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Draft Letter of Offer of D & H India Limited
Dated October, 27, 2025
for Eligible Equity Shareholders only

D & H INDIA LTD D & H INDIA LIMITED

Our Company was incorporated on March 30, 1985, as a company limited by shares under the Companies Act, 1956 in the name of D & H Welding Electrodes (India) Private Limited and a certificate of incorporation issued on March 30, 1985, within the jurisdiction of the Registrar of Companies, Mumbai, Maharashtra. Subsequently, the name of our Company was changed to 'D & H Welding Electrodes (India) Limited' upon conversion of the company into a public limited company vide certificate issued by the Registrar of Companies, Mumbai, Maharashtra on 17th September, 1993 and the name of the company was further changed to 'D & H India Limited' and a certificate to that effect was issued by the Registrar of Companies, Mumbai, Maharashtra on 31st March, 2012.

Registered Office: A-204, 2nd Floor, Kailash Esplanade Opp Shreyas Cinema, L.B.S. Marg, Ghatkopar (West),

Mumbai, Maharashtra, India, 400086, email: ho@dnhindia.com, Tel: 022-49711885

Corporate/Administrative Office: Sanwer Road, Industrial Area, Sector, 'A', Plot 'A', Indore, Madhya Pradesh, India, 452015

Tel: 0731-2973501; email: ho@dnhindia.com

Contact Person: CS Rajesh Sen. **E-mail:** rsen@dnhindia.com; **Website:** www.dnhindia.com

Corporate Identity Number: L28900MH1985PLC035822

OUR PROMOTER & PROMOTER GROUP; HARSH VORA, SUSHIL RATANLAL RAWKA, SAURABH VORA, KIRAN VORA, HARSH KUMAR VORA (HUF), SUHANI DOSHI, ATITHI VORA, SIDDHARTH RAWKA, SATISH RAWKA, SAROJ RAWKA & VENUS RAWKA

FOR PRIVATE CIRCULATION TO ELIGIBLE EQUITY SHAREHOLDERS OF D & H INDIA LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF UP TO [●]* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹10 EACH OF OUR COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹[●] PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●] PER RIGHTS EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹2456.40 LAKH* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●]. FULLY PAID-UP EQUITY SHARE HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] ("RECORD DATE") ("THE ISSUE"). FOR FURTHER DETAILS, SEE "OFFERING INFORMATION" BEGINNING ON PAGE NO. 94.

*Assuming full subscription in the Issue. Subject to finalisation of Basis of Allotment.

PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE*	Face Value (₹)	Premium (₹)	Total (₹)
On Application	10/-	[●]	[●]
Total (₹)	10/-	[●]	[●]

*for further details on payment schedule, see "Offering Information" beginning on Page 94 of this Draft Letter of Offer

CONFIRMATION FOR WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our company nor our Promoters or any of our Directors have been or identified as wilful Defaulters or Fraudulent Borrowers.

GENERAL RISK

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 this Issue. For taking an investment decision, investors shall rely on their own examination of the issuer and the offer, 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. Specific attention of investors is invited to the section "Risk Factors" beginning on Page No. 25.

COMPANY'S ABSOLUTE RESPONSIBILITY

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 the Issue, and 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 such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on BSE Limited ("BSE"). Our Company has received the "in-principle" approval from BSE for listing the Rights Equity Shares to be allotted pursuant to the issue through its letters dated [●]. Our Company will also make applications to BSE to obtain trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/31 dated March 11, 2025. For the purposes of the Issue, the Designated Stock Exchange is BSE.

REGISTRAR TO THE ISSUE



ANKIT CONSULTANCY PRIVATE LIMITED

Registrar and Share transfer Agent (SEBI Reg. No.: INR000000767)

Address - Plot No. 60, Electronic Complex Pardeshipura, Indore, Madhya Pradesh, 452010

Tel: 0731-2551745 **E-mail:** investor@ankitonline.com, compliance@ankitonline.com,

Investor Grievance ID: compliance@ankitonline.com

Contact Person: CS Saurabh Maheshwari **Website:** www.ankitonline.com

ISSUE PROGRAMME

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]2025
ISSUE OPENING DATE	[●]2025
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS [#]	[●]2025
ISSUE CLOSING DATE*	[●]2025
FINALISATION OF BASIS OF ALLOTMENT OF SHARES (ON OR ABOUT)	[●]2025
DATE OF ALLOTMENT OF SHARES (ON OR ABOUT)	[●]2025
DATE OF CREDIT OF RIGHTS EQUITY SHARES (ON OR ABOUT)	[●]2025
DATE OF LISTING OF SHARES (ON OR ABOUT)	[●]2025

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 Renounces on or prior to the Issue Closing Date.

** Our Board or the Rights Issue Committee 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.*

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SECTION I – GENERAL

A. DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification will be deemed to include all amendments, supplements, re-enactments and modifications thereto from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder. The words and expressions used but not defined in this Draft Letter of Offer will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.

The following list of capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Terms used in “Summary of Draft Letter of Offer”, “Statement of Special Tax Benefits”, “Financial Information” and “Offering Information” beginning on pages 20, 63, 80 and 94 respectively of this Draft Letter of Offer, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections.

General – Company Related Terms / Abbreviations

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer” or “DHIL”	D & H India Limited, a public limited company, incorporated under the Companies Act, 1956, and having its registered office at A-204, 2nd Floor, Kailash Esplanade Opp Shreyas Cinema, L.B.S. Marg, Ghatkopar (West), Mumbai, Maharashtra, India, 400086.
“We”, “Our”, “Us” or “our Group”	Unless the context otherwise indicates or implies or unless otherwise specified, refers to our Company along with our Subsidiaries, Joint Ventures and Associates, as applicable, on a consolidated basis.
“Articles of Association” or “Articles”	Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit Committee of our Board of directors.
Audited Standalone and Consolidated Financial Statements	Collectively, our audited standalone and consolidated financial statements comprising of the standalone and consolidated balance sheets of our Company and our Subsidiary as at March 31, 2025 and the related standalone and consolidated statement of profit and loss (including other comprehensive income), standalone and consolidated cash flow statements and the standalone and consolidated statements of changes in equity, including summary of significant accounting policies and other explanatory information to the respective standalone and consolidated financial statements, for the financial year ended March 31, 2025, including comparative audited standalone and consolidated financial statements comprising of the standalone and consolidated balance sheets of our Company and our Subsidiary as at March 31, 2024 and the related standalone and consolidated statement of profit and loss (including other comprehensive income), standalone and consolidated cash flow statements and the standalone and consolidated statements of changes in equity, including summary of significant accounting policies and other explanatory information to the respective standalone and consolidated financial statements, for the financial year ended March 31, 2024, prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (“Ind AS”) specified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Unaudited Standalone and Consolidated Financial Results	The Unaudited Standalone and Consolidated financial results including other comprehensive income, for the Quarter ended June 30, 2025, which are limited reviewed by the Peer Reviewed Auditors, prepared in accordance with Ind AS 110 “Consolidated Financial Statement” prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended.
“Auditors” or “Statutory Auditors”	The statutory auditors of our Company, is ABN & Co., Chartered Accountants (FRN.004447C) , which is a peer reviewed firm by the Peer Review Board of ICAI.
“Board” or “SEBI”	The Securities and Exchange Board of India.
“Board of Directors” or “our Board”	The Board of directors of our Company.
“Chief Financial Officer” or “CFO”	The Chief Financial Officer of our Company is Mr. Rajesh Songirkar.
Chairman	The Chairman of the Board of our Company, is Mr. Harsh Vora. For details, see “ <i>Our Management - Board of directors</i> ” on Page No. 72.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company is CS Rajesh Sen, (FCS-7689) is a member of the Institute of Company Secretaries of India.
Corporate Office	The Corporate Office of our Company located at Sanwer Road, Industrial Area, Sector 'A', Plot 'A', Indore, Madhya Pradesh, India, 452015.
Director(s)	The Director(s) on our Board, as disclosed in “Management (Board of Directors and Senior Management) and Organisational Structure” on Page No. 72 of this Draft Letter of Offer.
Executive Director(s)	Executive Director(s) of our Company are: 1. Mr. Harsh Vora - Executive Director - Managing Director; 2. Mr. Saurabh Vora- Executive Director - Whole-time Director; and 3. Mrs. Atithi Vora- Executive Director - Whole-time Director.
Equity Shares	Equity shares of face value of ₹10 each of our Company.
Financial Statements	Collectively, the Audited Consolidated and Standalone Financial Statements and Unaudited Consolidated and Standalone Financial Results.
Group Companies	Group Companies of our company as determined in terms of Reg. 2(1)(t) of SEBI (ICDR) Regulations.
Independent Director(s)	Independent Director(s) appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details of the Independent Directors, see “ <i>Management (Board of Directors and Senior Management) and Organisational Structure</i> ” beginning on page 72 of this Draft Letter of Offer.
“Joint Ventures” or “JVs”	Company is not having any joint venture.
“Key Managerial Personnel” or “KMP”	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, as disclosed in “ <i>Management (Board of Directors and Senior Management) and Organisational Structure</i> ” beginning on Page No. 72 of this Draft Letter of Offer.
“Managing Director” or “MD”	The Managing Director of our Company is Mr. Harsh Vora (DIN: 00149287).
Materiality Threshold	An amount equivalent to 5% of the of the average absolute value of profit or loss after tax, as per the audited consolidated financial statements, which is determined to be ₹20.13 Lakhs, being the lower of; (1) 2% of turnover as per the Fiscal 2025 Audited Consolidated Financial Statements; (2) 2% of net worth as per the Fiscal 2025 Audited Consolidated Financial Statements; and (3) 5% of the average absolute value of profit or loss after tax, as per the audited consolidated financial statements of the Company for Fiscals 2025, adopted by the Board of directors through its resolution dated May 29, 2025 for the purposes of disclosures in this Draft Letter of Offer and the Letter of Offer, where applicable, in conformity with the ‘Policy for Determination of

	Materiality of Disclosures' framed in accordance with Regulation 30 of the SEBI LODR Regulations and adopted by our Board.
"Memorandum of Association" or "Memorandum"	Memorandum of Association of our Company, as amended from time to time.
"Nomination and Remuneration Committee"	Nomination and Remuneration Committee of our Board of directors.
Non-Executive Director(s)	A director, not being an Executive Director of our Company.
Promoter(s)	The promoters of our Company are Mr. Harsh Vora and Mr. Sushil Ratanlal Rawka.
Promoter Group	Unless the context requires otherwise, the Promoter Group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations. The Promoters Group presently includes Saurabh Vora, Kiran Vora, Harsh Kumar Vora (HUF), Suhani Doshi, Atithi Vora, Siddharth Rawka, Satish Rawka, Saroj Rawka & Venus Rawka.
Registered Office	The registered office of our Company is located at A-204, 2 nd Floor, Kailash Esplanade, Opp. Shreyas Cinema, L.B.S. Marg, Ghatkopar (West), Mumbai, Maharashtra, 400086.
Rights Issue Committee	The Rights Issue committee, being the sub-committee of our Board of directors, constituted in the Meeting of the Board of directors of the Company held on October 27, 2025 and currently consisting of Mr. Harsh Vora, Mr. Saurabh Vora, Mr. Somendra Sharma and Dr. Niranjana Shashtri.
Senior Management	Senior management personnel of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations.
"Shareholders" or "Equity Shareholders"	The holders of the Equity Shares from time to time.
Stakeholders' Relationship Committee	Stakeholders' Relationship Committee of our Board of directors.
Subsidiaries/ Wholly Owned Subsidiary	Subsidiary of our Company, is V & H Fabricators Pvt. Ltd. (Wholly Owned Subsidiary).
Whole-time Directors	The whole-time directors of our Company, as disclosed in "Management (Board of Directors and Senior Management) and Organisational Structure" on Page No. 72 of this Draft Letter of Offer.

Issue Related Terms

Term	Description
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
"Allotment" or "Allot" or "Allotted"	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The account(s) opened with the Banker(s) to the Issue, into which the Application Money, 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, Yes Bank Limited.
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue after approval of the Basis of Allotment by BSE Limited.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue.

