A shift in the global supply chain brought on by the China+1 strategy and a resurgence in domestic end-user demand was expected to fuel significant revenue growth of 18-20% in 2022 and 14-15% in 2023.

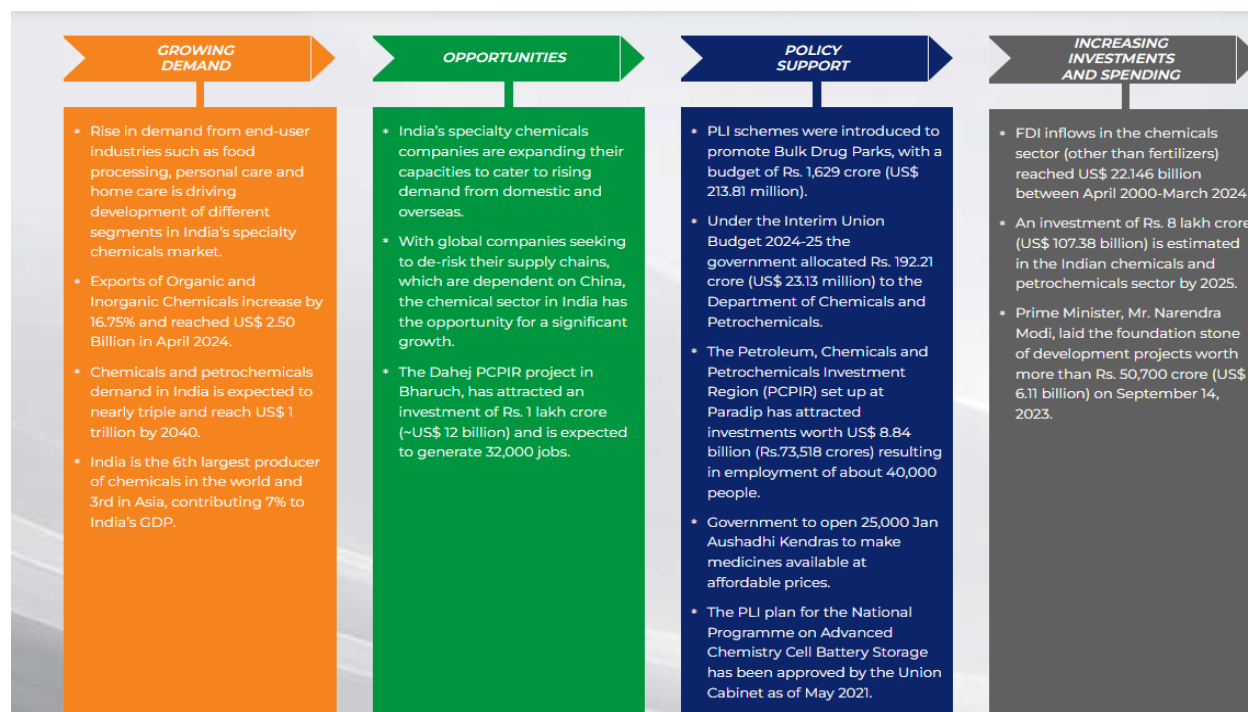
### Chemicals market in India

- Chemicals industry in India covers >80,000 commercial products.
- India accounts for 2.5% of the world's global chemical sales, exporting to more than 175 countries. ▪ India is the 6<sup>th</sup> largest producer of chemicals in the world and 3<sup>rd</sup> in Asia, contributing 7% to India's GDP.
- The industry is expected to reach US\$ 304 billion by 2025 at a CAGR of 9.3%, driven by rising demand in the end-user segments for specialty chemicals and petrochemicals segment. ▪ Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040.
- During April-March 2024, India's dye exports (Dyes and Dye Intermediates) totaled US\$ 2.32 billion.
- Specialty chemical companies are seeking import substitutions while exploring export opportunities to accelerate their business.

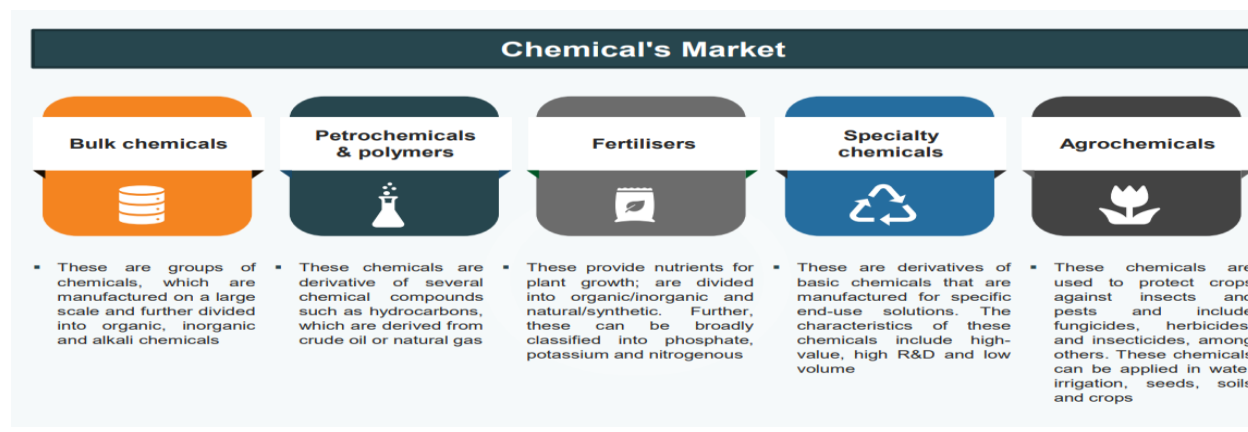


- India is the third largest polymer consumer in the world and is expected to consume 60 million tonnes by 2040.
- The agrochemicals market in India is expected to register an 8.6% CAGR to reach US\$ 7.4 billion between 2021 and 2026.
- Specialty chemicals account for 20% of the global chemicals industry's US\$ 4 trillion, with India's market expected to increase at a CAGR of 12% to US\$ 64 billion by 2025. This gain would be driven by a healthy demand growth (CAGR of 10-20%) in the export/end-user industries.

### Advantages



### Chemical's market is split into five key segments



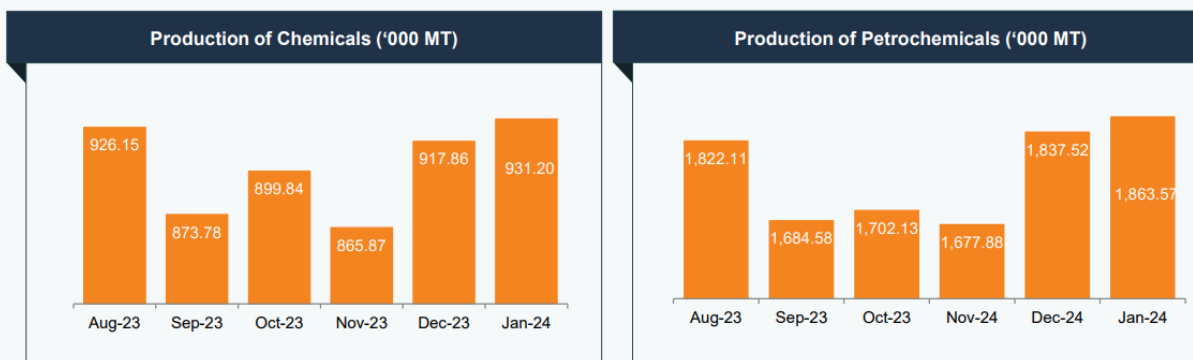


### Evolution of the Indian chemical sector

1939-1945	1950s-1960s	1980s-1990s	1990s-2000s	2000s to date
<ul style="list-style-type: none"> <li>Foreign drug supplies were decreased, and several Indian pharmaceutical companies were established.</li> <li>Companies included Unichem, Chemo Pharmaceuticals, Zandu Pharmaceutical Works, Chemical Industrial and Pharmaceutical Laboratories (CIPLA) and East India Pharmaceutical Works.</li> </ul>	<ul style="list-style-type: none"> <li>Indian government established five public-sector companies.</li> <li>Established Hindustan Antibiotics Ltd. (HAL) in 1954 and Indian Drugs and Pharmaceuticals Ltd. (IDPL) in 1961.</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of the petrochemical industry.</li> <li>Development of integrated naphtha and gas crackers, along with related downstream plants for polymers, synthetic fibers, aromatics and other chemicals.</li> </ul>	<ul style="list-style-type: none"> <li>Indian players and MNCs collaborated for key investments.</li> <li>Lower tariff barriers exposed the domestic industry to competitors (from imports).</li> </ul>	<ul style="list-style-type: none"> <li>The chemical industry is expected to contribute US\$ 383 billion to India's GDP by 2030.</li> <li>Indian chemical companies spend ~1% of their revenue on R&amp;D.</li> <li>Chemicals contribute 3% to the total FDI equity inflow and ~8% to the country's exports.</li> <li>PLI schemes were introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crore (US\$ 213.81 million).</li> </ul>

*Source: KPMG report, News Articles*

### Chemical sector production capacity



- Major chemical production reached 931.2 million metric tonnes (MMT) in January 2024, while petrochemical production reached 1,863.57 MMT.
- In January 2024, production levels of various chemicals were as follows:
  - Soda Ash: 255.21 MMT
  - Caustic Soda: 290.60 MMT
  - Liquid Chlorine: 205.05 MMT
  - Formaldehyde: 25.834 MMT
  - Pesticides and Insecticides: 19.90 MMT



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## Investments and Recent Developments

A few recent developments/investments in the Indian chemical sector are as follows:

- From April 2023 to March 2024, exports of organic chemicals stood at US\$ 7.54 billion & inorganic stood at US\$ 2.02 billion.
- Imports of organic chemicals were US\$ 14.80 billion and inorganic chemicals US\$ 6.34 billion from April 2023 to March 2024.
- From April 2023 to March 2024, exports of castor oil, essential oil, and cosmetics and toiletries stood at US\$ 4.3 billion.
- Major chemical production reached 931.2 million metric tonnes (MMT) in January 2024, while petrochemical production reached 1,863.57 MMT. In January 2024, production levels of various chemicals were as follows: Soda Ash: 255.21 MMT, Caustic Soda: 290.60 MMT, Liquid Chlorine: 205.05 MMT, Formaldehyde: 25.834 MMT, and Pesticides and Insecticides: 19.90 MMT.
- In August 2023, the Prime Minister announced a subsidy of Rs. 10 lakh crore (US\$ 120.93 billion) for providing cheaper Urea to farmers.
- In July 2023, Global Chemicals and Petrochemicals Manufacturing Hubs in India (GCPMH 2023) was organized in Delhi, India.
- In June 2023, Himadri Speciality Chemical invested Rs. 58 crore (US\$ 7.01 million) in Sicona Battery Technologies Pty Ltd, (Sydney) for a 12.79% stake.
- In June 2023, Mumbai-based UPL Ltd, will hive off its speciality chemicals business on a slump sale basis to a wholly-owned arm of UPL Speciality Chemicals Ltd for Rs. 3,572 crore (US\$ 431.96 million).
- In June 2023, Reliance plans to invest Rs. 75,000 crore (US\$ 9.06 billion) over 5 years to expand its oil to chemical business.
- Tata Chemicals intended to invest about Rs. 8,000 crore (US\$ 967.45 million) over the next 2-3 years as capex on an expansion spree that includes scaling businesses sustainably.
- In May 2023, Reliance Industries plans to set up a 10 GW solar project in Andhra Pradesh.
- In March 2023, Chennai awaits more bio-CNG plants to enable a switch to clean energy.
- On February 15th, 2023, the Indian Speciality Chemical Manufacturer' Association (ISCMA) signed an MoU with USIIC to promote trade in speciality chemicals.
- In February 2023, the company is setting up a new formaldehyde plant with 300 TPD capacity at the existing manufacturing facility at GIDC, Ankleshwar in Gujarat.
- In January 2023, Tata Chemicals Europe signed a pact with Essar-backed Vertex for the sale of low-carbon hydrogen.
- In December 2022, GMM Pfudler Ltd entered into an agreement on December 8, 2022, to acquire Mixel France SAS and its wholly owned subsidiary Mixel Agitator Co. Ltd. for US\$ 7.63 million.
- In September 2022, the Royal Society of Chemistry (RSC) and CSIR work together to support chemistry in schools across India.
- In September 2022, Spanish perfume maker Puig acquired a controlling stake in Kama Ayurveda Pvt. owning 85% of the company.
- In May 2022, a global investment firm, PAG acquired Optimus Group along with consortium partners CX Partners and Samara Capital.
- In April 2022, Dorf Ketal, a manufacturer of research-based specialised chemicals acquired Khyati Chemicals for Rs. 300-400 crore (US\$ 36.28 - 48.48 million).
- Advent International acquired a majority position in Avra Labs in January 2022, uniting it with two other businesses it had previously acquired, RA Chem Pharma and ZCL Chemicals.