“Applicant(s)” or Investor(s)”	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer.
Application	Application made through submission of the Application Form or plain paper application to the Designated Branch(es) 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 the Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
“Application Supported by Blocked Amount” or “ASBA”	Application (whether physical or electronic) used by Applicant(s) to make an application authorizing the SCSB to block the Application Money in a specified bank account maintained with the SCSB.
ASBA Account	An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application.
ASBA Circulars	Collectively, SEBI circular pertaining to Applications Supported by Blocked Amount (ASBA) facility for right issues, as subsumed under the SEBI ICDR Master Circular (to the extent it pertains to the rights issue process), and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
Banker to the Issue	Yes Bank Limited. (“Yes Bank”)
Banker to the Issue Agreement	Agreement dated [●], 2025, entered into by and among our Company, the Registrar to the Issue, and the Banker to the Issue for among other things, collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account, refund of the whole or part of the application amounts, shall on the terms and conditions thereof.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange in this Issue, as described in “Offering Information” beginning on page No. 94.
“Controlling Branches” or “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 SEBI’s website, updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor’s address, PAN, DP ID, Client ID, bank account details and occupation, where applicable
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Designated Branch(es)	Such branches of the SCSBs which shall collect the Applications, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time.
Designated Stock Exchange	BSE Limited.
Eligible Equity Shareholder(s)	Equity Shareholders as on the Record Date. Please note that only those Equity Shareholders who have provided an Indian address to our Company are eligible to participate in the Issue. For further details, see “Notice to Investors” and “Restrictions on Purchases and Resales” on Pages 14 and 126 respectively.
“Equity Shareholder(s)” or “Shareholders”	Holder(s) of the Equity Shares of our Company.

Escrow Collection Bank	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 the Yes Bank Limited.
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
Fraudulent Borrower	Fraudulent Borrower(s) as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations.
Gross Proceeds	The gross proceeds raised through the Issue.
Issue or Rights Issue	This issue of up to [●] fully paid-up Equity Shares of face value of ₹ 10/- each of our Company for cash at a price of ₹ [●] (including a premium of ₹ [●] per Rights Equity Share) aggregating up to ₹ 2456.40* Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date. On Application, Investors will have to pay ₹ [●] per Rights Equity Share which constitutes 100% of the Issue. <i>*Assuming full subscription with respect to Rights Equity Shares.</i>
Issue Closing Date	[●], 2025.
Issue Materials	Collectively, this Draft Letter of Offer, Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue.
Issue Opening Date	[●], 2025.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ [●] per Rights Equity Share.
Issue Proceeds	The gross proceeds raised through the Issue.
Issue Size	The issue of up to [●] Rights Equity Shares aggregating up to ₹ 2456.40* Lakhs <i>*Assuming full subscription in the Issue. Subject to finalization of the Basis of Allotment.</i>
“Draft Letter of Offer” or “DLOO”	This Draft Letter of Offer dated October 27, 2025, filed with the Stock Exchanges.
Listing Agreements	The uniform listing agreement entered into between our Company and the Stock Exchange in terms of the SEBI LODR Regulations.
Monitoring Agency	M/s Infomerics Valuation And Rating Limited (Formerly known as Infomerics Valuation And Rating Private Limited) CIN: U32202DL1986PLC024575 SEBI Reg. No. IN/CRA/007/2025 having Corporate Office at Office No. 1102-1104, B Wing, Kanakia Wall Street, Off Andheri Kurla Road, Andheri (East) 400093 Mumbai India which is Registered with SEBI.
Multiple Application Forms	More than one application form submitted by Eligible Equity shareholder/ Renouncee in respect of the same Rights Entitlement available in their demat account. However, additional applications in relation to Additional Rights Equity Shares with/ without using additional Rights Entitlements will not be treated as multiple applications.
Net Proceeds	Issue Proceeds less the estimated Issue related expenses. For further details, see “Objects of the Issue” beginning on Page No. 56.
Non-ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process.
Non-Institutional Investors	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring its Rights Entitlements through off market transfer through a depository participant in accordance with the SEBI ICDR Master Circular, circulars issued by the Depositories from time to time and other applicable laws. 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.

On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading its Rights Entitlements over the secondary market platform of the Stock Exchange through a registered stockbroker in accordance with the SEBI ICDR Master Circular, circulars issued by the Stock Exchanges from time to time and other applicable laws, on or before [●] .
Payment Schedule	Payment schedule under which 100% of the Issue Price is payable on Application, i.e. ₹ [●] per Rights Equity Share.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders who would be eligible to apply for the Rights Equity Shares in the Issue subject to terms and conditions set out in the Issue Materials, to be decided prior to the filing of the Letter of Offer, being [●].
Registrar Agreement	Agreement dated October 27, 2025, 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.
“Registrar to the Issue” or “Registrar” or “Share Transfer Agent”	Ankit Consultancy Private Limited. Registrar and Share transfer Agent SEBI Reg. No.: INR000000767 Address - Plot No. 60, Electronic Complex Pardeshipura, Indore, (M.P.) 452010 Tel: 0731-2551745 E-mail: investor@ankitonline.com , compliance@ankitonline.com , Investor Grievance ID: compliance@ankitonline.com Contact Person: CS Saurabh Maheshwari Website: www.ankitonline.com
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation in accordance with the SEBI ICDR Master Circular .
Renunciation Period	The period during which the Eligible Equity Shareholders can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of On 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.
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder on the Record Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The details of Rights Entitlements are also accessible on the website of our Company.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on a fully paid-up basis on Allotment.
Rights Equity Shareholders	Holder of the Rights Equity Shares pursuant to this Issue.
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , or such other website as updated from time to time.
Scheme of Amalgamation	The Scheme of Amalgamation proposed under section 230-232 of the Companies Act, 2013 between D & H India Limited (Transferee Company) and V & H Infra Private Limited (Transferor Company) having appointed date April 1, 2024.
Specific Investor(s)	Specific investor would mean any investor who is eligible to participate in Rights Issue of the Company and whose name has been disclosed by the Company in issue related advertisements as per Regulation 84(1)(f) of the SEBI ICDR Regulations.
SEBI ICDR Master Circular	SEBI Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, as amended by circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/31 dated March 11, 2025, with respect to rights issue only.
Stock Exchanges	Stock exchange where the Equity Shares are presently listed i.e. BSE Limited.

Transfer Date	The date on which 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.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	All days on which commercial banks in Mumbai are open for business. Further, in respect of the Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, in respect of 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.

Issuer / Industry Related Terms / Abbreviations

Term	Description
MPSIDC	Madhya Pradesh State Industrial Development Corporation
GMP	Good Manufacturing Practices
ISO	International Organization for Standardization
mm./ MM/ M.M./ m.m.	Millimetres
MRP	Maximum Retail Price
MT	Metric tonnes
MTPA	Metric tonnes per annum
Non- GAAP Measure(s)	Non-GAAP measures comprises EBIT, EBITDA, EBITDA Margin, Gross Margin, Other Operating Expenses, Capital Employed, Return on Capital Employed, Return on Equity, Debt to Equity, PAT Margin, CAGR and others
P&M	Plant and machinery
PPE	Property, plant and equipment
R&D	Research and development
Sq.Ft./ sqft/ sq. ft.	Square feet
Sq.M/ sqm/ sq. mtr.	Square meters
TPM	Tonnes per month
TPD	Tonnes per day

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee.
Aadhaar	Aadhaar card.
AGM	Annual General Meeting of the Shareholders of our Company.
AIF(s)	Alternative Investment Funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Arbitration Act	Arbitration and Conciliation Act, 1996.
“Ind AS” or “Accounting Standards”	Indian Accounting Standards issued by the Institute of Chartered Accountants of India and as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015.
BSE	BSE Limited.
Calendar Year	Calendar year ending December 31.
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations.
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations.

CAGR	Compounded Annual Growth Rate.
CBDT	Central Board of Direct Taxes, Government of India.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identity Number.
Civil Code	Code of Civil Procedure, 1908.
Central Government	Central Government of India.
CGU	Cash Generating Unit.
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account.
Companies Act	Companies Act, 1956 and the Companies Act, 2013, as applicable.
Companies Act, 1956	The Companies Act, 1956 along with the relevant rules made thereunder.
Companies Act, 2013	The Companies Act, 2013 along with the relevant rules made thereunder.
Depositories Act	Depositories Act, 1996.
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director Identification Number.
“DP” or Depository Participant”	Depository participant as defined under the Depositories Act.
DP ID	Depository Participant’s Identification Number.
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion).
EBIT	Earnings Before Interest and Taxes.
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation.
ECB	External Commercial Borrowings.
ECB Guidelines	The FEMA Borrowing and Lending Regulations, the ECB Master Directions and the FEMA Reporting Master Directions, taken together.
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019, issued by the RBI, as amended from time to time.
EGM	Extraordinary general meeting.
EPS	Earnings Per Share.
EUR	Euro.
FCCB Scheme	The Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended and the clarifications issued thereunder by the Government of India from time to time, including a notification dated November 27, 2008, issued by the Government of India.
FCNR Account	Foreign Currency Non-Resident Account.
FDI	Foreign Direct Investment.
FDI Circular 2020	Consolidated FDI Policy Circular of 2020.
FEMA	Foreign Exchange Management Act, 1999.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
FEMA Borrowing and Lending Regulations	The Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, as amended from time to time.
FEMA Reporting Master Directions	The Master Direction on Reporting under the FEMA dated January 1, 2016, as amended from time to time.
“Financial Year” or “Fiscal Year” or “Fiscal” or “FY”	Period of 12 months ending March 31 of that particular year.
FDI Policy	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020, issued by DPIIT, effective from October 15, 2020.
FIR	First Information Report.
FPI	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations.
GAAP	Generally Accepted Accounting Principles in India.
Gazette	Official Gazette of India.

GDP	Gross Domestic Product.
GIR	General Index Register.
GOI	Government of India.
Government	Central Government and/ or the State Government, as applicable.
GST	Goods and services tax.
IBC	The Insolvency and Bankruptcy Code, 2016.
ICAI	Institute of Chartered Accountants of India.
IEPF	Investor Education and Protection Fund.
IFRS	International Financial Reporting Standards issued by the International Accounting Standards Board.
India	Republic of India.
Income-Tax Act	Income-tax Act, 1961.
ISIN	International Securities Identification Number.
IST	Indian Standard Time.
IT	Information Technology.
KYC	Know Your Customer.
LOC	Letter of Comfort.
MCA	Ministry of Corporate Affairs, Government of India.
MSME	Micro, Small and Medium Enterprise.
Mutual Fund	Mutual Fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
NACH	National Automated Clearing House.
NAV	Net Asset Value per Equity Share at a particular date computed based on total Networth divided by number of Equity Shares.
NBFC	Non-banking Financial Company.
NEFT	National Electronic Fund Transfer.
Net Retail NPA	Represents closing balance of the Net NPA of our Retail AUM as at the last day of the relevant year or period.
Net Worth	Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
NOF	Net Owned Funds.
NPCI	National Payments Corporation of India.
Non-GAAP Financial Measure	A financial measure not presented in accordance with generally accepted accounting principles.
NR	Non-resident or person(s) resident outside India, as defined under the FEMA.
NRE	Non-resident external.
NRE Account	Non-resident external account.
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016.
NRO	Non-resident ordinary.
NRO Account	Non-resident ordinary account.
NSDL	National Security Depository Limited.
“OCBs” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA.
OCI	Overseas citizen of India.

P.A. (p.a.)	Per annum.
PAT	Profit after Tax.
PMLA	Prevention of Money Laundering Act, 2002.
PSU	Public Sector Undertaking.
PAN	Permanent account number.
P/E Ratio	Price to Earnings Ratio.
RBI	Reserve Bank of India.
Regulations	Regulation S under the U.S. Securities Act.
RoC	Registrar of Companies, Mumbai Maharashtra.
ROCE	Return on Capital Employed.
ROE	Return on Equity.
RONW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The Securities and Exchange Board of India.
SEBI Act	The Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI BTI Regulations	The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 as amended.
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI LODR Regulations/ Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Rights Issue Circulars	SEBI ICDR Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and SEBI circular bearing reference number SEBI/HO/CFD/CFD-PoD-1/P/CIR/ 2025/31 dated March 11, 2025 and any other circular issued by SEBI in this regard.
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed and replaced by the SEBI AIF Regulations.
Securities Act	U.S. Securities Act of 1933.
STT	Securities Transaction Tax.
TAN	Tax Deduction Account No.
TDS	Tax Deductible at Source.
Trademarks Act	Trademarks Act, 1999.
State Government	Government of a state of India.
UPI	Unified Payment Interface.
USD	United States Dollar.
“U.S.” or “USA” or “United States”	United States of America, its territories or possessions, any state of the United States, and the District of Columbia.
US GAAP	Generally accepted accounting principles in the U.S.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.
WDV	Written Down Value method of valuation.

B. NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the 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 the Letter of Offer, or Application Form may come are required to inform themselves about and observe such restrictions. For details, see “*Restrictions on Purchases and Resales*” beginning on Page No. 126 of this Draft Letter of Offer.

The Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue (collectively, the “**Issue Materials**”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to us, the Issue Materials 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 Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

Investors can also access this Draft Letter of Offer, the Letter of Offer and the Application Form from the websites of our Company, the Registrar, and the Stock Exchange.

Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials (including the Letter of Offer, the Rights Entitlement Letter and the Application Form) in the event the Issue Materials have been sent on the registered e-mail addresses of such Eligible Equity Shareholders or if there are electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with the Stock Exchange and submitted to SEBI for information and dissemination. Accordingly, the Rights Entitlements and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, the Application Form and the Rights Entitlement Letter and any other Issue Materials or advertisements in connection with this Issue may not be distributed, in whole or in part, in or into any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

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 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 or the date of such information.

Neither the delivery of the Issue Material 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 the Issue Material 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 ITS 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, the Issue Material 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 the Issue Material 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 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.

Rights Entitlements may not be transferred or sold to any person in the United States.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

C. PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

Certain Conventions

All references to “India” contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GOI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer have been derived from our Audited Financial Statements. For details, please see “*Financial Information*” beginning on Page No.80 of this Draft Letter of Offer. Our Company’s financial year commences on 1 April and ends on March 31 of the following calendar year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ending on March 31 of the following calendar year.

The GOI has adopted the Ind AS, which are converged with the IFRS and notified under section 133 of the Companies Act, 2013 read with the Ind AS Rules. The Financial Statements of our Company have been prepared in accordance with Ind AS read with the Ind AS Rules and other relevant provisions of the Companies Act, 2013. Our Company publishes its financial statements in Indian Rupees.

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. Our Company has presented all numerical information in the Financial Statements in whole numbers and in this Draft Letter of Offer in “Lakh” units or in whole numbers where the numbers have been too small to represent in Lakh. One Lakh represents 1,00,000 and one million represents 10,00,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see “*Financial Information*” on Page No. 80 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounding off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” or “Re.” are to Indian Rupee, the official currency of the Republic of India;
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America; and
- “Euro” or “€” are to Euro, the official currency of the European Union.

Our Company has presented certain numerical information in this Draft Letter of Offer in “lakh” or “Lac” units or in whole numbers. One Lakh represents 1,00,000 and one million represents 10,00,000. All the numbers in the document have been presented in Lakh or in whole numbers where the numbers have been too small to present in Lakh.

Exchange Rates

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:

Currency	Sept 30, 2025	March 28, 2025*	March 28, 2024**
1 USD	88.79	85.58	83.37
1 Euro	104.22	92.32	90.21

(Source: www.rbi.org.in and www.fbil.org.in)

* March 29, 2025, and March 30, 2025, being Saturday and Sunday respectively and March 31, 2025, was a bank holiday on account of Ramzan-Id (Id-Ul-Fitr) celebration, exchange rate was not available.

** March 29, 2024, was a bank holiday on account of Good Friday celebration. Further, March 30, 2024, and March 31, 2024, being Saturday and Sunday respectively and exchange rate was not available.

D. FORWARD LOOKING STATEMENTS

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

All statements regarding our Company's expected financial conditions, result of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), business and other matters discussed in this Draft Letter of Offer that are not historical facts. These 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. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- Adverse effect of competition on our market share and profits;
- Volatility in the price of raw materials;
- Any adverse changes in central or state government policies;
- Any adverse development that may affect our operations of our manufacturing units;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in technology and our ability to manage any disruption or failure of our technology systems;
- our ability to:
 - manage our growth effectively;
 - manage our credit risk;
 - manage our quality of services;
 - hire and retain senior management personnel and other skilled manpower;
 - manage cost of compliance with labour laws or other regulatory developments;
 - successfully implement our business strategies and expansion plans;
 - maintain effective internal controls;

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see "Risk Factors", and "Summary of Draft Letter of Offer" beginning on Pages 25 and 20 respectively of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

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

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchanges.

SECTION II: SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures and terms of the Issue 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 “*Risk Factors*” and “*Objects of the Issue*”, on pages 25 and 56 respectively of this Draft Letter of Offer.

PRIMARY BUSINESS OF OUR COMPANY IN A SUMMARY FORM

Our Company was incorporated on March 30, 1985, as a company limited by shares under the Companies Act, 1956 in the name of D & H Welding Electrodes (India) Private Limited and a certificate of incorporation issued on March 30, 1985, within the jurisdiction of the Registrar of Companies, Mumbai, Maharashtra. Subsequently, the name of our Company was changed to ‘D & H Welding Electrodes (India) Limited’ upon conversion of the company into a public limited company vide certificate issued by the Registrar of Companies, Mumbai, Maharashtra on 17th September, 1993 and the name of the company was further changed to ‘D & H India Limited’ and a certificate to that effect was issued by the Registrar of Companies, Mumbai, Maharashtra on 31st March, 2012.

D & H India Limited is one of the top welding consumable manufacturer companies in India to have received ISO 9001-2015 certification for quality standards for all its manufacturing plants. All of them under one single certification is the indicative of consistency of manufacturing processes and quality assurance procedures. Most of the company’s products have approvals from reputed engineering consultants and are certified by leading national/international inspection agencies.

D & H India’s Research and Development strategy is to continually improve its products. The company seeks to develop new, high-quality product with the primary focus on long-term benefits. The constant development of products is an important part of this work and goes a long way in realizing the key objective of customer satisfaction.

Our Company deals in manufacturing and sale of the welding consumable, i.e. Welding Electrodes, SAW Wire and FLUX, Flus Cored Wire, Co2 wires, MIG and TIG Wires which are mainly used in various sector of industries including infrastructure projects, Thermal Power Plants, Steel Plant, Cement Plant, etc.

As on the closing of the financial year, the Company has 1 (one) Wholly Owned Subsidiary in the name of V & H Fabricators Private Limited which is not a material subsidiary.

DETAILS OF THE ISSUER OR ANY OF ITS PROMOTERS OR DIRECTORS BEING A WILFUL DEFAULTER OR A FRAUDULENT BORROWER

None of the members of the Promoter/Promoter Group or the Directors of the Company are Wilful Defaulters or Fraudulent Borrowers.

SUMMARY OF OUTSTANDING LITIGATIONS

A summary of the outstanding/pending legal proceedings involving our Company, its Wholly Owned Subsidiary Company, Directors and Promoters as on the date of this Draft Letter of Offer are mentioned herein below:

i) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in Lakhs)
Involving criminal liability on the part of the issuer	0	0
Tax Proceedings	1	4.98
Material violations of the statutory regulations by the issuer	0	0
Economic offences where proceedings have been initiated against the issuer	0	0
Other Material Civil Litigation	10	53.61
Any 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	0	0

ii. Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in Lakhs)
Involving criminal liability on the part of the issuer	0	0
Tax Proceedings	0	0
Material violations of the statutory regulations by the issuer	0	0
Economic offences where proceedings have been initiated against the issuer	0	0
Other Material Civil Litigation (Trade Mark Notice)	2	0
Any 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	0	0

iii. Cases filed by our Wholly Owned Subsidiary Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in Lakhs)
Involving criminal liability on the part of the Subsidiary	0	0
Tax Proceedings	0	0
Material violations of the statutory regulations by the issuer	0	0
Economic offences where proceedings have been initiated against the issuer	0	0
Other Material Civil Litigation	0	0
Any 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	0	0

iv. Cases filed against our Subsidiary Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in Lakhs)
Involving criminal liability on the part of the Subsidiary	0	0
Tax Proceedings	0	0
Material violations of the statutory regulations by the issuer	0	0
Economic offences where proceedings have been initiated against the issuer	0	0
Other Material Civil Litigation	0	0
Any 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	0	0

v. Cases filed against Promoters and Directors of our Company.

Involving criminal liability on the part of the issuer	0	0
Tax Proceedings	0	0
Material violations of the statutory regulations by the issuer	0	0
Economic offences where proceedings have been initiated against the issuer	0	0
Other Material Civil Litigation	0	0
Any 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	0	0

Determination of materiality

For the purpose of determining materiality, the threshold shall be lower of threshold criteria mentioned below–

- (1) As per the policy of materiality defined by the board of directors of the issuer and disclosed in the offer document;
- (2) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:
 - (a) two percent of turnover, as per the latest annual consolidated financial statements of the issuer, i.e; ₹418.25 Lakhs; or

- (b) two percent of net worth, as per the latest annual consolidated financial statements of the issuer, except in case the arithmetic value of the net worth is negative, i.e. ₹90.81 Lakhs; or
- (c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual consolidated financial statements of the issuer, i.e. ₹ 20.13 Lakhs; and
- (d) presently the Board of directors has determined the materiality for reporting transactions of minimum ₹ 20.00 Lakhs.

OBJECTS OF THE ISSUE

Our Company intends to utilise the Net Proceeds from the Issue towards funding of the following objects:

Sr. No.	Particulars	Estimated amount (up to) (₹ Lakhs)
1.	Repayment and/or prepayment, in full or part, of all or a portion of certain borrowings availed by our Company	1856.40
2.	General Corporate Purpose*	600.00
	Total Net Proceeds**	2456.40

* Subject to the finalisation of the Basis of Allotment and the Allotment, the amount utilised for general corporate purpose shall not exceed 25% of the gross Proceeds

** Assuming full subscription with respect to the Rights Equity Shares and subject to finalisation of the Basis of Allotment.

For further details, please see “Objects of the Issue” Beginning on Page No. 56 of this Draft Letter of Offer.

DETAILS OF THE ISSUE

The Issue has been authorised by way of resolution passed by our Board of directors on October 27, 2025, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been approved by the Right Issue Committee at their meeting held on [●], 2025.

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 “Offering Information” beginning on Page No. 94 of this Draft Letter of Offer.

Rights Equity Shares being offered by our Company	[●] Rights Equity Shares
Rights Entitlement for the Rights Equity Shares	[●] Rights Equity Share for every [●] Equity Shares held on the Record Date
Record Date	[●]
Face Value per Equity Share	₹10/- each
Issue Price	₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share). On Application, Investors will have to pay ₹ [●] per Rights Equity Share, which constitutes 100% of the Issue price including premium.
Issue Size	Upto ₹ 2456.40 Lakhs (Rupees Twenty Four Crores Fifty Six Lakhs and Fourty Thousand Only)
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari-passu</i> in all respects with the Equity Shares of our Company.
Equity Shares issued, subscribed and paid up and outstanding prior to the Issue	81,88,000 Equity Shares of Rs. 10/- issued subscribed and fully paid-up. For details, please see “Capital Structure” on Page No. 53 of this Draft Letter of Offer.
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Equity Shares)	[●] Equity Shares
Security Codes for the Equity Shares	ISIN: INE589D01018 BSE Code: 517514 BSE Symbol: DHINDIA

ISIN for Rights Entitlements	[●]
Terms of the Issue	For details, please see “ <i>Offering Information</i> ” on Page No. 94 of this Draft Letter of Offer.
Use of Issue Proceeds	For details, please see “ <i>Objects of the Issue</i> ” on Page No. 56 of this Draft Letter of Offer.

TERMS OF PAYMENT

Due Date	Face Value (₹)	Premium (₹)	Total amount payable per Rights Equity Share (including premium) (₹)
On Application (i.e., along with the Application Form)	10/-	[●]	[●]

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTER/PROMOTER GROUP

Intention and extent of participation by our Promoter and Promoter Group with respect to (i) their right entitlement; and (ii) their intention to subscribe over and above their Right Entitlement; and (iii) their intention to renounce their right entitlement, to specific investor(s)

Our Promoter and Promoter Group may intended to subscribe their right entitlement in part or in full in the proposed issue, however, they have yet not finalised the extent of their participation and they may renounce part or full of their Rights Entitlement in the Open Market.

Therefore, the minimum subscription criteria (of at least 90% of the Issue) as provided in regulation 86(1) of the SEBI ICDR Regulation is applicable to the Issue. Pursuant to Regulation 86(2) of the SEBI ICDR Regulation in case of non receipt of minimum subscription, all application monies received shall be refunded to the applicants forthwith, but not later than 4 (Four) days from the closure of the Right Issue.

Our Company does not intend to allot the under subscribed portion of the Right Equity Shares in this issue to any specific investor(s). Accordingly, provision of Regulation 84(1)(f) of the SEBI ICDR Regulation are not applicable to us.

Our Company is in compliance with Regulation 38 of the SEBI ICDR Regulation and will continue to comply with the Minimum public shareholding requirement under applicable law, pursuant to this issue.

ALLOTMENT BY THE COMPANY TO ALLOT THE UNDER-SUBSCRIBED PORTION OF THE RIGHTS ISSUE TO ANY SPECIFIC INVESTOR(S)

Our Company do not intend to allot any share to the specific investor(s) in case of under subscription of the Issue.

MINIMUM SUBSCRIPTION

The object of this Issue involves; (i) Repayment and/or prepayment, in full or part, of all or a portion of certain borrowings availed by our Company; and (ii) General Corporate Purpose. Accordingly, the minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations, shall apply to this issue as the renouncement of the Right Entitlement(s) of the Promoter and Promoter Group may be renounced in favour of General Public by way of sale of the Right Entitlement or renouncement of Right Entitlement if any.