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- In July 2022, NTPC Renewable Energy Limited (NTPC REL) and Gujarat Alkalies and Chemicals Limited (GACL) signed an MoU to establish India's first commercial-scale Green Ammonia and Green Methanol plants.
  - In November 2021, Indian Oil Corporation (IOCL) announced plans to invest Rs. 3,681 crore (US\$ 495.22 million) to set up India's first mega-scale maleic anhydride unit for manufacturing high-value speciality chemicals at its Panipat Refinery in Haryana.
  - In November 2021, Praj Industries Limited and Indian Oil Corporation inked a memorandum of understanding (MoU) to explore opportunities in the production of alcohol-to-jet (ATJ) fuels, 1G & 2G ethanol, compressed bio-gas (CBG) and related opportunities in the biofuels industry.
  - In November 2021, Coromandel International announced plans to set up a 1,650-metric-tonnes-per-day sulphuric acid plant at its fertiliser complex in Visakhapatnam with an investment of Rs. 400 crore (US\$ 53.69 million).
  - On September 30, 2021, Prime Minister, Mr. Narendra Modi, inaugurated the CIPET: Institute of Petrochemicals Technology, Jaipur.
  - In October 2021, Nayara Energy announced that it expects 15-20 new integrated petrochemical plants to become operational within the next decade in the country, to meet the rising demand for raw materials used in the plastics and clothing industries.
  - In October 2021, Rosneft, Russia, launched a large-scale petrochemical production development programme in India with investments worth ~US\$ 750 million at the current implemented stage.
  - In September 2021, Bharat Petroleum Corporation (BPCL), announced plans to invest US\$ 4.05 billion, to improve petrochemical capacity and refining efficiencies over the next five years.
  - The government is planning to hold roadshows in eight overseas markets for the proposed investors' summit planned in January 2022, with a focus on the petrochemicals sector, and is eager to attract investors to its newly launched Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) near the upcoming crude oil refinery in Pachpadra village (in Barmer district, Rajasthan).

### **Government Initiatives**

The government has started various initiatives such as mandating BIS-like certification for imported chemicals to prevent dumping of cheap and substandard chemicals into the country.

The Indian government recognises the chemical industry as a key growth element and is forecast to increase share of the chemical sector to ~25% of the GDP in the manufacturing sector by 2025.

- Under the Interim Budget 2024-25 the government allocated Rs. 192.21 crore (US\$ 23.13 million) to the Department of Chemicals and Petrochemicals.
- Government to open 25,000 Jan Aushadhi Kendras to make medicines available at affordable prices.
- In April 2023, the Cabinet approved the National Medical Devices Policy, 2023.
- The Department of Chemicals & Petrochemicals intends to bring PLI in the chemical & petrochemical sector and will redraft the Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) guidelines.
- PLI schemes have been introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crore (US\$ 213.81 million).
- The Government of India is considering launching a production-linked incentive (PLI) scheme in the chemical sector to boost domestic manufacturing and exports.

- A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to implement a production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters.
- In October 2020, the government urged players in the agrochemicals industry to come out with new molecules of global standards for the farmers' benefit, while CropLife India, the industry body, pitched for stable policies and regulatory regimes to boost growth in the sector.
- 100% FDI is allowed under the automatic route in the chemicals sector with few exceptions that include hazardous chemicals. FDI inflows in the chemicals sector (other than fertilizers) reached US\$ 22.146 billion between April 2000-March 2024.
- The government has proposed several incentives for setting up a sourcing or manufacturing platform within an Indian SEZ:
  - Effective April 1, 2020, 100% Income Tax exemption on export income for SEZ units for the first five years, 50% for the next five years thereafter and 50% of the ploughed back export profit for the next five years.
  - Single window clearance for central and state-level approvals.
  - Duty-free import/domestic procurement of goods for development, operation and maintenance of SEZ units.
- In December 2020, the PCPIR policy is being completely redesigned. Under the new PCPIR Policy 2020-35, a combined investment of Rs. 10 lakh crore (US\$ 142 billion) is targeted by 2025, Rs. 15 lakh crore (US\$ 213 billion) by 2030 and Rs. 20 lakh crore (US\$ 284 billion) by 2035 in all PCPIRs across the country. The four PCPIRs are expected to generate employment for ~33.83 lakh people. ~3.50 lakh persons have been employed in direct and indirect activities related to PCPIRs by the end of 2020. The Gujarat Infrastructure Development Corporation (GIDC) has made an investment of around Rs. 17,317 crore (US\$ 2.09 billion) for infrastructure development in the PCPIR.

### **India's Warehousing Boom: How Automation Fuels Unprecedented Growth**



India's logistics sector is the linchpin in its economy, connecting trade, stimulating economic activity, and nurturing key sectors. The Indian warehouse market is predicted to reach \$34.99 Bn by 2027, with a CAGR of 15.64% from 2022. The market is currently experiencing unprecedented demand, outpacing supply by 1.4 times in the first half of 2023. The country's Grade-A Warehousing stock soared to a



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staggering 177 Mn sq.ft (3QCY2023), with an additional 140 Mn sq. ft added since CY 2016, highlighting the industry's ability to adapt and expand in response to the growing needs of various sectors.

In the current economic upswing, India's logistics and warehousing industry is fuelled by an e-commerce surge, manufacturing boom, increased consumption, and overall industrial expansion. However, challenges like complex supply chains, inefficiencies, rising costs, and heightened demand for rapid delivery persist. The industry is turning to warehouse automation to address these issues and capitalise on the growth. Embracing automation not only enhances productivity but also reduces labour costs, minimises errors, optimises inventory management, and ensures cost-efficiency, enabling warehouses to handle higher volumes of goods efficiently.

Government initiatives like PM Gati Shakti and the National Logistics policy align with the industry's growth goals, emphasizing technology, standardisation, and digitisation. The surge in manufacturing, supported by initiatives like Performance Linked Incentives and Make in India, further boosts demand for driving efficiencies in the supply chain and encourages investment in automated facilities. The infrastructure status given by the government to the logistics sector has enhanced its appeal to potential investors, strategically positioning it within the investment landscape. Organised retail growth, SKU expansion, and evolving consumption patterns have also driven the shift from traditional storage to modern warehousing. Pioneers like IndoSpace, alongside global players such as Ascendas, Blackstone, ESR, LOGOS, and Mapletree, are drawn to India's evolving landscape, streamlining supply chains and reducing operational costs through Grade A facilities.

Startups in India are at the forefront of driving innovation in intra-logistics automation solutions. While Addverb Technologies and Falcon Autotech are revolutionising warehousing and assembly lines through their state-of-the-art robots, others are creating AI-powered predictive analytics to improve inventory management.

As the Indian economy accelerates, the logistics and warehousing industry is not only keeping pace but surging ahead, with leading businesses automating warehouse networks for substantial improvements. Some have achieved 20% to 50% better service levels and a 25% to 50% reduction in fulfilment costs, enhancing resilience. DHL's deployment of assisted picking robots, increasing items picked per hour by up to 180%, is a testament to the transformative impact of automation.

In this era where innovation is imperative, warehouse automation becomes the gateway, propelling the industry into a new era of productivity and efficiency. The combined forces of industry growth, government policies, and technological advancements position the logistics sector as a beacon of opportunity, attracting investors. Amid India's ongoing warehousing boom, automation emerges as the driving force behind a once-in-a-lifetime transition, reshaping logistics operations and establishing the sector as dynamic and globally appealing.

*(Source:<https://www.investindia.gov.in/team-india-blogs/indias-warehousing-boom-how-automation-fuels-unprecedented-growth>)*

## **ROAD AHEAD**

Despite the pandemic situation, the Indian chemical industry has numerous opportunities considering the supply chain disruption in China and the trade conflict between the US, Europe and China. Anti-pollution measures in China will also create opportunities for the Indian chemical industry in specific



segments.

Additional support, in terms of fiscal incentives, such as tax breaks and special incentives through PCPIRs or SEZs to encourage downstream units will enhance production and development of the industry. The dedicated integrated manufacturing hubs under the Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) policy to attract an investment of Rs. 20 lakh crore (US\$ 276.46 billion) by 2035.

To bring about structural changes in the working of the domestic chemical industry, future investments should not only focus on the transportation of fuels such as petrol and diesel but also on crude-to-chemicals complexes or refineries set up to cater to the production of chemicals.

(Source: [www.ibef.org](http://www.ibef.org))





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## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read section titled "Risk Factors" on page 23, for a discussion of the risks and uncertainties related to those statements, as well as "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 82 and 86, respectively, for a discussion of 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. Unless otherwise stated, the financial information used in this section is derived from our Audited Standalone and Limited Review Standalone Financial Statements.*

### Overview

Our Company was originally incorporated on February 06, 1956 as a public limited company under the name and style of "Indian Extractions Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Bombay. Subsequently, the name of our Company was changed to "IEL Limited" vide Fresh Certificate of Incorporation dated January 21, 2019. The Company has changed its registered office from the state of Maharashtra to the Gujarat under the order for change of state by the Regional Director vide certificate dated August 04, 2021 with the Registrar of Companies, Ahmedabad. The Corporate Identification Number of the Company is L15140MH1956LC009720.

The Company was operating into the Solvent Extraction Industry, with its manufacturing plant situated at Jamnagar in the Saurashtra region of Gujarat state, which has faced number of difficult years to carry on optimum manufacturing operations. Various factors have contributed to make business operations of the Company unviable.

One of the main such factor was the low availability of groundnuts for the crushing industry and thereby very low availability of De-Oiled Cake for the Solvent Industry. This was due to the fact that the seeds were used more for direct edible purposes as in cocktail.

Besides the low availability of groundnuts for the crushing industry and therefore the Solvent Extraction Industry, the crop size has also reduced significantly on account of farmers preferring to diversify into other crops like cotton. The reason for the same has been the disparity in pricing due to dumping by countries like USA, Brazil & Argentina, which have had bumper crops, and the policy of the government to import refined edible oil from the neighboring countries. This has resulted in our Company's manufacturing capacity being grossly un-utilized, unviable and uneconomical, to face the competition from huge refining capacities set-up by the multinationals by using imported oils. This factor has practically eroded the margins for the domestic Solvent extraction and edible oil industry to which our Company was also not an exception and incurred recurring losses which in turn has forced to exit from the said business.

Hence, due to the un-controllable external factors such as continuous disparity in business, volatility in foreign exchange, low availability of feed stock, un-economical size of capacity, made the operations unviable and hence forced the management to take the decision to exit from its core business of Solvent Extractions and oil refining after more than 55 years in the business.





The management has charted out future plans for the Company post exit from the solvent extraction and refinery business to support sustainable long term business model for the Company and also to protect and enhance shareholders value. Recently the Company has started trading business and now actively considering to diversify into the other business.

### **Warehousing Storage Services**

As the company is expanding its operations into the warehousing business, the Company has entered into an Agreement dated September 30, 2024 with M/s. Chauras Corporation for the purchase of land for construction of Warehouses. The land is situated at Village - Neeva, Tahsheel - Sarojani Nagar, District - Lucknow for setting up of new warehouses. Following are the details of such land:

<b>Location with area</b>	<b>Purpose</b>	<b>Seller Details</b>
Village - Neeva, Tahsheel - Sarojani Nagar, District - Lucknow <b>Area:</b> 12 Bigha land	For Construction and setting up of Warehouses.	M/s. Chauras Corporation

A Warehouse management system is a key part of the supply chain and aims to control the movement and storage of material in warehouse.

Our common practice will be for providing warehouse services to lease or rent the warehouse according to requirement of the customers. In this situation, the place for providing warehouse service is decided according to nature of service to be provided, taking in view the nature of goods to be stored in warehouses.

### **SALES AND MARKETING**

We have a marketing network for sales and marketing initiatives which helps us maintain and develop our relationships with our existing customers and procure orders from new customers. Our team through their experience and good rapport with other agents owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. The sales and marketing activities such as meeting and pitching the prospective clients, understanding their needs and offering of quotes are done from our marketing team. To retain our clients, our team regularly interacts with them and focuses on gaining an insight into the additional needs of customers.

### **OUR STRATEGIES**

We envisage long term growth by supplying qualitative products and efficient services and building long term relations with customers. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business. We intend to focus on our existing range of products and services with specific emphasis on the following factors as business and growth strategy.

#### ***Focus on Increase in Volume of Sales:***

As a part of our growth strategy our focus is on increasing sales volume through expansion, diversification and spread in geographical outreach. We believe that our growth in local market can fetch



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us new business expansion and opportunities. We are currently providing our services to several clients Domestically. Our emphasis is on scaling of our operations in other markets which shall provide us with attractive opportunities to grow our client base and revenues.

***Reduction of operational costs and achieving efficiency:***

Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. Our focus has been to reduce the operational costs to gain competitive edge.

***Quality Assurance:***

Our endeavour is in maintaining quality services to our customers with standard operating procedures being put in place for quality and timely service management to our clients. Our company intends to strengthen its service effort by leveraging skills of its employees which will help to increase the sales of the Company and retain customers.

***Leveraging our Market skills and Relationships:***

We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets. This is a continuous process in our organization and the skills that we impart in our people gives benefit to our customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting contracts in hand on time, maintaining our customer relationship and renewing our relationship with existing clients.

## **UTILITIES**

Our registered office is well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities which are required for our business operations to function smoothly. It is equipped with requisite utilities and modern facilities including the following:

***Power***

Power requirements for our office are limited and is met through state electricity board.

***Water***

Since we are not into manufacturing activities our water requirement is restricted to water used in the office.

## **COMPETITION**

We compete with organized and as well as unorganized players in the industry with better financial position, market share, product ranges, human and other resources. There are no entry barriers in our industry which puts us to the threat of competition from new entrants as there are numerous players operating in the industry. The logistics industry in India is very unorganized and highly fragmented and the main challenges lies in quality, reliability, pricing and goodwill to mention the least in India. Our



organization is well geared up in meeting to all these concerns and challenges.

Many of our competitors have substantially large capital base and resources than we do and offer broader range of products and services. We believe that the principal factors of competition in our business include clientele relationships, professional employees, pricing and reliability. We believe that our ability to compete effectively is primarily dependent on ensuring consistent service quality at competitive prices, thereby strengthening our brand over the years. We believe that our cost effective and integrated offerings approach puts us ahead in dealing with all challenges and expectations by our customers.

#### INSURANCE

Policy No.	Issued by	Premium Paid	Sum insured amount	Risk covered	Place of Coverage	Expiry Date
6202427594 0000	TATA AIG General Insurance Company Ltd	₹22,736/-	₹16,20,000/-	Vehicle Insurance	Shed No 15, Shyam Hari Industrial Estate, Phase 4 GIDC, Vatva, Ahmedabad, Gujarat, India, 382445.	February 24, 2025.