In view of above the requirement of the Regulation 86 of the SEBI ICDR Regulations shall apply, therefore, if our Company does not receive minimum subscription of at least 90% 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 in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

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

Event	Indicative Date
Issue Opening Date	[●], 2025
Last Date for On Market Renunciation of Rights	[●], 2025
Issue Closing Date*	[●], 2025

**The Board of Directors or the Rights Issue Committee will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

The above schedule is indicative and does not constitute any obligation on our Company. 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 2 (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, being [●].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Neither our Company nor the Registrar to the Issue will be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Application Forms, see “Offering Information” on Page No. 94.

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 lapse 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 amount 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.

SECTION III: RISK FACTORS

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

To obtain a complete understanding, you should read this section in conjunction with the section “Summary of Draft Letter of Offer” and “Introduction” commencing from Pages No.20 and 49 respectively of this Draft Letter of Offer. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue have independently verified the information in the industry report or other publicly available information cited in this section.

This Draft Letter of Offer also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward Looking Statements” on Page No. 18 of 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 risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Audited Financial Information, prepared in accordance with Ind AS and the Companies Act and in accordance with the SEBI ICDR Regulations.

Materiality:

The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of Risk Factors:

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another. In this Draft Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

I. RISKS RELATING TO ISSUE, EQUITY SHARES AND OBJECTS OF THE ISSUE

1. An investment in the Equity Shares is subject to general risk related to investments in Indian Companies.

Our Company is incorporated in India and all of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

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

The new Equity Shares will be listed on the Stock Exchange, BSE Ltd. Pursuant to the applicable Indian laws and practice, permission for listing of the Equity Shares will not be granted till the Equity Shares in this Offer have been issued and allotted and all relevant documents are submitted to the Stock Exchange. Further, certain actions must be completed prior to the commencement of listing and trading of the Equity Shares such as the Investor's book entry or 'demat' accounts with the depository participants in India, expected to be credited within one (1) Working Day of the date on which the Basis of Allotment is finalized with the Designated Stock Exchange. In addition, the Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with the depository participant could take approximately five Working Days from the Offer Closing Date and trading in Equity Shares upon receipt of listing and trading approval from the Stock Exchanges, trading of Equity Shares is expected to commence within three Working Days from Offer Closing Date. Any failure or delay in obtaining the approval or otherwise commence trading in Equity Shares would restrict your ability to dispose of your Equity Shares. We cannot assure you that the Equity Shares will be credited to investors' demat accounts or that trading in the Equity Shares will commence in a timely manner (as specified herein) or at all. We could also be required to pay interest at the applicable rates if the allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

3. *The Offer price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Offer and the market price of our Equity Shares may decline below the Offer price and you may not be able to sell your Equity Shares at or above the Offer Price.*

The Price of our Equity Shares will be determined before filing of Final Letter of Offer with Registrar of Companies, BSE and SEBI by our Company. The price will be based on numerous factors and may not be indicative of the market price of our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price. Among the factors that could affect our share price include without limitation. The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control;

- quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- failure of securities analysts to cover the Equity Shares after the Offer;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

4. *Any future issuance of Equity Shares by us may dilute your shareholding and sales of the equity shares by our Promoter, Promoter Group or other major shareholders may adversely affect the trading price of the Equity Shares.*

Any future issuance of Equity Shares by us may dilute your shareholding in our Company. In addition, any sales of substantial amounts of Equity Shares in the secondary market after the completion of the Offer, including by our Promoter or other than promoters that such sales could occur, could adversely affect the market price of the Equity Shares and could materially impair future ability of us to raise capital through offerings of the Equity Shares. As such, there can be no assurance that our Company will not issue additional Equity Shares or that our Promoter will not sell, pledge or encumber their Equity Shares. Future issuances of Equity Shares or convertible securities and the sale of the underlying Equity Shares could dilute the holdings of our Shareholders and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the trading price of our Equity Shares or the Offer Price. Sales of Equity Shares by the Promoter could also adversely affect the trading price of our Equity Shares. We cannot predict the effect, if any, that the sale of the Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

5. *There is no guarantee that our Equity Shares will be listed on the BSE Ltd. in a timely manner or at all.*

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer.

In accordance with current regulations and circulars issued by SEBI, our new Equity Shares are required to be listed on BSE Ltd. within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

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

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

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

Under the current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Additionally, a securities transaction tax ("STT") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which equity shares are sold. Any capital gain realized on the sale of listed equity shares on the stock exchanges held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains tax in India. Such long-term capital gains exceeding ₹125,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 12.50% (plus applicable surcharge and cess). This beneficial provision is, *inter alia*, subject to payment of STT. Further, any capital gains realised on the sale of listed equity shares of an Indian company, held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long-term capital gains tax in India at the rate of 12.50% (plus applicable surcharge and cess).

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India at the rate of 20.00% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. Capital gains arising from the sale of the Rights Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Rights Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Rights Equity Shares.

8. *Our Equity Shares are frequently traded in BSE Main Board prior to this Offer. After this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market. The price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.*

Prior to this Offer, there is trading platform for our Equity Shares at BSE Ltd. and the equity shares of our Company is categorised as a frequently traded shares as per SEBI (SAST) Regulations, 2011. The trading price of our Equity Shares after this Offer may be subject to significant fluctuations in response to factors including general economic, political and social factors, developments in India's fiscal regime, variations in our operating results, volatility in Indian and global securities markets, developments in our business as well as our industry and market perception regarding investments in our business, changes in the estimates of our performance or recommendations by financial analysts, and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. The trading price of our Equity Shares may also decline in reaction to events that affect the entire market and/or other companies in our industry even if these events do not directly affect us and/or are unrelated to our business or operating results.

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

9. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares. Accordingly, our ability to raise foreign capital may be constrained.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Furthermore, under applicable foreign exchange regulations in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified under applicable law. If a transfer of shares is not in compliance with such requirements and does not fall under any of the permissible exceptions, then prior approval of the relevant regulatory authority is required. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness.

Additionally, shareholders who seek to convert Rupee proceeds from sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Furthermore, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or, the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. We cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

10. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*

We have not declared and paid dividend in the past since 2016. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board of directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. We may retain all future earnings, if any, for use in the operations of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board in accordance with the dividend distribution policy as may be adopted by our Board from time to time and will depend on factors that our Board deems relevant, including among others, our Company's profitability, capital requirements, financial commitments and requirements, including business plans, applicable legal restrictions and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will

depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

11. *Our Company has appointed monitoring agency to monitor the utilization of the Offer proceeds.*

Our Company has appointed Infomerics Valuation and Rating Limited as the Monitoring Agency for the Issue to monitor the utilization of the Gross Proceeds. The Monitoring Agency shall submit a report to our Board, till 100% of the Gross Proceeds has been utilised, as required under the SEBI ICDR Regulations. Our Company will disclose the utilization of the Gross Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate instances, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Our Company will disclose the utilization of the Gross Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate instances, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI LODR Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. Further, pursuant to Regulation 32(5) of the SEBI LODR Regulations, our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditor(s) of our Company or a peer reviewed independent chartered accountant.

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

12. *Any adverse change in regulations governing our products and the products of our customers, may adversely impact our business, prospects and results of operations.*

Regulatory requirements with respect to our products and the products of our customers are subject to change. An adverse change in the regulations governing the development of our products and their usage by our customers, including the development of licensing requirements and technical standards and specifications or the imposition of onerous requirements, may have an adverse impact on our operations. Our Company may be required to alter our manufacturing process and target markets and incur capital expenditure to achieve compliance with such new regulatory requirements applicable to us and our customers. We cannot assure you that we will be able to comply with the regulatory requirements. If we fail to comply with new statutory or regulatory requirements, there could be a delay in the submission or grant of approval for manufacturing, or we may be required to withdraw existing products from the market. Moreover, if we fail to comply with the various conditions attached to such approvals, licenses, registrations and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to market such products and/or we may be deemed to be in breach of our arrangements with our customers. Consequently, there is an inherent risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products, which may adversely impact our business, results of operations and financial condition.

13. *If we fail to manage our growth effectively, we may be unable to execute our business plan or maintain high levels of service and satisfaction, and our business, results of operations, cash flows and financial condition could be adversely affected.*

We have experienced significant growth in our revenue from operations and profitability in the last two Fiscal Years and anticipate that we will continue to potentially grow, expand into new geographies and take

advantage of market opportunities. Our revenue from operations has grown from ₹15,782.15 lakhs in Fiscal Year 2024 to ₹ 20912.64 lakhs in Fiscal Year 2025. Our PAT has grown from ₹ 272.01 lakhs in Fiscal Year 2024 to ₹ 516.09 lakhs in Fiscal Year 2025. Further during the quarter ended June 30, 2025 our revenue from operations was ₹ 5290.21 Lakhs and our PAT was recorded during the quarter ₹ 134.08 lakhs.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy includes growing our product portfolio, strengthening our brand, deepening our penetration in existing markets and expanding our presence in new territories and by expanding our manufacturing capacities.

Many factors may contribute to a decline in our revenue growth rates, including increased competition, slowing demand for our product from existing and new customers, reduced market acceptance, inability to attract new customers, general economic conditions, government actions and policies, a failure by us to continue capitalizing on growth opportunities, changes in the regulatory framework, availability of an alternate to our product, non-availability of raw materials at competitive pricing, inability to procure raw materials from new sources and the maturation of our business, among others. We cannot assure you that our current and planned systems, policies, procedures and controls, personnel and third-party relationships will be adequate to support our future operations. Our inability to effectively manage any of these issues may adversely affect our business growth and, as a result, impact our business, financial condition, results of operations and prospects.

To manage operations and personnel growth, we will need to continue to grow and improve our operational, financial, and management controls and our reporting systems and procedures. Failure to manage our anticipated growth and organizational changes in a manner that preserves the key aspects of our culture could reduce our ability to recruit and retain personnel, innovate, operate effectively, and execute on our business strategy, potentially adversely affecting our business, results of operations, cash flows and financial condition.

We will need to adapt and upgrade our controls, policies, procedures and overall operations to accommodate our growing operations and supporting personnel. Moreover, the speed with which our internal controls and procedures are implemented or adapted to changing regulatory or commercial requirements may be inadequate to ensure full and immediate compliance, leaving us vulnerable to inconsistencies and failures that may have a material adverse effect on our business, results of operations, cash flows and financial condition.

In addition, there may be delays in the anticipated timing of activities related to such growth initiatives, strategies and operating plans; increased difficulty and cost in implementing these efforts; and the incurrence of other unexpected costs associated with operating the business. Any of these factors could adversely impact our results of operations. If, for any reason, the benefits we realize are less than our estimates or the implementation of these growth initiatives, strategies and operating plans adversely affect our operations or cost more or take longer to effectuate than we expect, or if our assumptions prove inaccurate, our results of operations may be materially adversely affected.

14. *We may be subject to surveillance measures, such as the Additional Surveillance Measures (ASM) and the Graded Surveillance Measures (GSM) by the Stock Exchange which may adversely affect trading price of our Equity Shares.*

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock

Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities.

In the event our Equity Shares are subject to such pre-emptive surveillance measures implemented by the Stock Exchange, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

15. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form.

Our Company has opened a separate demat suspense account (namely, D & H India Limited under the Category of "[●]" ("Demat Suspense Account") and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; or (b) which are held in the account of the Investor Education and Protection Fund ("IEPF") authority; or which of the Eligible Equity Shareholder whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed/ suspense account / demat suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation lying in escrow account; or (c) where credit of the Rights Entitlements have returned/ reversed/failed for any reason; or (d) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any or (e) such other cases where our Company is unable to credit Rights Entitlements for any other reasons.

Our Company shall credit the Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are required to provide relevant details/documents as acceptable to our Company or the Registrar (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense 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. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner and such lapsing of Rights Entitlement may dilute and adverse impact the interest of certain Eligible Equity Shareholders. For details, please see "*Offering Information*" beginning from Page No. 94.

16. *Eligible Equity Shareholders holding Equity Shares in physical form will have no voting rights in respect of Equity Shares until they provide details of their demat account and Equity Shares are transferred to such demat account from the demat suspense account thereafter.*

In accordance with the SEBI ICDR Master Circular, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar no later than two clear Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar no later than two clear Working Days prior to the Issue Closing Date, shall lapse.

Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares). For further information, see “Offering Information” beginning from Page No. 94.

Further, in case bank accounts of the aforesaid Eligible Equity Shareholders cannot be identified due to any reason or bounce back from such bank accounts, our Company may use payment mechanisms such as cheques, demand drafts etc. to remit the proceeds of sale of the Equity Shares to such Eligible Equity Shareholders. If such bank account from which Application Money was received is closed or non- operational, the sale proceeds will be transferred to IEPF in accordance with practice on Equity Shares and as per applicable law.

17. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

Rights Entitlements that are not exercised prior to the end of the Issue 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. 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 Issue. Renounees may not be able to apply in case of failure of 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 Issue with respect to such Rights Entitlements. For details, see “Offering Information – Renunciation and Trading of Rights Entitlement” beginning on Page No. 108.

18. No market for the Rights Entitlements may develop and the price of the Rights Entitlements may be volatile.

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Entitlement will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Entitlements may not track the trading of Equity Shares.

II. RISKS MATERIAL TO THE ISSUER AND ITS BUSINESS

19. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised.

Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised. It is proposed for (i) Repayment and/or prepayment, in full or part, of all or a portion of certain borrowings availed by our Company ₹ 1856.40 Lakhs as may be decided by the management based on the requirement of long term / short term loans, rate of interest, terms and conditions of the loans, etc; and General Corporate Purpose ₹ 600.00 Lakhs. 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. For details, see “*Objects of the Issue*” beginning on Page No. 56.

20. The substantial part of the Issue Process proposed to be utilised by Repayment and/or prepayment, in full or part, of all or a portion of certain borrowings availed by our Company, there shall not be increase in the production capacity or new range of any product by way of expansion or otherwise.

The major portion of the Issue proceed is proposed for Repayment and/or prepayment, in full or part, of all or a portion of certain borrowings availed by our Company i.e. ₹ 1856.40 Lakhs, which will not increase the production capacity or new range of any product. However, at present our Company is utilising loan credit facilities about ₹ 6720.08 Lakhs and part of the repayment / pre-payment of secured loan liabilities shall help in reducing the financial cost about ₹ 150.00 Lakhs per annum and help in improving the profitability of our Company which will ultimately reflect in the overall performance and operations of our Company.

Our Company has and will consider the following factors for identifying the loans that will be repaid out of the Net Proceeds: (i) costs, expenses and charges relating to the facility/borrowing including interest rates involved; (ii) presence of onerous terms and conditions under the facility; (iii) ease of operation of the facility; (iv) levy of any prepayment penalties and the quantum thereof; (v) provisions of any law, rules, regulations governing such borrowings; (vi) terms of pre-payment to lenders, if any; (vii) mix of credit facilities provided by lenders; and (viii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

21. Our revenue is dependent on the domestic market since, it contributes significant portion of our total revenue from operations. Any adverse changes in the conditions affecting domestic market could adversely affect our business, results of operations and financial condition.

While our products have wide geographical reach, our revenue is significantly dependent on sales of products and services within the domestic market i.e. in India. We export our products to markets cross Middle East Regions. In the event of any slowdown in domestic market, or any developments that make our products or services less attractive in domestic market, we may experience more pronounced effects on our business, results of operations, and financial condition than if we had further diversified revenue across different geographical locations. Details for the revenue generated from the domestic market and through export as per standalone financials for the following periods are as follows:

Particulars	Total Revenue from Operations of the Company (₹ in lakhs)	Domestic Sales		Export Sales	
		Domestic Sales (₹ in lakhs)	% of revenue from operations	Export Sales (₹ in lakhs)	% of revenue from operations
For the Quarter ended June 30, 2025 (Limited Reviewed)	5290.21	5187.67	98.06%	102.54	1.94%
Audited Fiscal 2025	20912.64	19984.45	95.56%	928.19	4.44%
Audited Fiscal 2024	15782.15	15690.36	99.42%	91.79	0.58%

Our business, results of operations and financial condition have been and will continue to be largely dependent on the prevailing domestic market conditions and any adverse changes in the conditions affecting domestic market related to our business operation, may adversely affect our business, results of operations and financial condition.

22. We operate three manufacturing facilities and therefore, any localized social unrest, natural disaster, or breakdown of services, in and around our manufacturing facility or any disruption in production at, or shutdown of our manufacturing facility could have a material adverse effect on our business and financial condition.

Our manufacturing facilities are located at (1) Village Sejvaya, Dhar Road, Ghatabillod, District Dhar (M.P.), (2) Plot A, Sector-A, Industrial Area, Sanwer Road, Indore (M.P.) 452015; and (3) Plot No.115-116, Zone-B Industrial Growth Centre, Village- Borai, Post Rasmada, District Durg, Chhattisgarh. Any material adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of

the state government or local governments in this region could adversely affect our manufacturing operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Our business is dependent upon our ability to manage our manufacturing activities, which are subject to various operating risks, including political instability, productivity of our workforce, compliance with regulatory requirements, difficulties with production costs and yields, product quality and those beyond our control, such as the breakdown and failure of equipment or industrial accidents, disruption in electrical power or water resources, severe weather conditions, natural disasters and an outbreak of pandemic such as COVID-19. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. Moreover, some of our products are permitted to be manufactured only if specific approvals are received or are valid, and any failure to obtain such approval or their renewal will unable us to manufacture the said products for the duration until the said approval is obtained or renewed. For instance, the approvals issued by Madhya Pradesh and Chhattisgarh Pollution Control Board in respect of our manufacturing facilities permits us to manufacture welding electrodes, manufacture of various types of flux cored wires, saw wire, Co2 wires, saw fluxes. Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to delays in the entire production cycle and an inability to comply with our customers' requirements and lead to loss of revenue to us and our customers.

Although we have not experienced any strikes or labour unrest in the past 5 years, we cannot assure that we will not experience disruptions in work in the future due to disputes or other problems with our workforce. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations, which in turn could adversely affect our business, results of operations, financial condition and cash flows.

23. *We may face several risks associated with the existing manufacturing facilities, which could hamper our growth, prospects, cash flows and business and financial condition.*

We intend to utilize a portion of the Net Proceeds of the Right Issue for repayment / pre-payment of part or full of loan liabilities, and general corporate purposes. For additional details in respect of the foregoing, please refer to chapter titled "***Objects of the Issue***" beginning on Page No.56 of this Draft Letter of Offer.

Our Board of directors have passed resolution at their meeting held on October 27, 2025 for the Net Proceeds of Right Issue upto ₹ 2456.40 Lakhs which is dependent on our ability to arrange finance through Net Proceeds of Right Issue or otherwise.

Further, changes in business strategy and external factors such as market conditions, government restriction on import from countries sharing land borders with India, competitive environment and interest or exchange rate fluctuations, increase in input costs materials and labour costs, incremental preoperative expenses, taxes and duties, startup costs, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management.

24. *We depend on outside parties for adequate and timely supply of raw materials at commercially acceptable prices. Any disruptions, delay or increase in prices of such material may have a material adverse effect on our business.*

Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable supply of raw materials at acceptable prices. We procure some of our primary raw materials, such as Steel Wires rods, Co2 wire rods, MS Strips, SS strip, SS wire, nickel wire, ferro alloy powder and other raw materials required in manufacturing process on a purchase order basis and have not entered into long term contracts for the supply of such raw materials. Our raw materials consumed for the quarter ended 30th June, 2025 was ₹ 4100.39 Lakhs and for FY 2025 and FY 2024 was ₹ 15009.66 Lakhs, and ₹ 11750.96 Lakhs respectively which, constituted 77.50%, 71.77%, and 74.46 % respectively of our revenue from operations for such periods. While we are not dependent on any single raw material supplier, raw material supply and pricing can be volatile due to a number of factors beyond our control, including global demand and supply, transportation and labour costs, labour unrest, natural disasters, competition, import duties, tariffs and currency exchange rates, and any unanticipated variation in any of these factors could have a material adverse effect on our operations. As a result, the success of our business is significantly dependent on maintaining good relationships with our raw material suppliers. While we have not faced any disruption in supply of raw material from our suppliers in past, we cannot assure you that we will continue to enjoy undisrupted relationships with our suppliers in the future. If we are unable to obtain adequate supplies

of raw material in a timely manner or on commercially acceptable terms, or if there are significant increases in the prices of the raw materials, our business and results of operations may be materially and adversely affected.

Any increase in prices of raw materials could have an impact on our working capital as we would require additional funds to procure the necessary raw materials at higher prices. As a result, we may be required to allocate a larger portion of our working capital towards purchasing raw materials to maintain our production levels. This increased allocation towards purchase can potentially strain our working capital availability.

25. *Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows.*

We sell at our standard credit terms with payments ranging generally between 30 to 90 days to our domestic customers depending on the relationship, market reputation, risk associated with such customer. Further in case of export we offer credit period between 30 to 120 days depending on the country where our customer is located. We generally monitor the ability of our customers to pay these credit arrangements and limit the credit, we extend to what is reasonable based on an evaluation of each customer's financial condition and payment history, we may still experience losses because of a customer being unable to pay. As a result, while we maintain a reasonable allowance for doubtful receivables for potential credit losses based upon our historical trends and other available information, there is a risk that our estimates may not be accurate. Any increase in our receivable turnover days may negatively affect our business. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, results of operations and financial condition.

Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers, and as a result could cause customers to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements, or default on their payment obligations to us. An increase in bad debts or in defaults by our customer, may compel us to utilize greater amounts of our operating working capital and result in increased interest costs, thereby adversely affecting our results of operations and cash flows.

26. *Commercialization and market development of new products may take longer time than expected and/or may involve unforeseen business risks. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.*

We manufacture welding consumables such as, welding electrodes, flux cored wire, MIG/TIG wires, which finds its application in the welding of tanks, boilers, heavy structures, beams, pipes, cylinders, pressure vessels, etc. which are used in industries like railways, roadways, airport infrastructure, refineries, shipyards, mines, sugar industries, telecom industries, thermal power stations, PEB sectors, etc.

We believe that we share a good client relationship with our customers, and we receive the majority of our business from repetitive clients. The key factor in our business is the client/consultant certification given the critical application in which our products are used. Further, based on client requirements, the inspection and testing of the quality of our products are also outsourced to inspection agencies that are NABL-accredited laboratories.

We firmly believe that our industry is dependent on innovation and development and hence, as our business strategy we focus on research and development. Our future results of operations depend, to a significant degree, on our ability to successfully develop new products and continue our product portfolio expansion in a timely and cost-effective manner. Further, as part of our business strategies, we intend to further diversify our product portfolio by entering new product value chains. In addition, we intend to expand our capacities in existing products as well as expanding and strengthening our research capabilities in order to ensure rapid product innovation. Innovation continues to be the key determinant for our success. The development and commercialisation of new products are complex, time-consuming, costly and involves a high degree of business risk. We may be unable to successfully create these new products or encounter unexpected delays in the launch of these products and even if launched as planned, such products may not perform as we expect or address changing consumer trends or emerging industry standards.

Any rapid change in the expectations of our dealers and end customers in our business on account of changes in technology or introduction of new alternate products could adversely affect our business, results of

operations and financial condition. Further, there can be no assurance that our newly developed products will achieve commercial success. Even if such products can be successfully commercialized, there is no guarantee that they will be accepted widely by the market. In addition, we cannot assure you that our existing or potential competitors will not develop products which are similar or superior to our products. It is often difficult to project the time frame for developing new products and the duration of market demand for these products, there is a substantial risk that we may have to abandon a potential product that is no longer commercially viable, even after we have invested significant resources in the research and development of such product. Venturing into a new product line may require methods of operations and marketing and financial strategies, different from those currently employed in our Company. We cannot assure you that we will be able to successfully develop our new product lines. Further, we will be subject to the risks generally associated with new product introductions and applications, including unproven know-how, unreliable technology, inexperienced staff, and delays in product development and possible defects in products.

27. *Under-utilization of our manufacturing capacities and an inability to effectively utilize our manufacturing capacities could have an adverse effect on our business, prospects and future financial performance.*

The success of any capacity and expected return on investment on capital expenditure is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb costs and develop new expertise. Our ability to maintain our profitability depends on our ability to optimize the product mix to support high-margin products and products with consistent long-term demand and the demand and supply balance of our products in the principal and target markets. In particular, the level of our capacity utilization can impact our operating results. Capacity utilization is also affected by our product mix and the demand and supply balance.

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at our manufacturing facilities, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by, our distributors. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing facilities, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition.

28. *Our Promoter and a member of the Promoter Group has extended personal guarantee in connection with some of debt facilities to our Company. There can be no assurance that such personal guarantee will be continued to be provided by our Promoters in future or can be called at any time, affecting the financial arrangements.*

Our Promoters, Mr. Harsh Vora and one of the member of Promoter Group Mr. Saurabh Vora have provided their personal guarantee to secure our existing borrowings which are continuing and are in force as on the date of this Draft Letter of Offer. As on September 30, 2025, the following are the personal guarantees extended by our Promoter and a member of the Promoter Group as a security for borrowings availed by our Company:

S. No.	Lender	Name of the borrower	Nature of facility sanctioned	Sanctioned Credit Limits (₹ in lakhs)	Outstanding balance as on 30.09.2025 (₹ in lakhs)
1	HDFC Bank Ltd.	Our Company	WCL/Term Loan	8819.66	4443.49
2	SIDBI	Our Company	Term Loan	1550.00	1249.26
3	Yes Bank Ltd.	Our Company	WCL/Channel Finance	1500.00	1027.33

Further, our Company has also mortgaged its immovable properties including its factory land and building of Unit 2 and Unit 3 to secure our credit facilities. As on September 30, 2025 the total short term borrowing was ₹ 3796.45 Lakhs. Further, if we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. If the lenders choose to enforce security and dispose our assets to recover the amounts due from us, our business, results of operations and financial condition may be adversely affected.