#### HUMAN RESOURCES

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. Also, our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

#### PROPERTIES

Sr. No.	Location of the Property	Licensor/Lessor	Lease Rent/ License Fee	Tenor	
				From	To
1.	Shed No 15, Shyam Hari Industrial Estate, Phase 4 GIDC, Vatva, Ahmedabad, Gujarat, India, 382445	Mr. Romit Shah	30,000 p.m.	August 01, 2024	June 30, 2025



**OUR MANAGEMENT**

**Board of Directors**

Currently, our Company has 5 (Five) Directors on our Board including Women Director, 2 (Two) Executive Directors, 1 (One) Non-Executive and Non-Independent Directors and 2 (Two) Independent Directors. The composition of the Board of Directors is governed by the provisions of the Companies Act and the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

The Articles of Association provide that our Company shall not more than 15 Directors.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each Annual General Meeting. A retiring director is eligible for re-appointment. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five years each.

The following table sets forth details regarding our Board of Directors as of the date of this Draft Letter of Offer.

<b>Name, Father's name, Address, Occupation, Nationality, tenure &amp; DIN</b>	<b>Date of Birth</b>	<b>Status of Directorship in our Company</b>	<b>Other Directorships</b>
<b>1. Mr. Ajaykumar Bholanath Gupta</b> S/o Mr. Bholanath Gupta <b>Address:</b> A/303, Paradise Tower Building No.3, Unitech Road, New Viva College, Virar (West), Palghar, Maharashtra- 401303 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Tenure:</b> Three years <b>DIN:</b> 07542693 <b>PAN:</b> AKWPG4996K	01/12/1980	Managing Director	1. Granth Education Private Limited. 2. Profitous Insurance Brokers Private Limited 3. Profitous Wealth Services LLP 4. Bholanath Automotive LLP 5. Sthapatya Evaluators & Actuaries LLP
<b>2. Mr. Ronit Champaklal Shah</b> S/o : Champak Shah <b>Address:</b> C-302, 4th Floor Shilalekh, Opposite Police Stadium, Shahibaug, Ahmedabad - 380004 <b>Occupation:</b> Service <b>Nationality:</b> Indian <b>Tenure:</b> Retire by Rotation <b>DIN:</b> 02851806 <b>PAN:</b> CMHPS9711F	21/10/1991	Chairman & Executive Director	1. Champak Chemicals Private Limited



<b>Name, Father's name, Address, Occupation, Nationality, tenure &amp; DIN</b>	<b>Date of Birth</b>	<b>Status of Directorship in our Company</b>	<b>Other Directorships</b>
<b>3. Mr. Arpit Singh</b> S/o Gopal Narayan Singh <b>Address:</b> B58, Arti Tenaments, Chandlodia Station Road, Swaminarayan Temple, Ghatlodia, Ahmedabad, Gujarat- 380061 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Tenure:</b> Retire by Rotation <b>DIN:</b> 10645601 <b>PAN:</b> JWAPS5114J	23/04/1997	Non-Executive and Non-Independent Director	NIL
<b>4. Ms. Juhi Sawajani</b> D/o: Nilesh Kumar Sawajani <b>Address:</b> Thikadar Pada, Titilagarh, Orissa, 380009 <b>Occupation:</b> Professional <b>Nationality:</b> Indian <b>Tenure:</b> Five Years <b>DIN:</b> 09811893 <b>PAN:</b> HRIPS8647R	26/08/1996	Non-Executive and Independent Director	1. Adinan Lifestyle Limited 2. Kizi Apparels Limited 3. Nuutjob Limited 4. Sunrest Lifescience Limited 5. Bizotic Commercial Limited 6. Riyaasat Lifestyle Limited
<b>5. Ms. Avani Ashwinkumar Shah</b> D/o: Ashwinkumar Shah <b>Address:</b> Sambhavnath Apartment, Above Dena Bank, Jawahar Chowk, Sabarmati, Ahmedabad, Gujarat - 380005 <b>Occupation:</b> Service <b>Nationality:</b> Indian <b>Tenure:</b> Five Years <b>DIN:</b> 09608898 <b>PAN:</b> FVTIPS0549R	13/07/1993	Non-Executive and Independent Director	1. Kizi Apparels Limited 2. Nuutjob Limited 3. Sunrest Lifescience Limited 4. Bizotic Commercial Limited

### Relationship between Directors

None of the Directors are related to each other as per the provisions of the Companies Act, 2013.

### Brief Profiles of Directors

#### 1. Mr. Ajaykumar Gupta

Mr. Ajaykumar Bholanath Gupta is a Managing Director of the Company. He holds a degree of PGD in FM and C.A. PE – II. He has overall experience of 22 years of experience. His expertise is in the Accounts /MIS, Auditing, Taxation, Statutory Compliance & Finance Strategy. He has rich experience in delivering optimal results & business value in high-growth environments.



## **2. Mr. Ronit Champaklal Shah**

Mr. Ronit Champaklal Shah is an Executive Director of the Company. He has over more than experience of 7 years in the Chemical industry. He has Technical Knowledge in the area of Specialty Chemicals and Intermediates, Research & Development, Regulatory Compliances also International Marketing and Business Developments.

## **3. Mr. Arpit Singh**

Mr. Arpit Singh is a Non-Executive and Non-Independent Director and Chief Financial Officer of the Company. He holds a degree of Bachelor of Technology (Civil engineering). He was earlier associated with Kera Koll India Private Limited as a Territory Sales Manager.

## **4. Ms. Juhi Sawajani**

Ms. Juhi Sawajani is a Non-Executive & Independent Director of the Company. She holds a degree of Bachelor's in Commerce, Masters in Commerce (Finance) from Gujrat University and Professional Degree of Company Secretary. She has relevant experience in the areas of Corporate Laws, Security Laws, Corporate Governance, Finance as well as various Compliances with Regulatory authorities. She is currently associated as a Company Secretary with Sky Textiles India Private Limited.

## **5. Ms. Avani Ashwinkumar Shah**

Ms. Avani Ashwinkumar Shah is a Non-Executive & Independent Director of the Company. She is a Commerce Graduate from Gujarat University and Master of Commerce with Specialization. She has relevant experience in the Admin Functions, Strategy and Governance. She is Working as PS to General Manager, Co-ordinating with Dedicated Freight Corridor Corporation of India Limited, Ahmedabad. A Govt. of India Enterprise (undertaken by Ministry of Railway) since 02/05/2012 till date on contractual basis.

### **Details of any arrangement or understanding with major shareholders, customers, suppliers or others**

Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors have been appointed in the Board.

### **Other Confirmations:**

1. None of Directors are currently, or have been in the past five years, on the Board of Directors of a listed company whose shares have been or were suspended from being traded on the Stock Exchange.
2. None of our Directors is or was, in the past ten years, a director of any listed company which has been or was delisted from any stock exchange in India during the term of their directorship in such company.



## **CORPORATE GOVERNANCE**

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting.

We have Board constituted Board Committees in compliance with the Companies Act. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board with detailed reports on its performance periodically.

Currently, our Company has 5 (Five) Directors on our Board including Women Director, 2 (Two) Executive Directors, 1 (One) Non-Executive and Non-Independent Directors and 2 (Two) Independent Directors.

**The following committees have been formed in compliance with the Corporate Governance norms:**

- A) Audit Committee
- B) Stakeholders Relationship Committee
- C) Nomination and Remuneration Committee

### **AUDIT COMMITTEE**

Our Company has constituted an audit committee ("Audit Committee"), as per the provisions of Section 177 of the Companies Act, 2013 and regulation 18 of SEBI LODR Regulations.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and regulation 18 of SEBI LODR Regulations. The committee presently comprises following three (3) directors. Ms. Juhi Sawajani is the Chairperson of the Audit Committee.

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
1.	Ms. Juhi Sawajani	Chairperson	Independent Director
2.	Ms. Avani Ashwinkumar Shah	Member	Independent Director
3.	Mr. Ajaykumar Bholanath Gupta	Member	Managing Director

### **Role of Audit Committee**

The terms of reference of the Audit Committee are given below:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report



- 
- thereon before submission to the board for approval, with particular reference to:
- o 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;
  - o changes, if any, in accounting policies and practices and reasons for the same;
  - o major accounting entries involving estimates based on the exercise of judgment by management;
  - o significant adjustments made in the financial statements arising out of audit findings;
  - o compliance with listing and other legal requirements relating to financial statements;
  - o disclosure of any related party transactions;
  - o modified opinion(s) in the draft audit report;
9. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  10. 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;
  11. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  12. approval or any subsequent modification of transactions of the listed entity with related parties;
  13. scrutiny of inter-corporate loans and investments;
  14. valuation of undertakings or assets of the listed entity, wherever it is necessary;
  15. evaluation of internal financial controls and risk management systems;
  16. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  17. 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;
  18. discussion with internal auditors of any significant findings and follow up there on;
  19. 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;
  20. 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;
  21. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  22. to review the functioning of the whistle blower mechanism;
  23. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  24. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  25. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore 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.
-



26. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
27. such other terms of reference/role as may be amended from time to time.

All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI (LODR) Regulations, 2015 are covered in the terms of reference of the Audit Committee.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Our Company has constituted a Stakeholders Relationship Committee ("*Stakeholders relationship committee*") to redress the complaints of the shareholders in terms of section 178 (5) of Companies Act, 2013 and regulation 20 of SEBI LODR Regulations. The committee currently comprises of three (3) Directors. Ms. Juhi Sawajani is the Chairperson of the Stakeholders relationship Committee.

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
1.	Ms. Juhi Sawajani	Chairman	Independent Director
2.	Ms. Avani Ashwinkumar Shah	Member	Independent Director
3.	Mr. Arpit Singh	Member	Non-Executive & Non-Independent

#### **Role of stakeholder Relationship committee**

The Stakeholder Relationship Committee of our Board look into:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for the effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 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.
- such other terms of reference/role as may be amended from time to time.

The status on various complaints received / replied is reported to the Board of Directors as an Agenda item.

#### **NOMINATION AND REMUNERATION COMMITTEE**

Our Company has constituted a Nomination and Remuneration Committee ("Nomination and Remuneration Committee") in terms of section 178 (3) of Companies Act, 2013 and regulation 19 of SEBI LODR Regulations. The Committee is currently comprising of three (3) Directors. Ms. Juhi Sawajani is the Chairperson of the Nomination and Remuneration Committee.



Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Ms. Juhi Sawajani	Chairman	Independent Director
2.	Ms. Avani Ashwinkumar Shah	Member	Independent Director
3.	Mr. Arpit Singh	Member	Non-Executive & Non-Independent Director

The terms of reference of the Nomination and Remuneration Committee are as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 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:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 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.
- recommend to the board, all remuneration, in whatever form, payable to senior management.
- such other terms of reference/role as may be amended from time to time.

#### **Our Key Management Personnel and Senior Management Personnel**

S.No.	Name of key Management Personnel and Senior Management Personnel	Designation	Associated with the Company Since
1.	Mr. Ajaykumar Gupta	Managing Director	05/06/2024
2.	Mr. Arpit Singh	Chief Financial Officer	08/07/2024
3.	Mr. Kunal Jain	Company Secretary	05/09/2022

#### **Relationship of Key Managerial Personnel with our Directors, Promoter and / or other Key Managerial Personnel**

There is no relationship between Key managerial personnel with Our Directors, Promoters and/ or Other Key Managerial personnel

### OUR PROMOTERS


Details Of Our Promoters Are as Under:

#### 1. MR. RONIT CHAMPAKLAL SHAH

	<p><b>Mr. Ronit Champaklal Shah</b> is the Promoter and Director of our Company. He has over an experience of 7 years in the Chemical industry. He has Technical Knowledge in the area of Specialty Chemicals and Intermediates, Research &amp; Development, Regulatory Compliances also International Marketing and Business Developments.</p>
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<b>Name</b>	Ronit Shah
<b>Permanent Account Number</b>	CMHPS9711F
<b>Passport No.</b>	Z3905800
<b>Driving License</b>	-
<b>Bank Account Details</b>	Bank Name: Punjab National Bank Account No: 1960000100140356 Bank Branch: Ahmedabad, Gujrat
<b>Education Qualification</b>	B.B.A
<b>Address</b>	C-302, Shilalekh, Opposite Police Stadium, Shahibaug, Ahemdabad-380004.

#### 2. MR. ROMIT CHAMPAKLAL SHAH


	<p><b>Mr. Romit Champaklal Shah</b> is the Promoter of our Company. He has over an experience of 5 years in the Chemical industry. He has experience in trading in pigments, Dyestuff &amp; Intermediates. He also has experience in export &amp; domestic sales and marketing. He also has knowledge in data analysis and he has commercial negotiation skills.</p>
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#### Identification

<b>Name</b>	Romit Shah
<b>Permanent Account Number</b>	DQBPS3072Q
<b>Passport No.</b>	Z4507015

<b>Driving License</b>	-
<b>Bank account details</b>	Bank Name: Punjab National Bank Account No: 1960000100137501 Bank Branch: Ahmedabad, Gujrat
<b>Education Qualification</b>	B Tech Chemical Engineer
<b>Address</b>	C-302,4 <sup>th</sup> Floor Shilalekh Apartment Opposite Police Stadium, Shahibaug, Ahmedabad-380004

### 3. MRS. KALPANABEN CHAMPAKLAL SHAH

	<p><b>Mrs. Kalpanaben Champaklal Shah</b> is the Promoter of our Company. She is having experience in overall administration. She is also involved into various religious and charity activities.</p>
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#### Identification

<b>Name</b>	Kalpanaben Champaklal Shah
<b>Permanent Account Number</b>	AMDPS8075L
<b>Passport No.</b>	N6236472
<b>Driving License</b>	-
<b>Bank Account Details</b>	Bank Name: Punjab National Bank Account No.: 3751000100056200 Bank Branch: Ahmedabad, Gujrat
<b>Education Qualification</b>	B. Com
<b>Address</b>	C-302,4 <sup>th</sup> Floor Shilalekh Society, Opposite Police Stadium, Shahibaug, Ahmedabad-380004

#### Confirmation

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as wilful defaulter or a fraudulent borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the Promoter has a negative net worth as of the date of the respective last audited financial statements.



**SECTION VI - FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS**

<b>Particulars</b>	<b>Page No.</b>
Audited Financial Statements for the financial year ended on March 31, 2024	<b>F1</b>
Unaudited Financial Results for the quarter ended June 30, 2024	<b>F11</b>
Statement of Accounting Ratios	<b>83</b>

**Material changes and commitments, if any, affecting our financial position**

There are no material changes and commitments, which are likely to affect our financial position since March 31, 2024 till date of this Draft Letter of Offer. We have not given Restated Financials because we fall under Part-B of SEBI (ICDR), 2018.

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





**INDEPENDENT AUDITOR'S REPORT ON THE QUARTERLY AND YEAR TO DATE AUDITED STANDALONE FINANCIAL RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED**

**TO THE BOARD OF DIRECTORS OF  
IEL LIMITED**

**Report on the audit of the Standalone Annual Financial Results**

**Opinion and Conclusion**

We have (a) audited the accompanying Standalone Financial Results for financial the year ended March 31, 2024 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2024 (refer 'Other Matter' section below), which were subject to limited review by us, both included in the accompanying Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2024 of **IEL LIMITED** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

• **Opinion on Annual Standalone Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2024:

- is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

• **Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2024**

With respect to the Standalone Financial Results for the quarter ended March 31, 2024, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2024, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



208, Chanakya Complex,  
Behind Sales India, Income Tax,  
Ashram Road, Ahmedabad-380 009.  
9913610325 | carushabhrshah@gmail.com





**Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2024.**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in paragraph (a) of Auditor’s Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“the ICAI”) together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2024 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 ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**Management’s Responsibilities for the Statement**

This Statement which includes the Standalone Financial Results is the responsibility of the Company’s Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2024 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2024 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company’s ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

**Auditor’s Responsibilities**

- **Audit of the Standalone Financial Results for the year ended March 31, 2024**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2024 as a whole is free from material misstatement,

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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 this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 Company 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

Rushabh Shreyansh & Co.  
F.N. No. 124577  
Chartered Accountants

208, Chanakya Complex,  
Behind Sales India, Income Tax,  
Ashram Road, Ahmedabad-380 009.  
9913610325 | carushabhrshah@gmail.com





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.

• **Review of the Standalone Financial Results for the quarter ended March 31, 2024**

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2024 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Other Matter**

- The Statement includes the results for the Quarter ended March 31, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

**Date:** 22/04/2024  
**Place:** Ahmedabad  
**UDIN:** 24136956BKAOEE4007

**M/s Rushabh Shreyansh & Co**  
**Chartered Accountants**  
FRN: 131457W



**CA. Rushabh Shah**  
**Partner**  
**M. No: 136956**

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**IEL LIMITED**

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 CIN - L15140GJ1956PLC124644



**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE FOURTH QUARTER AND THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

*(Rs. in Lakhs, except EPS)*

Sr.No.	Particulars	Quarter ended			Year ended	
		31.03.2024 (Un-Audited) Refer Note 7	31.12.2023 (Un-Audited)	31.03.2023 (Un- Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)
1.	<b>Income from Operations</b>					
	(a) Revenue from Operations	912.32	548.96	103.46	1,725.93	1,107.25
	(b) Other Income	0.05	0.23	2.55	0.28	2.61
	(c) Closing stock of Finished Goods	-	-	-	-	-
	<b>Total Income</b>	<b>912.37</b>	<b>549.19</b>	<b>106.01</b>	<b>1726.21</b>	<b>1109.86</b>
2	<b>Expenses</b>					
	(a) Cost of Materials Consumed	-	-	-	-	-
	(b) Purchase of Stock-in-Trade	956.18	547.58	102.91	1,737.96	814.75
	(c) Changes in Inventories of Finished goods, Work-in-Progress and Stock in Trader trade	(77.89)	(23.60)	-	(101.48)	-
	(d) Employee Benefits Expense	3.45	3.45	3.45	13.80	7.63
	(e) Finance Cost	-	-	0.03	-	0.03
	(f) Depreciation, Depletion and Amortisation Expense	0.83	0.84	0.33	3.32	6.67
	(g) Other Expenses	11.28	7.58	5.05	37.98	45.71
	<b>Total Expenses</b>	<b>893.85</b>	<b>535.85</b>	<b>111.77</b>	<b>1,691.58</b>	<b>874.79</b>
3	<b>Total Profit/(Loss) before Exceptional items and tax</b>	<b>18.52</b>	<b>13.34</b>	<b>(5.76)</b>	<b>34.63</b>	<b>235.07</b>
4	<b>Exceptional Items</b>	-	-	0.66	-	0.66
5	<b>Total Profit/(Loss) before Tax</b>	<b>18.52</b>	<b>13.34</b>	<b>(5.10)</b>	<b>34.63</b>	<b>235.73</b>
6	<b>Tax Expenses</b>					
7	<b>Current Tax</b>	(5.05)	(2.25)	(0.38)	(9.05)	(0.38)
8	<b>Deferred Tax</b>	0.10	-	1.28	0.10	1.28
9	<b>Total Tax Expenses</b>	<b>(4.95)</b>	<b>2.25</b>	<b>0.90</b>	<b>(8.95)</b>	<b>0.90</b>
10	Net movement in Regulatory Deferred Account Balances related to Profit or Loss and other related deferred tax movement	13.57	11.09	(4.20)	25.68	236.63
11	<b>Net Profit/(Loss) for the period from Continuing Operations</b>	<b>13.57</b>	<b>11.09</b>	<b>4.20</b>	<b>25.68</b>	<b>236.63</b>
12	Profit/(Loss) from discontinued operation before tax	-	-	-	-	-
13	Tax Expense of discontinued operations	-	-	-	-	-
14	<b>Net Profit/(Loss) from discontinued operations after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
15	<b>Share of Profit/(Loss) of associates and Joint Ventures Accounted for using Equity Method</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
16	<b>Total Profit/(Loss) for period</b>	<b>13.57</b>	<b>11.09</b>	<b>(4.20)</b>	<b>25.68</b>	<b>236.63</b>
17	<b>Other Comprehensive Income net of Taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
18	<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
19	<b>Total Profit or Loss attributable to</b>	<b>13.57</b>	<b>11.09</b>	<b>(4.20)</b>	<b>25.68</b>	<b>236.63</b>
	Profit or Loss attributable to owner of parent	-	-	-	-	-
	Total Profit or Loss, attributable to non controlling interests	-	-	-	-	-
20	<b>Total Comprehensive Income for the period attributable to</b>	<b>13.57</b>	<b>11.09</b>	<b>(4.20)</b>	<b>25.68</b>	<b>236.63</b>
	Comprehensive Income for the period attributable to owners of parent	-	-	-	-	-
	Total Comprehensive Income for the period attributable to owners of parent non controlling interests	-	-	-	-	-
21	<b>Details of Equity Share Capital</b>					
	Paid - Up Equity Share Capital	333.76	333.76	333.76	333.76	333.76
	Face Value of Equity Share Capital	1.00	1.00	10.00	1.00	10.00
22	<b>Details of Debt Securities</b>					
	Paid-up Debt Capital	-	-	-	-	-
	Face Value of Debt Securities	-	-	-	-	-
23	Reserves excluding revaluation reserve	-	-	-	(211.41)	(237.09)
24	Debenture Redemption Reserve	-	-	-	-	-
25	<b>Earning Per Share</b>					
I	<b>Earnings per equity share for continuing operations</b>					
	Basic Earnings (loss) per share from continuing operations	0.041	0.033	(0.013)	0.077	0.709
	Diluted Earnings (Loss) per share from continuing operations	0.041	0.033	(0.013)	0.077	0.709
II	<b>Earnings per equity share for discontinued operations</b>					
	Basic Earnings (loss) per share from discontinued operations	-	-	-	-	-
	Diluted Earnings (Loss) per share from discontinued operations	-	-	-	-	-
III	<b>Earnings per Equity Share (of Rs.10/- each)</b>					
	Basic Earning (Loss) per share from continuing and discontinued operations	0.041	0.033	(0.013)	0.077	0.709
	Diluted Earnings (Loss) per share from continuing and discontinued operations	0.041	0.033	(0.013)	0.077	0.709
26	Debt Equity Ratio	-	-	-	-	-
27	Debt Service Coverage Ratio	-	-	-	-	-
28	Interest Service Coverage Ratio	-	-	-	-	-



**IEL LIMITED**

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 CIN - L15140GJ1956PLC124644



**AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2024**

*(Rs. in Lakhs)*

Particulars		As at 31.03.2024	As at 31.03.2023
<b>Assets</b>			
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	17.27	20.33
	(b) Capital work-in-progress	-	-
	(c) Other intangible assets	-	-
	(d) Intangible assets under development	-	-
	(e) Financial Assets	-	-
	(i) Investments	-	-
	(ii) Loans	-	-
	(iii) Others	-	-
	(f) Defferd tax assets (net)	1.39	1.29
	(g) Current tax assets (net)	-	-
	(h) Other non-current assets	-	-
	<b>Total Non-current assets</b>	<b>18.66</b>	<b>21.62</b>
<b>2</b>	<b>Current assets</b>		
	(a) Inventories	101.49	-
	(b) Financial assets	-	-
	(i) Investments	-	-
	(ii) Trade receivables	165.61	228.55
	(iii) Cash and cash equivalents	40.87	91.08
	(iv) Other bank balances	-	-
	(v) Advances to Suppliers	3.35	2.50
	(c) Other current assets	45.84	9.85
	<b>Total current assets</b>	<b>357.16</b>	<b>331.98</b>
	<b>Total Assets</b>	<b>375.82</b>	<b>353.60</b>
<b>Equity and Liabilities</b>			
<b>1</b>	<b>Equity</b>		
	(a) Equity share capital	333.76	333.76
	(b) Other equity	-	-
	(c) Reserves & Surplus	(211.41)	(237.09)
	<b>Total Equity</b>	<b>122.35</b>	<b>96.67</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non current liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	90.00	90.00
	(ii) Other financial liabilities	-	-
	(b) Provisions	-	-
	(c) Other non current liabilities	-	-
	<b>Total non-current liabilities</b>	<b>90.00</b>	<b>90.00</b>
	<b>Current liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Trade payables	-	-
	Total Outstanding dues of Micro and Small Enterprises	140.86	-
	Total Outstanding dues of Creditors other than Micro and Small Enterprises	13.21	166.00
	(iii) Other financial liabilities (Advances from Customers)	-	-
	(b) Provisions	8.66	0.38
	(c) Current tax liabilities (net)	0.74	0.55
	<b>Total Current Liabilities</b>	<b>163.47</b>	<b>166.93</b>
	<b>Total Equity and Liabilities</b>	<b>375.82</b>	<b>353.60</b>



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CIN - L15140GJ1956PLC124644



### Standalone Statement of Cash Flow for the Financial year ended March 31, 2024

(Rs. in Lakhs)

	Year ended 31-03-2024 (Audited)	Year ended 31-03-2023 (Audited)
<b>Cash flow from operating activities</b>		
<b>Net profit before tax</b>	34.62	235.73
<b>Adjustments for :</b>		
Depreciation expense	3.32	6.67
Finance costs	-	0.03
Profit on sale of assets	-	
Exceptional Items - Written Off Assets	-	-0.65
<b>Operating profit before working capital changes</b>	<b>37.94</b>	<b>241.78</b>
<b>Adjustment for change in working capital</b>		
(Increase)/decrease in Inventory	-101.49	-
(Increase)/decrease in trade receivable	62.94	-178.24
(Increase)/decrease in other current assets	-35.99	-6.23
(Increase)/decrease in other non current assets	-	-
Increase/(decrease) long term provisions	-	-
Increase/(decrease) trade payables	-152.79	164.47
Increase/(decrease) short term provisions	-0.77	-
Increase/(decrease) other non current liabilities	-	-106.69
(Increase)/decrease Advances to Suppliers	-0.85	34.53
Increase/(decrease) other current tax liabilities	0.19	-6.14
Increase/(decrease) other current liabilities	0.00	-50.97
<b>Cash generated from operations</b>	<b>-190.82</b>	<b>92.51</b>
<b>Cash flow from investing activities</b>		
Sale proceeds from sale of fixed assets	-	-
Purchase of Fixed Assets	-0.26	-20.67
<b>Net cash flow from investing activities</b>	<b>-0.26</b>	<b>-20.67</b>
<b>Cash flow from financing activities</b>		
Finance cost	-	-0.03
Borrowings repaid	-	-1.10
<b>Net cash flow from financing activities</b>	<b>0.00</b>	<b>-1.13</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	-191.07	70.72
<b>Cash and cash equivalents at the beginning of year</b>	91.08	20.36
<b>Cash and cash equivalents at the end of year</b>	<b>-99.99</b>	<b>91.08</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	3.36	4.20
Balance with scheduled banks		
- Current Accounts	37.51	86.88
	<b>40.87</b>	<b>91.08</b>

**NOTES :**

1. The above Audited Standalone Financial Results for the Fourth Quarter and the Financial Year ended 31st March 2024 have been reviewed by the Audit Committee & approved by the Board of Directors of the Company at their respective meetings held on Monday, 22nd April 2024.