In the event any of default under any of the aforesaid facilities, there is a risk that the relevant lender for such facilities may invoke our Promoters' and Promoter Group guarantee(s) or require additional guarantees or collateral or may enforce its rights against our Promoters and/or Promoter Group in case of default. If we are

unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. In addition, our Promoters /Promoter Group may be required to liquidate their respective shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Accordingly, our business, the financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters /Promoter Group in connection with our Company's borrowings.

29. *We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights.*

The  logo of 'D & H India Limited' registered under classes 7 under the Trademarks Act, 1999 has been registered in the name of our Company and the same is reflected on the trademarks site. Any failure to renew registration of our registered trademark may affect our right to use such trademark in future. Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered trade name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

30. *Our operations are labour intensive, and our manufacturing operations may be subject to unionization, work stoppages or increased labour costs, which could adversely affect our business and results of operations.*

Our manufacturing activities are labour intensive and expose us to the risk of various labour related issues. Whilst we have not faced any strike by our workforce, we cannot assure you that we will not be subject to work stoppages, strikes, lockouts or other types of conflicts with our employees or contract workers in the future. The success of our operations depends on availability of labour and maintaining a good relationship with our workforce. As of March, 31, 2025, we have employed of 115 permanent employees.

We do not have any trade union registered under the Trade Unions Act, 1926. In the past three years, we have not experienced any labour dispute. The brief summary of the ongoing disputes are given the chapter titled "*Summary of Draft Letter of Offer – Summary of Outstanding Litigations*" beginning at Page No.20 of this Draft Letter of Offer. We do not have any formal policy for redressal of labour disputes. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. There can be no assurance that we will not experience labour unrest in the future, which may delay or disrupt our operations. In the event of any prolonged delay or disruption of our business, results of operations and financial condition could be materially and adversely affected.

Our country has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits.

31. *Our operations are subject to environmental and health and safety laws and other government regulations which could result in increased liabilities and increased capital expenditures.*

We are subject to environmental, health and safety and other regulatory and/ or statutory requirements in the jurisdictions in which we operate. Our manufacturing processes and products are subject to stringent quality, environmental and occupational health and safety standards. We are subject to various national, state, municipal and local laws and regulations concerning environmental protection in India. In India, these include the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, Payment of Wages Act, 1936, etc. A failure by us or our contractors to comply with the relevant labour regulations, could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products. We may be involved in future litigation or other proceedings or be held liable in any litigation or proceedings including in relation to labour, safety, health and environmental matters, the costs of which may be significant. Environmental laws and regulations in India

are becoming more stringent and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment and emissions management.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. A risk of environmental liability is inherent in our manufacturing activities, and we are subject to numerous environmental laws and regulations in the countries in which we operate. We have availed public liability industrial risks insurance policy, we cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations, financial condition, or cash flows. In addition, we could incur substantial costs, our products could be restricted from entering certain markets and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations.

Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict.

32. Restrictions on import of raw materials and plant and machineries may impact our business and results of operations.

We currently import some portion of our raw materials from China. The raw material imports are regulated by certain specific laws and regulations that permit concerned authorities to stop any import if it is deemed that the goods proposed to be imported may be hazardous. While the raw materials we import may not be hazardous in nature, we cannot assure you that such regulations will not be made applicable to us or that such regulations will not evolve into more stringent regulations, which would place onerous requirements on us and consequently restrict our ability to import raw materials. While we have not in the recent past experienced any challenges in importing such materials, we cannot assure you that we will not experience any such challenges in the future. However, the import of raw material was no significant as in the Fiscal 2025 and Fiscal 2024 our purchase of imported raw materials on CIF basis amounts to ₹ 169.69 Lakhs, and ₹ 1.37 Lakhs. However, some of the machineries and plant may be imported from China. If the available supply of such machineries and parts is insufficient to meet the needs of our business or if there is an interruption in supply from our international suppliers, including due to any unanticipated outage, shutdown and/or suspension of production at their facilities, change in political relationship or implementation of laws and policies impacting our relationship with our international suppliers, our ability to manufacture and sell our products could be limited due to such sudden shortage of machineries and parts may have an adverse effect on our new project and business and results of operations. We are unable to assure you that such regulations would not be made more stringent which would consequently restrict our ability to import raw materials from other jurisdictions. Any restriction on import of raw materials could have an adverse effect on our ability to deliver products to our customers, business and results of operations.

33. Any defect in our products may result in our orders being cancelled and we could become liable to customers, suffer adverse publicity and incur substantial costs which in turn could affect us adversely.

Any defect in our products could result in cancellation of our orders for manufacturing and selling the products. In case our products are found to be defective, the same could result in a claim against us for damages. Although, we attempt to maintain quality standards, and although there have not been any instances of cancellation of our orders due to defects, we cannot assure that all our products would be of uniform quality. "In the event the products sold by us are defective or substandard for any reason, including due to human errors at any stage of manufacturing, our customers may pursue claims or actions against us within the warranty period, which could materially and adversely affect our business, financial conditions and results of operations. However, there has not been any such major instance of customer claims or actions against company in past three financial years having material impact either on operation or financials of our Company.

34. We operate in a competitive and fragmented industry with low barriers to entry and may be unable to compete with a range of unorganized sector.

In the dynamic landscape of the engineering business, one of the formidable challenges arises from competition in the unorganized sector. We operate in the Welding Consumables business consisting of Welding Electrodes, MIG and TIG Wires, Flux Cored Wires, SAW Wires and Fluxes which is competitive and fragmented and we compete with a range of unorganized players, at the national and regional level. Further, while we have an expanding portfolio of products, our competitors may have the advantage of focusing on concentrated products. Further, we compete against established players also, which may have greater access to financial, technical and marketing resources and expertise available to them than us in the products and services in which we compete against them.

Further, industry consolidation may affect competition by creating larger, more homogeneous and potentially stronger competitors in the markets in which we compete. Our competitors may further affect our business by entering into exclusive arrangements with our existing or potential clients. There can be no assurance that we will be able to compete successfully against such competitors or that we will not lose our key core employees, associates or clients to such competitors. Additionally, our ability to compete also depends in part on factors outside our control, such as the availability of skilled resources, pricing pressures in the staffing industry and the extent of our competitors' responsiveness to their client's needs. Our continued success depends on our ability to compete effectively against our existing and future competitors. While our products are subject to quality check by our customers and empanelment as their vendor, which results in some entry barriers, the potential entry of new competitors, given the relatively low entry barriers in the industry where we operate, our ability to retain our existing clients and to attract new clients is critical to our continued success. As a result, there can be no assurance that we will not encounter increased competition in the future nor can there be any assurance that we will, in light of competitive pressures, be able to effectively compete with our competition in the various product and service segments we operate in, whether on the basis of pricing, quality or range of services or otherwise, which could have material adverse effect on our business, results of operations and financial condition.

35. *Our overall margins may fluctuate as a result of the product manufactured by us.*

Our overall margins may fluctuate depending on the product manufactured. For example, the gross margin of any given product could depend on the total volume manufactured, complexity of manufacturing processes, technology deployed, and other factors. As a result, a change in product mix may decrease the gross margins and operating margins of our Company, which could have a material adverse effect on our business, financial condition and results of operations. Our ability to maintain our profitability depends on our ability to optimize the product mix to support high-margin products and products with consistent long-term demand and the demand and supply balance of our products in the principal and target markets.

Furthermore, our different lines of products present different levels of profitability and opportunity for growth. If we fail to increase or maintain the proportion of certain products that are profitable in our portfolio this may lead to a reduction in our profitability. If we are not able to attract a sufficient market share of products in growing sectors, we may also not be able to continue to grow our business which may lead to a loss of our market position.

36. *Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, results of operations, financial condition and cash flows.*

Our operations are subject to various risks inherent in the manufacturing industry including defects, malfunctions and failures of manufacturing equipment, fire, riots, strikes, explosions, loss-in-transit for our products, accidents and natural disasters. The occurrence of any one of these events may result on our Company being named as a defendant in lawsuits asserting claims for substantial damages, including for cleanup costs, personal injury and property damage and fines and/ or penalties. We generally perform scheduled and unscheduled maintenance and operating and other asset management services. The manufacturing of products involves handling of certain risky materials which, if not handled properly, can be dangerous. Our insurance may not be adequate to completely cover any or all of our risks and liabilities. There have been no instances in the last three years.

37. *We are exposed to foreign currency exchange rate fluctuations, which may adversely affect our results of operations and cause our quarterly results to fluctuate significantly.*

Our financial statements are prepared in Indian Rupees. However, our sales from exports and a portion of our raw materials expenditures are denominated in foreign currencies. Accordingly, we have currency exposures

relating to buying and selling in currencies other than in Indian Rupees. Our revenues from exports, cost of imported raw materials and foreign exchange gain /(loss) for the relevant periods was as below;

Particulars	Quarter ended June 30, 2025 (Limited Reviewed)		Fiscal 2025 (Audited)		Fiscal 2024 (Audited)	
	Amount (₹ In lakhs)	% of Revenue from operations	Amount (₹ In lakhs)	% of Revenue from operations	Amount (₹ In lakhs)	% of revenue from operations
Revenue from exports	102.50	1.94%	928.19	4.44%	91.79	0.58%
Cost of imported raw material, capital and traded goods	2.07	0.04%	787.90	3.76%	1050.25	6.65%
Other Expenditure in Foreign Currency	0	0.00%	12.92	0.06%	10.07	0.06%
Net Foreign Exchange	100.43	1.90%	127.37	0.61%	(968.53)	(6.14%)

Therefore, changes in the relevant exchange rates could also affect sales, operating results and assets and liabilities reported in Indian Rupees as part of our financial statements. We face foreign exchange rate risk as certain portion of our revenues are denominated in a currency other than the Indian Rupee. Because of our foreign currency exposure, exchange rate fluctuations between the Indian Rupee and foreign currencies, can have a material impact on our results of operations, cash flows and financial condition. These gains/losses were related to instances where the market exchange rate at the time of transaction was in our favour or against us as compared to the rates we had applied when the transactions were accounted. Our Company currently does not engage in any kind of hedging contracts for exchange rate fluctuations, we may enter into the same in future which may or may not adequately cover the potential loss that may arise as a result of such foreign exchange transactions. Moreover, the hedges may not cover all such exposures and are in any event subject to their own risks, including counterparty credit risk. Adverse moves in exchange rates may adversely impact our profitability and financial condition. We cannot guarantee that we will not experience losses, on account of fluctuations in currencies going forward, and such losses may have an adverse effect on our business, results of operations and financial condition.

We face foreign exchange rate risk as certain portion of our revenues are denominated in a currency other than the Indian Rupee. Because of our foreign currency exposure, exchange rate fluctuations between the Indian Rupee and foreign currencies, can have a material impact on our results of operations, cash flows and financial condition.

38. We have incurred borrowings from commercial banks and any non-compliance with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.

We have entered into agreements with banks and financial institutions for short-term and long-term borrowings. The table below sets out the details of borrowings incurred by our Company for the period mentioned below:

Particular	(₹ In lakhs)		
	Quarter Ended June 30, 2025 (Limited Reviewed)	Fiscal 2025 31.03.2025 (Audited)	Fiscal 2024 31.03.2024 (Audited)
Long Term Borrowing	1828.71	1780.23	1187.02
Short Term Borrowings	3894.13	3438.43	2529.51

Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to manage our business operations and generate sufficient cash flows to service such debt. Certain agreements that we have entered into contain restrictive covenants, including requirements that we obtain consent from the lenders prior to undertaking certain matters such as availing any changes in capital structure, formulate any scheme of amalgamation or reconstruction, fresh credit facility, giving fresh loans and advances, opening/maintaining new bank accounts issuing corporate guarantee etc. Any failure to service such indebtedness or otherwise perform any obligations under such financing agreements may lead to a termination of one or more of our credit facilities or incur penalties and acceleration of payments under such credit facilities, which may adversely affect our business and financial condition. Further, any fluctuations in the interest rates may

directly impact the interest costs of such loans and could adversely affect our financial condition. While there has been no instance of breach of any covenants of financing agreements in past three financial years, there can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the necessary consent to take the actions that we are required to operate and grow our business. Any fluctuations in the interest rates may directly impact the interest costs of such loans, and affect our business, financial condition, results of operations and prospects. Our ability to make repayments and refinance our indebtedness will depend on our continued ability to generate cash from our future operations. We may not be able to generate enough cash flow from operations or obtain enough capital to service our debt.