2. The above Audited Standalone Financial Results for the Fourth Quarter and the Financial Year ended 31st March 2024 have been prepared in accordance with the Companies ( Indian Accounting Standards) Rules 2015 (Ind AS), prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3. The Statutory Auditors of the Company have carried out "Statutory Audit" of the Audited Standalone Financial Results for the Fourth Quarter and the Financial Year ended 31st March 2024. The Statutory Auditors Report is annexed herewith. The Statutory Auditors have expressed an unmodified opinion.
4. The figures of the previous periods quarter/half year have been regrouped/rearranged/recasted wherever considered necessary.
5. The Audited Standalone Financial Results for the Fourth Quarter and the Financial Year ended 31st March 2024 are available on the Company's website and also on the website of the BSE Limited where the shares of the Company are listed.
6. In line with Ind AS - 108 - "Operating Segments", the operations of the Company fall under Chemical Business which is considered to be the only reportable business segment
7. The figures of the Quarter ended 31st March 2024 and 31st March 2023 are the balancing figure between Audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the financial years.
8. During the Financial Year ended 31st March 2024, the Company had sub-divided its Equity Shares of face value of Rs. 10/- (Rupees Ten only) each into Equity Shares of face value of Re. 1/- (Rupee One only) each fully paid up. The said Sub-division has been approved by the Board of Directors at their meeting held on 07th July, 2023 and subsequently approved by the Shareholders at the 67th Annual General Meeting held on 17th August, 2023. The Company had fixed Record date of 25th September 2023 for the purpose of Sub-Division.

Place: Ahmedabad  
Date : 22/04/2024



By Order of the Board  
For IEL Limited

*Ronit*

Ronit C. Shah  
Managing Director  
DIN : 02851806



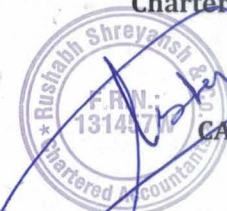


**Limited review report on Un-Audited Quarterly Standalone Financial Results of IEL Limited (CIN: L15140GJ1956PLC124644) under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time**

**TO THE BOARD OF DIRECTORS OF  
IEL LIMITED  
AHMEDABAD**

1. We have reviewed the accompanying Statement of Un-Audited Standalone Financial Results of **IEL Limited** ("the Company") for the quarter ended June 30, 2024 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**M/s Rushabh Shreyansh & Co**  
**Chartered Accountants**  
FRN: 131457W



**CA. Rushabh Shah**  
**Partner**  
M. No: 136956

**Date: 22/07/2024**  
**Place: Ahmedabad**  
**UDIN: 24136956BKAOER7605**

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# IEL LIMITED

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## STATEMENT OF UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2024

(Rs. in Lakhs, except EPS)

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2024 (Un-Audited)	31.03.2024 (Audited)	30.06.2023 (Un-Audited)	31.03.2024 (Audited)
1.	<b>Income from Operations</b>				
	(a) Revenue from Operations	531.27	912.32	160.50	1,725.93
	(b) Other Income	22.00	0.05	-	0.28
	<b>Total Income</b>	<b>553.27</b>	<b>912.37</b>	<b>160.50</b>	<b>1726.21</b>
2	<b>Expenses</b>				
	(a) Cost of Materials Consumed	-	-	-	-
	(b) Purchase of Stock-in-Trade	388.31	956.18	136.00	1,737.96
	(c) Changes in Inventories of Finished goods, Work-in-Progress and Stock in Trader trade	101.48	(77.89)	-	(101.48)
	(d) Employee Benefits Expense	3.62	3.45	3.45	13.80
	(e) Finance Cost	-	-	-	-
	(f) Depreciation, Depletion and Amortisation Expense	0.83	0.83	0.82	3.32
	(g) Other Expenses	18.38	11.28	12.53	37.98
	<b>Total Expenses</b>	<b>512.62</b>	<b>893.85</b>	<b>152.80</b>	<b>1,691.58</b>
3	<b>Total Profit/(Loss) before Exceptional items and tax</b>	<b>40.65</b>	<b>18.52</b>	<b>7.70</b>	<b>34.63</b>
4	<b>Exceptional Items</b>	-	-	-	-
5	<b>Total Profit/(Loss) before Tax</b>	<b>40.65</b>	<b>18.52</b>	<b>7.70</b>	<b>34.63</b>
6	<b>Tax Expenses</b>				
7	Current Tax	(10.00)	(5.05)	(1.75)	(9.05)
8	Deferred Tax	-	0.10	-	0.10
9	<b>Total Tax Expenses</b>	<b>(10.00)</b>	<b>(4.95)</b>	<b>(1.75)</b>	<b>(8.95)</b>
10	Net movement in Regulatory Deferred Account Balances related to Profit or Loss and other related deferred tax movement	30.65	13.57	5.95	25.68
11	<b>Net Profit/(Loss) for the period from Continuing Operations</b>	<b>30.65</b>	<b>13.57</b>	<b>5.95</b>	<b>25.68</b>
12	Profit/(Loss) from discontinued operation before tax	-	-	-	-
13	Tax Expense of discontinued operations	-	-	-	-
14	<b>Net Profit/(Loss) from discontinued operations after tax</b>	-	-	-	-
15	<b>Share of Profit/(Loss) of associates and Joint Ventures Accounted for using Equity Method</b>	-	-	-	-
16	<b>Total Profit/(Loss) for period</b>	<b>30.65</b>	<b>13.57</b>	<b>5.95</b>	<b>25.68</b>
17	<b>Other Comprehensive Income net of Taxes</b>	-	-	-	-
18	<b>Total Comprehensive Income for the period</b>	-	-	-	-
19	<b>Total Profit or Loss attributable to</b>	<b>30.65</b>	<b>13.57</b>	<b>5.95</b>	<b>25.68</b>
	Profit or Loss attributable to owner of parent	-	-	-	-
	Total Profit or Loss, attributable to non controlling interests	-	-	-	-
20	<b>Total Comprehensive Income for the period attributable to</b>	<b>30.65</b>	<b>13.57</b>	<b>5.95</b>	<b>25.68</b>
	Comprehensive Income for the period attributable to owners of parent	-	-	-	-
	Total Comprehensive Income for the period attributable to owners of parent non controlling interests	-	-	-	-
21	<b>Details of Equity Share Capital</b>				
	Paid - Up Equity Share Capital	333.76	333.76	333.76	333.76
	Face Value of Equity Share Capital (in Rs.)	Re. 1/-	Re. 1/-	Re. 1/-	Re. 1/-
22	<b>Details of Debt Securities</b>				
	Paid-up Debt Capital	-	-	-	-
	Face Value of Debt Securities	-	-	-	-
23	Reserves excluding revaluation reserve	-	-	-	(211.41)
24	Debenture Redemption Reserve	-	-	-	-
25	<b>Earning Per Share</b>				
I	Earnings per equity share for continuing operations				
	Basic Earnings (loss) per share from continuing operations	0.092	0.041	0.018	0.077
	Dilluted Earnings (Loss) per share from continuing operations	0.092	0.041	0.018	0.077
II	Earnings per equity share for discontinued operations	-	-	-	-
	Basic Earnings (loss) per share from discontinued operations	-	-	-	-
	Dilluted Earnings (Loss) per share from discontinued operations	-	-	-	-
III	<b>Earnings per Equity Share (of Rs.10/- each)</b>				
	Basic Earning (Loss) per share from continuing and discontinued operations	0.918	0.041	0.018	0.077
	Diluted Earnings (Loss) per share from continuing and discontinued operations	0.918	0.041	0.018	0.077
26	Debt Equity Ratio	-	-	-	-
27	Debt Service Coverage Ratio	-	-	-	-
28	Interest Service Coverage Ratio	-	-	-	-

### NOTES :

1. The above Un-Audited Standalone Financial Results for the Quarter ended 30th June, 2024 have been reviewed by the Audit Committee & approved by the Board of Directors of the Company at their respective meetings held on Monday, 22nd July 2024.

2. The above Un-Audited Standalone Financial Results for the Quarter ended 30th June, 2024 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (Ind AS), prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.



3. The Statutory Auditors of the Company have carried out "Limited Review" of the Un-Audited Standalone Financial Results for the Quarter ended 30th June, 2024. The Limited Review Report is annexed herewith. The Statutory Auditors have expressed an unmodified opinion.
4. The figures of the previous periods have been regrouped/rearranged/recasted wherever considered necessary.
5. The Un-Audited Standalone Financial Results for the Quarter ended 30th June, 2024 are available on the Company's website and also on the website of the BSE Limited where the shares of the Company are listed.
6. In line with Ind AS - 108 - "Operating Segments", the operations of the Company fall under Chemical Business which is considered to be the only reportable business segment.

Place: Ahmedabad  
Date : 22/07/2024



By Order of the Board  
For IEL Limited

*Ronit*

Ronit Champaklal Shah  
Chairman and Director (Executive)  
DIN : 02851806



**STATEMENT OF ACCOUNTING RATIOS**

**Accounting Ratios**

The following table presents certain accounting and other ratios derived from our audited standalone financial statements and unaudited financial results included in the section titled “Financial Statement” beginning on page 82 of this Draft Letter of Offer.

**Accounting Ratios (Standalone)**

<b>Particulars</b>	<b>Period ended June 30, 2024</b>	<b>Period ended March 31, 2024</b>
Earnings Per Share		
(a) Basic Earnings Per Share (after extraordinary items) (in Rs.)	0.918	0.077
(b) Diluted Earnings Per Share (after extraordinary items) (In Rs.)	0.918	0.077
Return on Net Worth (after extraordinary items and excluding Revaluation reserves) (%)	19.84%	20.99%
Net Asset Value / Book Value per Equity Share each	0.46	3.63
Face Value per Equity Share	1.00	1.00
EBITDA (Rs. in Lakhs)	41.48	37.95

**Capitalization Statement**

The statement on our capitalisation is as set out below:

**Standalone Capitalization statement**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at June 30, 2024 (Pre-Issue)</b>	<b>As adjusted for proposed Issue</b>
<b>Borrowings</b>		
Current Borrowings	-	-
Non-Current Borrowings (including current maturity)	90.00	-
<b>Total borrowings (A)</b>	<b>90.00</b>	-
<b>Total Equity</b>		
Equity Share capital	333.76	-
Reserves and surplus*	(180.76)	-
<b>Total Equity (B)</b>	<b>153.00</b>	-
<b>Non-current Borrowings / Total Equity ratio</b>	<b>0.59</b>	-
<b>Total borrowings / Total Equity ratio (A/B)</b>	<b>0.59</b>	-

\*Excluding other Comprehensive Income.



**MARKET PRICE INFORMATION**

The Equity Shares of our Company are listed on the BSE. As our Equity Shares are listed only on the BSE, stock market data for our Equity Shares has been given for BSE.

For the purpose of this section:

- Year is a Financial Year;
- Average price is the average of the daily closing prices of the Equity Shares, for the year, or the month, or the week, as the case may be;
- High price is the maximum of the daily high prices and Low price is the minimum of the daily low prices of the Equity Shares, for the year, or the month, as the case may be; and
- In case of two days with the same high/low/closing price, the date with higher volume has been considered.

**Yearly Stock Market Quotation at BSE**

The high, low prices and average of closing prices recorded on the BSE for the preceding three Financial Years and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

Year ended on March 31	High (in Rs)	Date of High	No. of Shares traded on date of high	Low (in Rs)	Date of Low	No. of Shares traded on date of low	Average price for the year (in Rs.)
2024	197.00	8 <sup>th</sup> June, 2023	84	8.05	06 <sup>th</sup> November, 2023	2,01,353	77.57
2023	163.80	24 <sup>th</sup> January, 2023	1833	37.1	23 <sup>rd</sup> May, 2022	827	80.48
2022	109.25	04 <sup>th</sup> March, 2022	3625	10.05	19 <sup>th</sup> April, 2021	2350	34.84

(Source: [www.bseindia.com](http://www.bseindia.com)) In case where closing price is same the No. of shares traded higher on that day is taken.

**Monthly Stock Market Quotation at BSE**

The high and low prices and volume of the Equity Shares traded on the respective dates during the last six months is as follows:

Month	High (in Rs.)	Date of High	No. of Shares traded on date of high	Low (in Rs.)	Date of Low	No. of Shares traded on date of low	Average price for the Month (in Rs.)	Total No of Trading Days
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**IEL LIMITED**

(CIN-L15140GJ1956PLC124644)

Month	High (in Rs.)	Date of High	No. of Shares traded on date of high	Low (in Rs.)	Date of Low	No. of Shares traded on date of low	Average price for the Month (in Rs.)	Total No of Trading Days
September, 2024	6.33	27 <sup>th</sup> September, 2024	3,76,306	5.92	24 <sup>th</sup> September, 2024	3,10,176	6.07	21
August, 2024	6.35	01 <sup>st</sup> August, 2024	97,226	5.46	08 <sup>th</sup> August, 2024	6,86,929	6.06	21
July, 2024	6.43	16 <sup>th</sup> July, 2024	2,41,601	5.93	12 <sup>th</sup> July, 2024	1,31,355	6.29	23
June, 2024	6.97	03 <sup>rd</sup> June, 2024	3,98,624	6.31	27 <sup>th</sup> June, 2024	1,45,043	6.62	19
May, 2024	7.59	3 <sup>rd</sup> May, 2024	4,07,908	7.00	22 <sup>nd</sup> May, 2024	7,15,841	7.13	22
April, 2024	8.43	09 <sup>th</sup> April, 2024	5,93,575	7.04	03 <sup>rd</sup> April, 2024	10,61,431	7.71	20

(Source: [www.bseindia.com](http://www.bseindia.com)). In case where closing price is same the No. of shares traded higher on that day is taken.

**Weekly Stock Market Quotation at BSE**

Week end closing prices of the Equity Shares for the last four weeks on the BSE are as below:

Week Ended on	Closing Price (In Rs.)	High (in Rs.)	Date of High	Low (in Rs.)	Date of Low
27 <sup>th</sup> September,2024	6.33	6.33	27 <sup>th</sup> September,2024	5.92	24 <sup>th</sup> September,2024
20 <sup>th</sup> September,2024	5.96	6.02	16 <sup>th</sup> September,2024	5.93	19 <sup>th</sup> September,2024
13 <sup>th</sup> September,2024	6.14	6.14	13 <sup>th</sup> September,2024	5.97	09 <sup>th</sup> September,2024
06 <sup>th</sup> September,2024	6.07	6.18	05 <sup>th</sup> September,2024	5.98	03 <sup>rd</sup> September,2024

(Source: [www.bseindia.com](http://www.bseindia.com)). In case where closing price is same the No. of shares traded higher on that day is taken.

The closing price of the Equity Shares as on 19<sup>th</sup> July, 2024 was Rs. 6.35 on the BSE, the trading day immediately preceding the day on which Board of Directors approved the Issue.



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

*The following discussion of our financial condition and results of operations should be read in conjunction with the "Financial Statements" beginning on page 82 of this Draft Letter of Offer.*

*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 also read "Risk Factors" and "Forward Looking Statements" beginning on page 23 and 17, respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our financial statements included in this Draft Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Fiscal 2023 included herein is based on the Audited Financial Statements included in this Draft Letter of Offer. For further information, see "Financial Statements" beginning on page 82 of this Draft Letter of Offer.*

*Neither we, nor any of our affiliates or advisors, nor any other person connected with the Issue has independently verified such information. For further information, see "Presentation of Financial and other Information" beginning on page 15 of this Draft Letter of Offer.*

#### **Business overview**

Our Company was originally incorporated on February 06, 1956 as a public limited company under the name and style of "Indian Extractions Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Bombay. Subsequently, the name of our Company was changed to "IEL Limited" vide Fresh Certificate of Incorporation dated January 21, 2019. The Company has changed its registered office from the state of Maharashtra to the Gujarat under the order for change of state by the Regional Director vide certificate dated August 04, 2021 with the Registrar of Companies, Ahmedabad. The Corporate Identification Number of the Company is L15140MH1956LC009720.

The Company was operating into the Solvent Extraction Industry, with its manufacturing plant situated at Jamnagar in the Saurashtra region of Gujarat state, which has faced number of difficult years to carry on optimum manufacturing operations. Various factors have contributed to make business operations of the Company unviable.

One of the main such factor was the low availability of groundnuts for the crushing industry and thereby very low availability of De-Oiled Cake for the Solvent Industry. This was due to the fact that the seeds were used more for direct edible purposes as in cocktail.

Besides the low availability of groundnuts for the crushing industry and therefore the Solvent Extraction Industry, the crop size has also reduced significantly on account of farmers preferring to diversify into other crops like cotton. The reason for the same has been the disparity in pricing due to dumping by countries like USA, Brazil & Argentina, which have had bumper crops, and the policy of the government to import refined edible oil from the neighboring countries. This has resulted in our Company's manufacturing capacity being grossly un-utilized, unviable and uneconomical, to face the competition



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from huge refining capacities set-up by the multinationals by using imported oils. This factor has practically eroded the margins for the domestic Solvent extraction and edible oil industry to which our Company was also not an exception and incurred recurring losses which in turn has forced to exit from the said business.

Hence, due to the un-controllable external factors such as continuous disparity in business, volatility in foreign exchange, low availability of feed stock, un-economical size of capacity, made the operations unviable and hence forced the management to take the decision to exit from its core business of Solvent Extractions and oil refining after more than 55 years in the business.

The management has charted out future plans for the Company post exit from the solvent extraction and refinery business to support sustainable long term business model for the Company and also to protect and enhance shareholders value. Recently the Company has started trading business and now actively considering to diversify into the other business.

For further details, refer chapter titled “*Our Business*” on page 69.

#### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR**

To the knowledge of our Company and except as disclosed herein, since the date of the last financial statements contained in this Draft Letter of Offer, no other circumstances have arisen which would materially and adversely affect or which would be likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (twelve) months.

#### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 23 of this Draft Letter of offer. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Failure to adapt to the changing needs of industry and in particular Sector may adversely affect our business and financial condition;
- Volatility in the Indian and global capital market;

#### **SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies have been applied consistently to the periods presented in the Limited Review Unaudited Standalone Financial results and Audited Standalone Financial Statements. For details of our significant accounting policies, please refer chapter titled “*Financial Statements*” on page 82 of this Draft Letter of Offer.

#### **CHANGE IN ACCOUNTING POLICIES**



Except as mentioned in chapter titled “Financial Statements” on page 82, There has been no change in accounting policies for the period which has been included in this Draft Letter of Offer.

### RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details, please refer chapter titled “Financial Statements” on page 82 of this Draft Letter of Offer.

### SUMMARY OF OPERATIONS

The following discussion on result of operations should be read in conjunction with the Standalone and Consolidated financial statements of our Company for the financial year ended March 31, 2024 and March 31, 2023. The following table sets forth, for the fiscal years indicated, certain items derived from our Company’s Audited financial statements, in each case stated in absolute terms and as a percentage of total revenue:

#### Standalone Financial Statement

(Rs. In Lacs)

Particulars	30.06.2024	30.06.2023	31.03.2024	31.03.2023
	Quarter ended	Quarter ended	Year ended	Year ended
<b>Income: -</b>				
Revenue from Operations	531.27	160.50	1725.93	1019.00
<i>As a % of Total Revenue</i>	96.02%	100.00%	99.98%	92.18%
Other Income	22.00	-	0.28	86.43
<i>As a % of Total Revenue</i>	3.98%	-	0.02%	7.82%
<b>Total Revenue (A)</b>	<b>553.27</b>	<b>160.50</b>	<b>1726.21</b>	<b>1105.43</b>
<b>Growth %</b>				
<b>Expenditure: -</b>				
Cost of Material Consumed	-	-	-	-
<i>As a % of Total Revenue</i>	-	-	-	-
Purchase of Stock-in-trade	388.31	136.00	1737.96	814.74
<i>As a % of Total Revenue</i>	70.18%	84.74%	100.68%	73.70%
Changes in inventory	101.48	-	(101.48)	-
<i>As a % of Total Revenue</i>	18.34%	-	(5.88%)	-
Employees Benefit Expenses	3.62	3.45	13.8	7.62
<i>As a % of Total Revenue</i>	0.65%	2.15%	0.80%	0.69%
Finance Cost	-	-	-	0.27
<i>As a % of Total Revenue</i>	-	-	-	0.02%
Depreciation and Amortization Expenses	0.83	0.82	3.32	6.67
<i>As a % of Total Revenue</i>	0.15%	0.51%	0.19%	0.60%
Other Expenses	18.38	12.53	37.98	41.05
<i>As a % of Total Revenue</i>	3.32%	7.81%	2.20%	3.71%



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

Particulars	30.06.2024	30.06.2023	31.03.2024	31.03.2023
	Quarter ended	Quarter ended	Year ended	Year ended
<b>Total Expenses (B)</b>	<b>512.62</b>	<b>152.80</b>	<b>1691.58</b>	<b>870.36</b>
<i>As a % of Total Revenue</i>	92.65%	95.20%	97.99%	78.73%
<b>Profit before exceptional items and tax</b>	<b>40.65</b>	<b>7.70</b>	<b>34.63</b>	<b>235.07</b>
<i>As a % of Total Revenue</i>	7.35%	4.80%	2.01%	21.27%
Exceptional Items	0	0	0	0.66
<b>Profit before Tax</b>	<b>40.65</b>	<b>7.70</b>	<b>34.63</b>	<b>235.73</b>
<i>PBT Margin</i>	7.35%	4.80%	2.01%	21.32%
Tax Expense:				
i. Current Tax	(10.00)	(1.75)	9.05	0.38
ii. MAT Credit Entitlement	-	-	-	-
iii. Deferred Tax	-	-	(0.10)	(1.28)
<b>Profit after Tax</b>	<b>30.65</b>	<b>5.95</b>	<b>25.68</b>	<b>236.63</b>
<i>PAT Margin %</i>	5.54%	3.71%	1.49%	21.41%

**COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2024 WITH FINANCIAL YEAR ENDED MARCH 31, 2023**

**INCOME**

**Income from Operations**

**(Rs. In Lacs)**

Particulars	2023-24	2022-23	Variance In %
Revenue from Operations	1725.93	1019.00	69.38%

The operating income of the Company for the year ending March 31, 2024, is Rs. 1725.93 lakhs as compared to Rs. 1019.00 lakhs for the year ending March 31, 2023, showing an increase of 69.38%, and such increase is due to increase in volume of our sales.

**Other Income**

Our other income decreased from the year ending March 31, 2024, Rs. 0.28 Lacs as compared to Rs. 86.43 lacs for the year ending March 31, 2023. This was primarily due to a decrease in Discount, Interest Income etc.



### Direct Expenses

(Rs. In Lacs)

Particulars	2023-24	2022-23	Variance In %
Purchase of Stock-in-Trade	1,737.96	814.75	100.86%
Changes in Inventory of finished goods	(101.48)	0	
<b>Total</b>	<b>1636.48</b>	<b>814.75</b>	

Our Direct Expenses consists of Purchases and Change in Inventories which has increased by 100.86% from Rs. 814.75 lacs in financial year 2022-23 to Rs. 1636.48 lacs in financial year 2023-24. The increase is due to the increase in the revenue for the year.

### Employee Benefit Expenses

(Rs. In Lacs)

Particulars	2023-24	2022-23	Variance In %
Employee Benefit Expenses	13.80	7.62	81.10%

There is 80.87% increase in employee benefit expenses from Rs. 7.62 lacs in financial year 2022-23 to Rs. 13.80 lacs in financial year 2023-24 which is due to increase in staff and salary & wages.

### Finance Cost

Finance Cost for the Financial Year 2023-2024 has decreased to Rs. Nil as compared to Rs. 0.27 lacs for the Financial Year 2022-2023. This decrease in Finance Cost was majorly due to This decrease in Finance Cost was majorly due to decrease in Interest.

### Depreciation

Depreciation expenses for the Financial Year 2023-2024 have decreased to Rs. 3.32 lacs as compared to Rs. 6.67 lacs for the Financial Year 2022-2023. The decrease in depreciation was due to decrease in value of tangible assets.

### Profit Before Tax

(Rs. In Lacs)

Particulars	2023-24	2022-23	Variance In %
Profit Before Tax	34.63	235.07	(85.27%)

Profit before tax decreased by 85.31% from Rs.235.07 lacs in the financial year 2022-23 to Rs. 34.63 lacs in financial year 2023-24.



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**Provision for Tax and Net Profit**

(Rs. In Lacs)

Particulars	2023-24	2022-23	Variance In %
Taxation Expenses	(8.95)	0.9	894.44%
Profit After Tax	25.68	236.63	(89.15%)

Our profit after tax decreased by 89.15% from Rs. 236.63 lacs in financial year 2022-23 to Rs. 25.68 lacs in financial year 2023-24.

**COMPARISON OF QUARTER ENDED JUNE 30, 2024 WITH QUARTER ENDED JUNE 30, 2023**

**INCOME**

**Income from Operations**

(Rs. In Lacs)

Particulars	30-06-2024	30-06-2023	Variance In %
Revenue from Operations	531.27	160.50	231.01%

The operating income of the Company for the quarter ended June 30, 2024, is Rs. 531.27 lakhs as compared to Rs. 160.50 lakhs for the quarter ended June 30, 2023, showing an increase of 231.01%, and such increase is due to increase in volume of our sales.

**Other Income**

Our other income increased to Rs. 22.00 for the quarter ended June 30, 2024 as compared for the quarter ending June 30,2023 which was Nil. This was primarily due to an increase in Interest Income etc.

**Direct Expenses**

(Rs. In Lacs)

Particulars	30-06-2024	30-06-2023	Variance In %
Purchase of Stock-in-Trade	388.31	136.00	260.14%
Changes in Inventory of finished goods	101.48	0	
<b>Total</b>	<b>489.79</b>	<b>136.00</b>	

Our Direct Expenses consists of Cost of Production and Change in Inventories which has increased by 260.14% from Rs. 136.00 lacs in quarter ended June 30, 2023 to Rs. 489.79 lacs in quarter ended June 30, 2024. The increase is due to the increase in the revenue.





### Employee Benefit Expenses

(Rs. In Lacs)

Particulars	30-06-2024	30-06-2023	Variance In %
Employee Benefit Expenses	3.62	3.45	4.93%

There is 4.93% increase in employee benefit expenses from Rs. 3.45 lacs during the quarter ended June 30, 2023 to Rs. 3.62 lacs in quarter ended June 30, 2024 which is due to increase in staff and salary & wages.

### Depreciation

Depreciation for the quarter ended June 30, 2024 have increased to Rs 0.83 Lacs to Rs 0.82 Lacs for the quarter ended June 30, 2023.

### Profit Before Tax

(Rs. In Lacs)

Particulars	30-06-2024	30-06-2023	Variance In %
Profit Before Tax	40.65	7.70	427.92%

Profit before tax increased by 427.92% from Rs.7.70 lacs in the quarter ended June 30, 2023 to Rs. 40.65 lacs in quarter ended June 30, 2024.

### Provision for Tax and Net Profit

(Rs. In Lacs)

Particulars	30-06-2024	30-06-2023	Variance In %
Taxation Expenses	10	1.75	471.43%
Profit After Tax	30.65	5.95	415.13%

Our profit after tax increased by 415.13% from Rs. 5.95 lacs in quarter ended June 30, 2023 to Rs. 30.65 lacs in quarter ended June 30, 2024. This increase is due to increase in sales volume.



**Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as described in the chapter titled “*Risk Factors*” and chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 23 and 86, respectively, of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

**Unusual or Infrequent Events or Transactions**

Except as described elsewhere in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as “unusual” or “infrequent”.