39. *The success of our business depends substantially on a number of key management personnel, management team, and on our operational workforce. Our inability to retain them or to recruit highly skilled technical personnel that are necessary for our business could adversely affect our business.*

Our success substantially depends on the continued service and performance of the members of our management team and other key personnel in our business for the management and running of our daily operations and the planning and execution of our business strategy. Our Key Managerial Personnel are experienced in managing our business and are difficult to replace. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. For details of our senior management team and other key personnel, please refer to chapter titled “*Management (Board of Directors and Senior Management) and Organisational Structure*” beginning on Page No. 72 of this Draft Letter of Offer. We cannot assure that we shall continue to retain any or all of the key members of our management. The loss of one or more members of our senior management team could severely impact our ability to execute our growth strategy and grow our revenues.

While we believe that our future success depends largely on our continued ability to hire, assimilate, retain and leverage the skills of qualified and skilled personnel, we may not be as successful as our competitors at recruiting, assimilating, retaining and utilizing the skills of such personnel which may adversely affect our ability to realise our growth strategy. Further, our ability to sustain our growth depends significantly upon training these employees effectively. If we are unable to recruit and retain personnel with the requisite experience, our growth and competitive position may be adversely affected.

40. *If we do not continue to invest in new technologies and equipment, our technologies and equipment may become obsolete and our cost of processing may increase relative to our competitors, which may have an adverse impact on our business, results of operations and financial condition.*

We have over time, improved our technology by improvising on various aspects of the manufacturing methods including material handling, quality enhancement, inventory management, reducing wastage and loss and implementing efficient software to improve operational efficiency. We believe that going forward, our profitability and competitiveness will depend in large part on our ability to maintain low cost of operations, including our ability to process and supply sufficient quantities of our products as per the agreed specifications. While we believe that we have achieved technological advancements, if we are unable to respond or adapt to changing trends and standards in technologies and equipment, or otherwise adapt our technologies and equipment to changes in market conditions or requirements, in a timely manner and at a reasonable cost, we may not be able to compete effectively and our business, financial condition and results of operations may be adversely affected.

41. *We require certain approvals, licenses, registration and permits for our business, and the failure to obtain or renew them in a timely manner may adversely affect our operations.*

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. If we are unable to renew any of the approvals, licenses, registrations and permits in a timely manner, it will damage our business prospects.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory

requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, please refer to chapter titled "*Government approvals or licencing arrangements*" beginning on Page No. 87 of this Draft Letter of Offer.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

42. *In the Scheme of Amalgamation prior to the date of filing the Draft Letter of Offer the Company had proposed for issuance of Equity Shares to the shareholders of the Transferor Company.*

In the twelve months prior to the date of filing of this Draft Letter of Offer the Board of directors of the Company had approved the Scheme of Amalgamation on dated December 23, 2024 with M/s V & H Infra Private Limited (*the Transferor Company*) and our Company proposes to allot 60,30,000 Equity Shares of Rs. 10/- each at a premium of Rs. 151.97 to the members of the Transferor Company which is subject to the approval of members, creditors etc. and the Hon'ble National Company law Tribunal. Necessary observation letter has been received from BSE Ltd. vide Letter No. DCS/AMAL/NB/R37/3705/2025-26 dated July 17, 2025 and our Company is in process for taking necessary steps to file the application for approval of the Scheme before the Hon'ble National Company Law Tribunal, at Mumbai Bench. The appointed date of the Scheme is 1st April, 2024.

43. *Our Subsidiary Company is not generating any revenue and do not contribute in the total income of our Company.*

Our wholly owned subsidiary, i.e. V & H Fabricators Private Limited is not having any business activities and not contributing to the earnings and cash flows. If the subsidiary company start business activities our Company's consolidated earnings and cash flows would be affected to that extent. We cannot assure you that the subsidiary will generate sufficient earnings and cash flows to pay dividends to our Company or otherwise distribute sufficient funds to enable our Company to meet its obligations.

44. *Our Company has in the past entered certain related party transactions and may continue to do so in future. Any related party transactions that are not on an arm's length basis or that may lead to conflicts of interest may adversely affect our business, results of operation, cash flows and financial condition.*

Our Company has entered into some transactions with related parties in the ordinary course of business. These transactions principally include remuneration to key managerial personnel and trade and other receivable. While all such related party transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Further, it is likely that we may continue to enter related party transactions in the future. There can be no assurance that such transactions in future, individually or in the aggregate, will always be in the best interests of our minority shareholders and it will not have an adverse effect on our business, results of operations, cash flows and financial condition.

III. EXTERNAL RISK FACTORS

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in India as well as other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

In addition to the above, our Company is incorporated in India and its entire assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

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

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our business;
- prevailing income conditions among Indian consumers and Indian corporations;
- epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries, such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID- 19 pandemic;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters (such as typhoons, flooding, earthquakes and fires) which may cause us to suspend our operations;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its consumption sector;
- international business practices that may conflict with other customs or legal requirements
- to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown due to these factors could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

46. Any changes in the regulatory framework could adversely affect our operations and growth prospects.

Our Company is subject to various regulations and policies. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations.

The governmental and regulatory bodies may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, results of operations and financial condition.

The Government of India has notified four labour codes which are yet to completely come into force as on the date of this Draft Letter of Offer, namely, (i) The Code on Wages, 2019, (ii) The Industrial Relations Code, 2020, (iii) The Code on Social Security, 2020 and (iv) The Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers and labour relations.

There can be no assurance that the Government of India will not implement new regulations and policies requiring us to obtain approvals and licenses from the Government of India or other regulatory bodies or impose onerous requirements and conditions on our operations. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management

time and other resources, and any failure to comply may adversely affect our business, results of operations and financial condition.

47. *If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.*

The Government of India may implement new laws or other regulations that could affect the industry, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. To the extent that we are entitled to certain tax benefits in India which are available for a limited period of time, our profitability will be affected if such benefits will no longer be available, or are reduced or withdrawn prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the conditions required to be complied with in order to avail ourselves of each of these benefits. Please refer to chapter titled “*Statement of Special Tax Benefits*” beginning on Page No. 63 of this Draft Letter of Offer. In the event that any adverse development in the law or the manner of its implementation affects our ability to benefit from these tax incentives, our business, results of operations, financial condition and prospects may be adversely affected.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

Furthermore, economic developments globally can have a significant impact on India. Concerns related to a trade and tariff war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

49. *If inflation rises in India, increased costs may result in a decline in profits.*

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation relative to developed countries in the recent past. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. 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 adequately pass on to our consumers, whether entirely or in part, and may adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. Furthermore, 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.

50. *Changes or uncertainty in international trade policies or tariffs could disrupt our export sales outside India or negatively impact our financial results.*

Our export sales outside India expose us to number of risks related to trade protection laws, tariffs, excise or other border taxes on products exported to certain countries. Changes or uncertainty in international trade policies or tariffs could impact our global operations, as well as our customers. We may be required to incur additional costs to manufacture and distribute certain of our products. This could adversely impact our business and results of operations.

SECTION IV: CONFIRMATIONS

A. COMPLIANCE WITH THE SEBI LODR REGULATIONS, 2015

Our Company is compliant with the requirements of Equity Listing Agreement and Securities and Exchanges Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. We further confirm that no penalty or fine imposed on our Company since past three years.

B. REDRESSAL OF INVESTOR COMPLAINTS

Our Company has redressed all the complaints received from the investors until the end of the quarter on September 30, 2025 immediately preceding the month of the date of filing this Draft Letter of Offer.

C. IMPACT OF SEBI PROCEEDINGS

Our Company, its Promoters or Managing Director or Whole-time Directors have neither received any show cause notices from SEBI nor its Adjudicating Officers for imposition of any penalty. Further, there are no prosecution proceedings which have been initiated by SEBI against the Company, its Promoter and Whole-time Directors.

In view of the same, there is no potential adverse impact on Our Company.

**D. SUSPENSION OF TRADING IN EQUITY SHARES OF THE COMPANY ON ACCOUNT OF
DISCIPLINARY REASONS**

The trading in equity shares of our Company have not been suspended on account of any disciplinary measure during last three years immediately preceding the date of filing of this Draft Letter of Offer.

SECTION V: INTRODUCTION

A. GENERAL INFORMATION

**1. Registered Office and Corporate Office/Administrative Office of our Company
D & H India Limited**

Corporate Identity Number: L28900MH1985PLC035822

Registered Office:

A-204, 2nd Floor, Kailash Esplanade Opp Shreyas Cinema, L.B.S. Marg,
Ghatkopar (West), Mumbai, Maharashtra, India, 400086,
email: ho@dnhindia.com, Tel: 022-49711885

Corporate/Administrative of our Company:

Sanwer Road, Industrial Area, Sector, 'A', Plot 'A',
Indore, Madhya Pradesh, India, 452015
Tel: 0731-2973501; email: ho@dnhindia.com

2. Registrar of Companies having jurisdiction

Our Company is registered with the Registrar of Companies, Mumbai situated at the following address;
Registrar of Companies
100, Everest, Marine Drive,
Mumbai 400002, Maharashtra, India

3. Company Secretary and Compliance Officer of our Company

CS Rajesh Sen [FCS7689] a member of the Institute of Company Secretaries of India is Company Secretary and Compliance Officer of our Company. His details are as follows:

D & H India Limited

Sanwer Road, Industrial Area, Sector, 'A', Plot 'A',
Indore, Madhya Pradesh, India, 452015
E-mail: rsen@dnhindia.com, investorgrievance@dnhindia.com
Cell.: 9926011754

4. Chief Financial Officer

Mr. Rajesh Songirkar is the Chief Financial Officer of our Company. His details are as follows;

D & H India Limited

Sanwer Road, Industrial Area,
Sector, 'A', Plot 'A',
Indore, Madhya Pradesh, India, 452015
Email.: rajesh@dnhindia.com
Cell: 9009000918

5. Statutory and Peer Review Auditor of our Company

M/s ABN & Co., Chartered Accountants

(FRN.004447C) Peer Review Certificate No.016475
Address: 223, Milinda Manor, 2nd Floor, Opposite Central Mall
2, RNT Marg, Tukoganj, Indore (M.P.) 452001
Email: bmbhandari11@gmail.com
Telephone: 0731-4108626, Cell 9893122013
Contact Person: CA B.M. Bhandari

6. Other Intermediaries

1. Bankers to the Issue

Yes Bank Limited

Address: 1st Floor, Plot No. 444, Udhog Vihar Phase 5,
Gurugram, Haryana, India 122008
Email: dlbtiservices@yesbank.in
Website: www.yesbank.in
Contact Person: Sachin Shinde/ Jagdish More
CIN: L65190MH2003PLC143249

2. Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of Yes Banks collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

3. Registrar to the Company/ Registrar to the Issue

ANKIT CONSULTANCY PRIVATE LIMITED

SEBI Reg. No. INR000000767

CIN: U74140MP1985PTC003074

Contact Person: CS Saurabh Maheshwari

Address:- Plot No. 60, Electronic Complex Pardeshipura,
Indore, Madhya Pradesh, 452010

Tel: +91 0731 2551745

E-mail: investor@ankitonline.com, compliance@ankitonline.com,

Investor Grievance ID: compliance@ankitonline.com

Website: www.ankitonline.com

4. Depositories

National Securities Depository Limited.

Address: 3rd Floor, Naman Chamber, Plot C-32, G-Block,
Bandra Kurla Complex, Bandra East,
Mumbai, Maharashtra - 400 051.

Tel: 022-6848 8400 / 022-6848 8515

Email: equityca@nsdl.com

Website: www.nsdl.co.in

SEBI Registration No: IN-DP-NSDL-89-99

Central Depository Services (India) Limited.

Address: Marathon Futurex, A-Wing, 25th floor,
NM Joshi Marg, Lower Parel, Mumbai 400013

Tel: 1800-21-09911

Email: complaints@cdslindia.com

Website: www.cdslindia.com

SEBI Registration No: IN-SD-CDSL-02-98.

5. Collecting Depository Participants (CDP)

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than UPI Bidders) at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?>, as updated from time to time.

Please note that if the 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 2 (two) clear 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 1 (one) day before the Issue Closing Date, i.e., [●]. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar at www.ankitonline.com. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

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. Further, it is also encouraged that the applications are submitted well in advance before Issue Closing Date. For details on submitting Application Forms, see “Offering Information” beginning on Page No. 94.

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.ankitonline.com after keying in their respective details along with other security control measures implemented thereat. For further details, see “Offering Information- Credit of Rights Entitlements in Demat Accounts of Eligible Equity Shareholders” on beginning Page No. 107.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before the Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and the 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 Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

6. Credit Rating

As this is a Rights Issue of Equity Shares, the details of Credit Rating are not applicable.

7. Debenture Trustees

As this is a Rights Issue of Equity Shares, the appointment of Debenture trustees is not required.