**Significant economic/regulatory changes**

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income except as mentioned in the chapter titled “*Risk Factors*” on page 23 of this Draft Letter of Offer.

**Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**

Other than as described in the chapter titled “*Risk Factors*” and chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 23 and 86, respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company’s future costs and revenues will be determined by demand/supply situation and government policies.

**The extent to which material increases in net sales or revenue are due to increased sales volume or increased sales prices**

Increase in revenues is by and large linked to increase in sale of our services.

**Competitive Conditions**

We expect competition in the sector from existing and potential competitors to intensify. However, on account of cost reduction and cost control, consistently delivering quality services, we are able to stay competitive. For further details, kindly refer the chapter titled “*Our Business*” beginning on page 69 of this Draft Letter of Offer.



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**SECTION VII - LEGAL AND OTHER INFORMATION**

**OUTSTANDING LITIGATIONS AND OTHER DEFAULTS**

*Our Company is subject to various legal proceedings from time to time, primarily arising in the ordinary course of business. There is no outstanding litigation which has been considered material in accordance with our Company's 'Policy for Determination of Materiality', framed in accordance with Regulation 30 of the SEBI Listing Regulations, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Draft Letter of Offer. However, solely for the purpose of the Issue, the following outstanding litigations have been disclosed in this section of this Draft Letter of Offer, to the extent applicable: any outstanding civil litigation, including tax litigation, involving our Company, where the amount involved is where the amount involved is 20% of Turnover or Net Worth of the Company for the immediately preceding financial year ("Materiality Threshold") or above.*

*Except as disclosed below, there are no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.*

*Pre-litigation notices received by our Company from third-parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial forum.*

**LITIGATIONS INVOLVING OUR COMPANY**

**Litigations Against our Company**

**Criminal proceeding against our Company**

Nil

**Action and Proceeding initiated by Statutory / Regulatory Authority including economic offences against our Company**

**Other Proceeding against our Company including matters which are considered material as per Materiality Policy**

Nil

**Litigations by our Company**

**Criminal proceeding by our Company**

Nil



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**Litigation involving our Directors, Promoters and Promoter Group**

NIL

**LITIGATIONS INVOLVING SUBSIDIARY COMPANIES**

**Litigations against Subsidiary Companies**

**Criminal proceeding against our Subsidiary Companies**

Nil

**Action and Proceeding initiated by Statutory/Regulatory Authority against of our Subsidiary Companies**

Nil

**Other Proceeding against our Subsidiary Companies**

Nil

**Litigations by Subsidiary Companies**

**Criminal proceeding by our Subsidiary Companies**

Nil

**Other Proceeding by our Subsidiary Companies**

Nil

**Revenue Matters:**

Nil

**DISCLOSURES PERTAINING TO WILFUL DEFAULTERS OR FRAUDULENT BORROWERS**

Neither our Company, our Promoters, our Directors are or have been classified as a willful defaulter or fraudulent borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on willful defaulters or fraudulent borrower issued by RBI.

**AMOUNT DUE TO MSME**

There are pending dues of Rs. 166.11 Lakhs to MSME supplier for more than 45 (Forty Five) days as on 30<sup>th</sup> June, 2024.



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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### **GOVERNMENT AND OTHER STATUTORY APPROVALS**

Our Company requires various consents, licenses, permissions and approvals from various central and state authorities under various rules and regulations for carrying on its present business activities. We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required for our present business and to undertake the Issue. Such consents, licenses, permissions and approvals may be required to be renewed periodically and applications for the same are made at the appropriate stage.

However, going forward, we may require certain statutory and regulatory permits, licenses and approvals to operate our business and safety certificates registration certificates issued under various laws.



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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**MATERIAL DEVELOPMENTS**

There have not arisen, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

**For further details, please refer to the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 86 of this Draft Letter of Offer.**



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## OTHER REGULATORY AND STATUTORY DISCLOSURES

### **Authority for the Issue**

This Issue has been authorized by the resolution passed by our Board at its meeting held on July 22, 2024 pursuant to Section 62 (1) (a) of the Companies Act, 2013 and other applicable provisions. The Rights Issue Committee has approved the Record Date for the Issue at its meeting held on [●] and this Draft Letter of Offer at its meeting held on October 03, 2024.

Our Board, in its meeting held on July 22, 2024, has resolved to issue Equity Shares to the Eligible Equity Shareholders, at Rs. [●] per Equity Share aggregating up to Rs.4,500.00 Lakhs. The Issue Price is Rs. [●] per Equity Share has been arrived at by our Company prior to determination of the Record Date.

Our Company has received in-principle approval from BSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be Allotted in this Issue pursuant to their respective letters each dated [●]. Our Company will also make application to BSE to obtain its trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" beginning on page 106 of this Draft Letter of Offer.

### **Prohibition by SEBI**

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None our Directors or Promoter is associated with the securities market in any manner. Further, there is no outstanding action initiated against any of our Directors or Promoters by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

### **Prohibition by RBI**

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.





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### **Eligibility for this Issue**

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

### **Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made application to the Stock Exchange and has received its in-principle approval for listing of the Equity Shares to be issued pursuant to this Issue. BSE is the Designated Stock Exchange for the Issue.

### **Compliance with Part B of Schedule VI of the SEBI ICDR Regulations**

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Draft Letter of Offer with the Designated Stock Exchange;
2. The reports, statements and information referred to above are available on the websites of BSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

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

### **Disclaimer Clause of SEBI**

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is up to Rs. 4,500.00 lakhs. The present Issue being of less than Rs. 5,000 lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI i.e. [www.sebi.gov.in](http://www.sebi.gov.in).



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**Disclaimer from our Company, our Director(s)**

Our Company accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in the Issue will be deemed to have represented to our Company and its officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

**Caution**

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

**Disclaimer with respect to jurisdiction**

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Ahmedabad, Gujarat, India only.

**Designated Stock Exchange**

The Designated Stock Exchange for the purpose of the Issue is BSE.

**Listing**

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

**Disclaimer Clause of BSE**

As required, a copy of this Draft Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of this Draft Letter of Offer is set out below:



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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"BSE Limited ("the Exchange") has given, vide its letter dated [●] permission to this Company to use the Exchange's name in this Draft Letter of Offer as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Draft Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **NO OFFER IN THE UNITED STATES**

**THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.**

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer, Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Draft Letter of Offer, (i) that it is not and that, at the time of



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

#### **NO OFFER IN ANY JURISDICTION OUTSIDE INDIA**

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICIATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

#### **Consents**

Consents in writing of our Directors, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

#### **Expert Opinion**

Our Company has not obtained any expert opinions.



### **Performance vis-à-vis objects – Public/Rights Issue of our Company**

Our Company has not made any public issues during last one year immediately preceding the date of this Draft Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

### **Filing**

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchange and not with SEBI. However, the Draft Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

### **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

**Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" beginning on page 106. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:**



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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### **Investor Grievances arising out of this Issue**

Investors may contact the Registrar to the Issue at:

#### **Link Intime Private Limited**

C 101, 247 Park, L.B.S Marg,  
Vikhroli (West), Mumbai, Maharashtra, 400083.

Tel No.: 022-49186270.

Fax No.: 022-49186060

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

E-mail ID: [ipo.team@linkintime.co.in](mailto:ipo.team@linkintime.co.in)

Contact Person: Mr. Haresh Hinduja

SEBI Registration No: INR000004058

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue/post-Issue related matter such as non-receipt of letter of Allotment, credit of Rights Equity Shares, refund and such other matters. The contact details of the Compliance Officer are as follows:

#### **Company Secretary and Compliance Officer**

##### **Mr. Kunal Jain**

Shed No-15, Shyam Hari Industrial Estate,  
Phase 4 GIDC, Vatva, Ahmedabad, Gujarat- 382445, India.

Email: [ielimitedamd@gmail.com](mailto:ielimitedamd@gmail.com)

Website: [www.ielindia.in](http://www.ielindia.in)

Tel: 079-40026095

Investors may contact the Company Secretary and Compliance Officer at the above mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities.

#### **Status of Complaints**

- i. Total number of complaints received during Fiscal 2021: Nil
  - ii. Total number of complaints received during Fiscal 2022: Nil
  - iii. Total number of complaints received during Fiscal 2023: Nil
  - iv. Total number of complaints received during Fiscal 2024 (till date): Nil
  - v. Time normally taken for disposal of various types of investor complaints: 15 days
- 
- (a) Share transfer process: Within 15 days after receiving full set of documents
  - (b) Share transmission process: Within 21 days after receiving full set of documents
  - (c) Other Complaints: Within 15 days from the receipt of the complaint



### **Status of outstanding investor complaints**

As on the date of the DLOF, there were Nil outstanding investor complaints.

### **Changes in Auditor during the last three years**

M/s. Rushabh Shreyansh & Co., Chartered Accountants (FRN-131457W) vide their Resignation Letter dated 24<sup>th</sup> August 2024 have resigned as the Statutory Auditors of the Company with immediate effect due to pre-occupation and other professional commitments and M/s Maark & Associates (FRN-145153W), Chartered Accountants (FRN-145153W) has been appointed as the Statutory Auditors of the Company with effect from 24<sup>th</sup> August 2024 to fill the casual vacancy caused due to the resignation of existing Statutory Auditors and will hold office for 5 years to conduct the Statutory Audit from financial year 2024-25 to financial year 2028-29.

### **Minimum Subscription**

The objects of the Issue are acquisition of land, Capital Expenditure and General Corporate Purpose.

However, our promotor has indicated that they will not subscribe fully to their portion of right entitlement and that they may renounce their rights entitlements. Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirements of minimum subscription are applicable to the issue.

In accordance with Regulation 86 of SEBI (ICDR) Regulations, if our Company does not receive the minimum subscription of at least 90% of the Issue of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under “Terms of the Issue” on page 106 of this Draft Letter of Offer.





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## SECTION VIII - ISSUE INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. The Eligible Equity Shareholders should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Right Issue Circulars, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.*

*This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice.*

### DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Shareholders can access this Draft Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) Our Company at [www.ielindia.in](http://www.ielindia.in) ;
- (ii) The Registrar at [www.linkintime.co.in](http://www.linkintime.co.in) ;
- (iii) The Stock Exchange at [www.bseindia.com](http://www.bseindia.com);



**IEL LIMITED**

**(CIN-L15140GJ1956PLC124644)**

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Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., Link Intime India Private Limited at [www.linkintime.co.in](http://www.linkintime.co.in)) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.ielindia.in](http://www.ielindia.in)).

**Please note that neither our Company nor the Registrar shall be responsible for non-dispatch of physical copies of Issue materials, including this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

The distribution of this Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).



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## PROCESS OF MAKING AN APPLICATION IN THE ISSUE

**In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Shareholders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Shareholders should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, titled "Procedure for Application through the ASBA Process" on page 109.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

**Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details refer "Grounds for Technical Rejection" on page 115. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, refer chapter titled "Application on Plain Paper under ASBA process".

### **Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:



- 
- a) apply for its Equity Shares to the full extent of its Rights Entitlements; or
  - b) apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
  - c) apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
  - d) apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or
  - e) renounce its Rights Entitlements in full.

### **Making of an Application through the ASBA process**

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

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

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

### **Do's for Shareholders applying through ASBA:**

- a) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only.



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- b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
  - c) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
  - d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
  - e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
  - f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
  - g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

**Don'ts for Shareholders applying through ASBA:**

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b) Do not send your physical Application to the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- d) Do not submit Application Form using third party ASBA account.

**Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.



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

- (a) Name of our Company, being IEL Limited;
- (b) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (c) Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
- (d) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
- (e) Number of Equity Shares held as on Record Date;
- (f) Allotment option – only dematerialised form;
- (g) Number of Equity Shares entitled to;
- (h) Number of Equity Shares applied for within the Rights Entitlements;
- (i) Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- (j) Total number of Equity Shares applied for;
- (k) Total amount paid at the rate of Rs. [●] per Equity Share;
- (l) Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
- (m) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- (n) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (o) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- (p) All such Eligible Equity Shareholders are deemed to have accepted the following:

*"I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for Shareholders in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*





**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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*I/We (i) am/are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a "U.S. Person" as defined in ("Regulations"), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulations.*

*I/We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."*

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

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

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

#### **Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

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

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;





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- c) The remaining procedure for Application shall be same as set out in "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" mentioned above.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

#### ***Application for Additional Equity Shares***

Shareholders are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "*Basis of Allotment*" mentioned below.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares.** Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

#### ***Additional general instructions for Shareholders in relation to making of an application***

- i) Please read this Draft Letter of offer carefully to understand the Application process and applicable settlement process.
- ii) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- iii) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" mentioned above.
- iv) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- v) Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- vi) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the



IEL LIMITED

(CIN-L15140GJ1956PLC124644)

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residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Shareholders for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Shareholders.

- vii) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Shareholders applying under this Issue should note that on the basis of name of the Shareholders, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Shareholders applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Shareholders including mailing of the letters intimating unblocking of bank account of the respective Shareholders and/or refund. The Demographic Details given by the Shareholders in the Application Form would not be used for any other purposes by the Registrar. Hence, Shareholders are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Shareholders as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Shareholders. Please note that any such delay shall be at the sole risk of the Shareholders and none of our Company, the SCSBs, Registrar shall be liable to compensate the Shareholders for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Shareholders (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- viii) By signing the Application Forms, Shareholders would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- ix) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Shareholders must sign the Application as per the specimen signature recorded with the SCSB.
- x) Shareholders should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Shareholders will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- xi) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- xii) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to



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the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

- xiii) Shareholders are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- xiv) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- xv) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- xvi) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- xvii) Do not pay the Application Money in cash, by money order, pay order or postal order.
- xviii) Do not submit multiple Applications.
- xix) No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.
- xx) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

### **Grounds for Technical Rejection**

*Applications made in this Issue are liable to be rejected on the following grounds:*

- i) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- ii) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- iii) Sending an Application to our Company, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- iv) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- v) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- vi) Account holder not signing the Application or declaration mentioned therein.
- vii) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.



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- viii) Multiple Application Forms, including cases where a Shareholders submits Application Forms along with a plain paper Application.
  - ix) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
  - x) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
  - xi) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
  - xii) Application Forms which are not submitted by the Shareholders within the time periods prescribed in the Application Form and this Draft Letter of offer.
  - xiii) Physical Application Forms not duly signed by the sole or joint Shareholders, as applicable.
  - xiv) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demands.
  - xv) If a Shareholders is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Shareholders to subscribe to their Rights Entitlements.
  - xvi) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
  - xvii) Applications which have evidence of being executed or made in contravention of applicable securities laws.
  - xviii) Application from Shareholders that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

Applications by non-resident Shareholders.

- a. Payment from third party bank accounts.

**Multiple Applications**

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Shareholders and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of



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each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see "*Procedure for Applications by Mutual Funds*" mentioned below.

In cases where Multiple Application Forms are submitted, including cases where (a) a Shareholders submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected.

### **Procedure for Applications by certain categories of Shareholders**

#### ***Procedure for Applications by FPIs***

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its Shareholders group (which means multiple entities registered as foreign portfolio Shareholders and directly and indirectly having common ownership of more than 50% of common control) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or Shareholders group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or Shareholders group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the Shareholders will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 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 an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

1. Such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre - approved by the FPI.





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No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

***Procedure for Applications by AIFs, FVCIs, VCFs and FDI route***

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

***Procedure for Applications by NRIs***

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Shareholders**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Shareholders will also require prior approval of the Government of India and each Shareholders should seek independent legal advice about



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its ability to participate in the Issue. In the event such prior approval has been obtained, the Shareholders shall intimate our Company and the Registrar about such approval within the Issue Period.

***Procedure for Applications by Mutual Funds***

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

***Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")***

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificates from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

***Last date for Application***

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], 2024, *i.e.*, Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in "*Basis of Allotment*" mentioned below.

Please note that on the Issue Closing Date, (Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Shareholders can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

***Withdrawal of Application***

An Investor who has applied in this Issue may withdraw their application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, may withdraw their application post the Issue Closing Date.





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***Disposal of Application and Application Money***

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Shareholders within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

**CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

**Rights Entitlements**

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, [www.linkintime.co.in](http://www.linkintime.co.in).) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, [www.ielindia.in](http://www.ielindia.in)).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.



Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements they will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (*i.e* [www.linkintime.co.in](http://www.linkintime.co.in)). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, "[●]") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by [●], 2024 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.



## **RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT**

### **Renounees**

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

### **Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer.

### **Procedure for Renunciation of Rights Entitlements**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the "**On Market Renunciation**"); or (b) through an off-market transfer (the "**Off Market Renunciation**"), during the Renunciation Period. The Shareholders should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Shareholders may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Shareholders who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Shareholders on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

**Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Shareholders.**



### ***On Market Renunciation***

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from [●] to [●], 2024 (both days inclusive).

The Shareholders holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to trade.

The Shareholders can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

### **Off Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

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

The Shareholders holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of



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the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Shareholders can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

### **MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Shareholders agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Shareholder's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Shareholders in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### **Mode of payment for Resident Shareholders**

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.





### **Mode of payment for Non-Resident Shareholders**

As regards the Application by non-resident Shareholders, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares.

### **BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE**

The Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see "*The Issue*" beginning on mentioned above.

### **Fractional Entitlements**

The Rights Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of [●] ([●]) Rights Shares for every [●] ([●]) Equity Shares held as on the Record Date. As per SEBI Rights Issue



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Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than [●] ([●]) Equity Shares or is not in the multiple of [●] ([●]) Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Shares over and above their Rights Entitlements, if any, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

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

Such Eligible Shareholders are entitled to apply for additional Rights Shares and will be given preference in the Allotment of one Rights Shares, if such Eligible Shareholders apply for additional Rights Shares, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

### **Ranking**

The Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

### **Listing and trading of the Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 524614) under the ISIN: INE056E01024. The Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and



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trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

#### **Subscription to this Issue by our Promoter and members of the Promoter Group**

For details of the intent and extent of subscription by our Promoter and members of the Promoter Group, see "*Capital Structure - Intention and extent of participation by our Promoter*" mentioned above.

#### **Rights of the Rights Equity Shareholder**

Subject to applicable laws, the Rights Equity Shareholders 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 in person or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right to free transferability of Rights Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act and Memorandum of Association and Articles of Association.

#### **General Terms of the Issue**

##### **Market Lot**

The Equity Shares of our Company are tradable only in dematerialised form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

##### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

### **Nomination**

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Shareholders would prevail. Any Shareholders holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

### **Arrangements for Disposal of Odd Lots**

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be One Equity Share and hence, no arrangements for disposal of odd lots are required.

### **Notices**

In accordance with the SEBI ICDR Regulations and the SEBI Right Issue Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation and one Gujrati language national daily newspaper with wide circulation being the regional language of Gujrat, where our Registered Office is situated.

This Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.



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### **Offer to Non-Resident Eligible Equity Shareholders/Shareholders**

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident Equity Shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Shareholders has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at Link Intime India Services Private Limited at : [ipo.team@linkintime.co.in](mailto:ipo.team@linkintime.co.in). It will be the sole responsibility of the Shareholders to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access this Letter Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchange. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of Shareholders and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Shareholders being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by mail at [ipo.team@linkintime.co.in](mailto:ipo.team@linkintime.co.in).





## ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE. FOR DETAILS, SEE "ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" AS MENTIONED ABOVE

### Issue Schedule

Last date for credit of Rights entitlements	[•]
Issue opening date	[•]
Last Date on Market Renunciation of Rights Entitlements*	[•]
Issue Closing Date**	[•]
Finalisation Of Basis of Allotment (On or About)	[•]
Date Of Allotment (On or About)	[•]
Date Of Credit (On or About)	[•]
Date Of Listing (On or About)	[•]

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

\*\*Our Board or the Rights Issue Committee, duly constituted and authorized by the Board of Directors thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [•], 2024 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [•], 2024.

### Basis of Allotment

Subject to the provisions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If



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number of Equity Shares required for Allotment under this head are more than the number of Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Equity Shares offered to them as part of this Issue, have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be on equitable basis giving due regard to the holdings as on the record date and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Shareholders who have been allocated Equity Shares in this Issue, along with:

- i) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- ii) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- iii) The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank(s) to refund such Applicants.

#### **ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then



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the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Shareholders who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## **PAYMENT OF REFUND**

### **Mode of making refunds**

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

### **Unblocking amounts blocked using ASBA facility.**

**NACH** - National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

**National Electronic Fund Transfer ("NEFT")** - Payment of refund shall be undertaken through NEFT wherever the Shareholders' bank has been assigned the Indian Financial System Code ("**IFSC Code**"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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MICR numbers. Wherever the Shareholders have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Shareholders through this method.

**Direct Credit** – Shareholders having bank accounts with the Banker(s) to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company

**RTGS** – If the refund amount exceeds Rs. 2,00,000, the Shareholders have the option to receive refund through RTGS. Such eligible Shareholders who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Shareholder’s bank receiving the credit would be borne by the Shareholders.

For all other Shareholders, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demands drawn in favour of the sole/first Shareholders and payable at par.

Credit of refunds to Shareholders in any other electronic manner, permissible by SEBI from time to time.

#### *Refund payment to non-residents*

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

### **ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES**

#### **Receipt of the Equity Shares in Dematerialized Form**

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

**PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.**

Shareholders shall be allotted the Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement with NSDL and with CDSL which enables the Shareholders to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.



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**SHAREHOLDERS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the dematerialized form is as under:

- i) Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Shareholders having various folios in our Company with different joint holders, the Shareholders will have to open separate accounts for such holdings. Those Shareholders who have already opened such beneficiary account(s) need not adhere to this step.
- ii) It should be ensured that the depository account is in the name(s) of the Shareholders and the names are in the same order as in the records of our Company or the Depositories.
- iii) The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Shareholder's depository participant, would rest with the Shareholders. Shareholders should ensure that the names of the Shareholders and the order in which they appear in Application Form should be the same as registered with the Shareholder's depository participant.
- iv) If incomplete or incorrect beneficiary account details are given in the Application Form, the Shareholders will not get any Equity Shares and the Application Form will be rejected.
- v) The Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Applicant's depository account.
- vi) Non-transferable Allotment advice/ refund intimation will be directly sent to the Shareholders by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.
- vii) Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

## **IMPERSONATION**

As a matter of abundant caution, attention of the Shareholders is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

*"Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or 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 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."*





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The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least Rs. 0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than Rs. 0.1 crore or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs. 0.5 crore or with both.

#### **UTILISATION OF ISSUE PROCEEDS**

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

#### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- i) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- ii) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
- iii) The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Shareholders within 4 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- v) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- vi) Adequate arrangements shall be made to collect all ASBA Applications.



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vii) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

## **SHAREHOLDERS GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS**

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "[●]" on the envelope and postmarked in India or in the e-mail) to the Registrar at the following address:

**Link Intime Private Limited**  
C 101, 247 Park, L.B.S Marg,  
Vikhroli (West), Mumbai, Maharashtra, 400083.  
Tel No.: 022-49186270.  
Fax No.: 022-49186060  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
E-mail ID: [ipo.team@linkintime.co.in](mailto:ipo.team@linkintime.co.in)  
Contact Person: Mr. Haresh Hinduja  
**SEBI Registration No:** INR000004058

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders will be available on the website of the Registrar (i.e., Link Intime India Private Limited at [www.linkintime.co.in](http://www.linkintime.co.in)). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 022 - 62638200.  
  
(i) The Shareholders can visit following links for the below-mentioned purposes:
4. Frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders: [www.linkintime.co.in](http://www.linkintime.co.in).
5. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: [www.linkintime.co.in](http://www.linkintime.co.in).
6. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [www.linkintime.co.in](http://www.linkintime.co.in).
7. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: [ipo.team@linkintime.co.in](mailto:ipo.team@linkintime.co.in).



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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This Issue will remain open for a minimum 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).



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## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, 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. Accordingly, the process for foreign direct investment ("FDI") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ("DPIIT"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("FDI Circular 2020"), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e. any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.



**IEL LIMITED**

**(CIN-L15140GJ1956PLC124644)**

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Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.





**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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**STATUTORY AND OTHER INFORMATION**

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.



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**SECTION IX – OTHER INFORMATION**

**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

*The copies of the following documents and contracts referred to in para (A) have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer.*

*Copies of the above mentioned contracts and also the documents for inspection referred to in para (B), may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Letter of Offer until the closure of the subscription list.*

*Any of the contracts or documents mentioned in this Draft Letter of Offer 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**

1. Agreement dated October 01, 2024 between our Company and M/s Link Intime India Private Limited, Registrar to the Issue.
2. Tripartite Agreement between our Company, National Securities Depository Ltd. (NSDL) and Registrar to the Issue;
3. Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;
4. Banker(s) to the Issue Agreement dated [●] amongst our Company and the Registrar to the Issue and the Escrow Collection Bank(s).

**(B) DOCUMENTS FOR INSPECTION**

5. Certified copy of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
6. Certificate of Incorporation dated 06<sup>th</sup> February, 1956.
7. Fresh Certificate of Incorporation dated 21<sup>st</sup> January, 2019.
8. Copy of the resolution of the Board of Directors under Section 62 of the Companies Act passed in its meeting dated 22<sup>nd</sup> July, 2024 authorizing the Issue.
9. Copy of the resolution passed by the Right Issue Committee dated October 03, 2024 approving the Draft Letter of offer.
10. Resolution passed by the Right Issue Committee dated [●] determining the Record date.



**IEL LIMITED**

**(CIN-L15140GJ1956PLC124644)**

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11. Consents of the Directors, Company Secretary and Compliance Officer, Statutory Auditor and Registrar to the Issue to include their names in the Offer Document to act in their respective capacities;
  12. Annual reports of our Company for the financial years ended March 31, 2021, 2022 and 2023;
  13. A statement of tax benefits dated October 01, 2024 received from M/s. Maark & Associates, Chartered Accountants, Statutory Auditor regarding tax benefits available to our Company and its shareholders;
  14. Audited Financial Results along with Audit Report dated 22<sup>nd</sup>April, 2024 received from M/s. Rushabh Shreyansh & Co., Chartered Accountants, Statutory Auditor for the Financial Year ended March 31, 2024 and Unaudited Financial results for the quarter ended June 30, 2024 dated 22<sup>nd</sup> July, 2024.
  15. Certificate dated October 01, 2024 from M/s. Maark & Associates, Chartered Accountants regarding "Sources & deployment of funds";
  16. In-principle listing approval(s) dated [●] from BSE Limited;

Any of the contracts or documents mentioned in the Draft Letter of Offer 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 Equity Shareholders, subject to compliance with applicable law.



**IEL LIMITED**  
(CIN-L15140GJ1956PLC124644)

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### DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Letter of Offer are true and correct.

Name	Signature
Mr. Ajaykumar Bholanath Gupta Managing Director DIN: 07542693	Sd/-
Mr. Ronit Champaklal Shah Executive Director DIN: 02851806	Sd/-
Mr. Arpit Singh Non-Executive & Non-Independent Director DIN: 10645601	Sd/-
Ms. Juhi Sawajani Non-Executive and Independent Director DIN: 09811893	Sd/-
Ms. Avani Ashwinkumar Shah Non-Executive and Independent Director DIN: 09608898	Sd/-
Mr. Arpit Singh Chief Financial Officer PAN: JWAPS5114J	Sd/-
Mr. Kunal Jain Company Secretary and Compliance officer PAN: BBBPJ4903N	Sd/-

**Place: Ahmedabad**  
**Date: October 03, 2024**