8. Monitoring Agency

Infomerics Valuation And Rating Limited

(Formerly known as Infomerics Valuation And Rating Private Limited)

CIN: U32202DL1986PLC024575

SEBI Reg. No. IN/CRA/007/2025

Address: Corporate Office at

Office No. 1102-1104, B Wing, Kanakia Wall Street,

Off Andheri Kurla Road,

Andheri (East) 400093 Mumbai India

Email.: mandates@infomerics.com

Our Company has appointed Infomerics Valuation And Rating Limited as the Monitoring Agency to monitor utilization of proceeds from the Issue, including the proceeds proposed to be utilized towards general corporate purposes in accordance with Regulation 82 of the SEBI ICDR Regulations. Our Company undertakes to place the Gross Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Board of directors without any delay, till 100% of the Gross Proceeds have been utilized. Our Company will disclose and continue to disclose the utilization of the Gross Proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required

under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds.

9. Underwriter

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

10. Advisors to the Issue/ Legal Counsel

Our Company has not appointed any advisor or legal counsel to the issue and has not entered into any such agreement.

11. Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

12. Book Building Process

As the Issue is a rights issue, the Issue shall not be made through the book building process.

13. Expert Opinion:

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

Our Company has received written consent dated October 27, 2025 from the Statutory Auditor to include their names as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, 2018 in the Draft Letter of Offer as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and its capacity as an Independent Statutory Auditor and in respect of its (1) auditors Report dated October 27, 2025 for the Quarter Ended June 30, 2025; (2) Statement of Special Tax Benefits dated October 27, 2025 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

14. Investor Grievances

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre Issue or post-Issue related matters such as non-receipt of Letters of Allotment/ Share Certificates/ Demat Credit/ Refund Offers, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB 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 Rights Equity Shares applied for, amount blocked, 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. For details on the ASBA process, see “*Offering Information*” beginning on Page No. 96.

15. Filing of Draft Letter of Offer and Letter of Offer

This Draft Letter of Offer dated October 27, 2025 has been filed with stock exchange for their approval. Once the in-principle approval from stock exchange are received, the Letter of Offer shall be filed with the stock exchange and with the Board for information and dissemination at its head office situated at:

Email: cfddil@sebi.gov.in

SEBI Head Office

Corporate Finance Department

SEBI Bhavan

Plot No. C4-A, “G” Block

Bandra Kurla Complex, Bandra (East)

Mumbai 400 051

B. CAPITAL STRUCTURE

The equity share capital of our Company as at the date of this Draft Letter of Offer, and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue, are set forth below.

(In ₹ except share data)

	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price ⁽¹⁾
A	AUTHORISED SHARE CAPITAL		
	2,40,00,000 Equity Shares of face value ₹ 10 each	24,00,00,000	NA
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	81,88,000 Equity Shares of face value ₹ 10 each	8,18,80,000	NA
C	PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER		
	Up to [●] Rights Equity Shares ⁽²⁾ of ₹ [●] each	Up to [●]	Up to [●]
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE⁽²⁾⁽³⁾⁽⁴⁾		
	Upto [●] Equity Shares of ₹ 10 each	[●]	NA
E	SECURITIES PREMIUM ACCOUNT	(in ₹ lakhs)	
	Before the Issue		467.01
	After the Issue ⁽³⁾⁽⁴⁾		[●]

⁽¹⁾ To be updated upon finalization of the Issue Price.

⁽²⁾ The Issue has been authorised by our Board pursuant to a resolution dated October 27, 2025. The terms of the Issue including the Record Date and Rights Entitlement ratio, have been approved by the Board pursuant to a resolution dated [●], 2025.

⁽³⁾ On application, investors will have to pay [●] per right equity shares which constitute 100% of the issue price.

⁽⁴⁾ Assuming full subscription in the Issue. Subject to finalisation of Basis of Allotment.

Notes to the Capital Structure

1. Shareholding pattern and holding of shares by the Promoter and Promoter Group as on September 30, 2025

Shareholding pattern of our Company as per the last filing with the Stock Exchange in compliance with provisions of the SEBI LODR Regulations

- The shareholding pattern of our Company as on September 30, 2025, can be accessed on the website of BSE at; <https://www.bseindia.com/stock-share-price/d-h-india-ltd/dhindia/517514/qtrid/127.00/shareholding-pattern/Sep-2025/>
- The statement showing holding of Equity Shares of persons belonging to the category “Promoters and Promoter Group” including the details of lock-in, pledge of and encumbrance as on September, 30, 2025, can be accessed on the website of BSE at; <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?sripcd=517514&qtrid=127.00&QtrName=Sep-25; and>
- The details of Equity Shareholders holding more than one percent of the paid-up and subscribed share capital the Company can be accessed on the website of BSE at [https://www.bseindia.com/corporates/shpdrPerent.aspx?sripcd=517514&qtrid=127.00&CompName=D%20&%20H%20India%20Ltd-\\$\\$QtrName=Sep-25&Type=TM](https://www.bseindia.com/corporates/shpdrPerent.aspx?sripcd=517514&qtrid=127.00&CompName=D%20&%20H%20India%20Ltd-$$QtrName=Sep-25&Type=TM)

2. **Our Company is not having any outstanding instruments of options or convertible securities as on the date of this offer.**

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

3. **Shares acquired or disposed by the Promoter and Promoter Group**

No Equity Shares or convertible securities have been acquired or disposed by our Promoters or members of our Promoter Group in the last one year immediately preceding the date of filing of this Draft Letter of Offer.

4. **Ex-Rights Price;**

The ex-rights price of the Equity Shares as per regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●] per equity share.

5. **Notes to capital structure**

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:

6. **Issued, subscribed and paid up share capital since incorporation of our Company;**

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
30/03/1985	100	100	Subscribers to MoA	100	No, the company was a Private Limited company
17/02/1992	11,410	100	Private Placement/ Preferential issue of shares	11,510	Do
02/11/1992	15,140	100	Do	26,650	Do
29/10/1993	2,66,500	10	Split of Face Value of Equity Shares from Rs. 100/- to Rs. 10/-	2,66,500	Do
29/10/1993	2,33,500	10	Private Placement/ Preferential issue of Equity shares of Rs. 10/- each	5,00,000	No, the company was converted into Public company
01/12/1994	51,09,600	10	Initial Public Issue of equity shares for cash at par.	56,09,600	Issued under the IPO alongwith additional shares allotted in oversubscription. The entire 56,09,600 equity shares were got listed with Bombay Stock Exchange Ltd. on 19/12/1994
07/10/2008	2,50,000	22	Preferential Issue of equity shares of Rs. 10/- each	58,59,600	Yes
05/10/2009	2,50,000	22	Upon conversion of warrants issued on Preferential basis	61,09,600	Yes
29/03/2010	2,50,000	22	Do	63,59,600	Yes
28/03/2011	5,80,400	22	Do	69,40,000	Yes
04/10/2011	4,60,000	22	Do	74,00,000	Yes
29/10/2022	3,88,000	42	Do	77,88,000	Yes
23/05/2023	4,00,000	42	Do	81,88,000	Yes

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

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

8. Other disclosures

- (a) Our Company shall ensure that any transaction in the specified securities by our Promoters and members of our Promoter Group during the period between the date of filing this Draft Letter of Offer and the date of closure of the Issue shall be reported to the Stock Exchanges within 24 hours of such transaction.
- (b) All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid-up. For further details on the terms of the Issue, please see “*Offering Information*” beginning from Page No. 94.

9. Scheme of Amalgamation

The Board of director of our Company (Transferee Company) and V & H Infra Private Limited (Transferor Company) has approved the draft Scheme of Amalgamation under section 230-232 of the Companies Act, 2013 at their meetings held on December 23, 2024 and our Company has filed an application to BSE Ltd. for seeking No Objection/Observation Letter from the BSE Ltd. for the approval of Scheme of Amalgamation and the BSE Ltd. has provided their No Observation Letter vide their letter no. DCS/AMAL/NB/R37/ 3705/2025-26 dated July 17, 2025. Our Company is taking suitable steps to file application to Hon'ble NCLT, Mumbai Bench in due course.

After approval of the Scheme by the Hon'ble NCLT, Mumbai our Company shall issue 60,30,000 equity shares of Rs.10/- each to the shareholders of V & H Infra Private Limited.

SECTION VI: PARTICULARS OF THE ISSUE

A. OBJECTS OF THE ISSUE

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the below mentioned Objects (collectively, referred to as the “**Objects**”):

- (1) Repayment and/or prepayment, in full or part, of all or a portion of certain borrowings availed by our Company; and
- (2) General Corporate Purposes
(Collectively, hereinafter referred to as the “**Objects**”)

The main Object Clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the Object Clause of our Memorandum of Association.

FRESH ISSUE PROCEEDS

The details of the proceeds from the fresh Issue are provided in the following table: (*₹ in Lakhs*)

Particulars	Amount
Gross proceeds from the Issue*	2456.40
Less: Issue related expenses**	24.00
Net Proceeds of the Issue#	2432.40

**The issue size will not exceed Rs. 2456.40 Lakhs. If there is any reduction in the amount on account of or at the time of finalisation of issue price and rights entitlements ratio, the same will be adjusted against general corporate purposes.*

Assuming full subscription in the issue and subject to the finalisation of the basis of allotment and the allotment of the rights equity share.

***Estimated and subject to change. For further details, see “– Estimated Issue Expenses” on Page No. 59.*

Requirements of funds and utilization of Net Proceeds

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

Particulars	Estimated amount (in ₹ Lakhs)
Repayment and/or prepayment, in full or part, of all or a portion of certain borrowings availed by our Company	1856.40
General corporate purposes*	600.00
Net Proceeds#	2456.40

**general corporate purposes, includes the issue expenses shall not exceed 25%, of the Issue Proceeds.*

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

Pursuant to a resolution passed by our Board of Directors dated October 27, 2025, our Company has approved the utilization of the Net Proceeds for the Objects, in accordance with the schedule of deployment and implementation. For further details, see “*Material Contracts and Documents for Inspection*” beginning on Page No. 131.

Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Total estimated costs (in ₹ Lakhs)	Amount proposed to be deployed from the Net Proceeds (in ₹ Lakhs)	Estimated schedule of deployment of Net Proceeds (in ₹ Lakhs) Fiscal 2026
Repayment and/or prepayment, in full or part, of all or a portion of certain borrowings availed by our Company	1856.40	1856.40	1856.40
General corporate purposes*	600.00	600.00	600.00
Net Proceeds#	2456.40	2456.40	2456.40

* The amount to be utilized for general corporate purposes includes issue expenses, shall not exceed 25%, of the Issue Proceeds.

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

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal FY 2025-26. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal year is not completely met, the same shall be utilized in the next fiscal year i.e. Fiscal 2026-27, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. The fund requirements for the Objects are proposed to be entirely funded from the Net Proceeds and in case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company shall utilise its internal accruals and hence, no amount is proposed to be raised through any other means of finance.

The funding requirements and deployment of the Net Proceeds as described herein are based on of various factors, our current business plan, management estimates, current circumstances of our business and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution. See “Risk Factors – 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.” beginning on Page 25. We may have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of various factors, such as financial and market conditions, business and strategy, regulatory related delays, competitive environment and interest or exchange rate fluctuations, incremental preoperative expenses, taxes and duties, interest and finance charges, working capital margin, regulatory costs, and other external factors such as changes in the business environment or regulatory climate which may not be within the control of our management. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws.

Means of finance

The funding requirements for the Objects detailed above are proposed to be funded from the Net Proceeds. Since our Company is not proposing to fund any specific project from the Net Proceeds, the requirement under Regulation 62(1)(c) of the SEBI ICDR Regulations to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance for such projects proposed to be funded from the Net Proceeds, excluding the amount to be raised through the Issue or existing identifiable internal accruals is not applicable.

Details of the Objects

The details in relation to the Objects of the Issue are set forth below:

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

Our Company enters into various borrowing arrangements from time to time, with banks and financial institutions in the ordinary course of business. As of September 30, 2025, our aggregating outstanding borrowings were ₹

6720.08 Lakhs. The outstanding borrowing arrangements entered into by our Company includes debt in the form of, inter alia, availing term loans and working capital facilities. Our Company proposes to utilize an estimated amount of ₹ 1856.40 Lakhs from the Net Proceeds towards part or full repayment and/or pre-payment of certain borrowings availed by our Company.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings prior to Allotment or avail additional credit facilities. Further, the outstanding amounts under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Accordingly, our Company may utilize the Net Proceeds for part prepayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company. However, the aggregate amount to be utilized from the Net Proceeds towards repayment and/or prepayment, in part or full, of such borrowings (including refinanced or additional facilities availed, if any), would not exceed ₹ 1,856.40 Lakhs.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness and improve our profits on both a standalone and a consolidated basis by lowering our debt servicing costs, improve our net debt- equity ratio and enable utilization of our accruals for further investment in our business growth and expansion. Additionally, we believe that the since our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates in the future to fund potential business development opportunities to grow our business.

The following table provides the details of outstanding borrowings availed by our Company, any of which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

Our Company has and will consider the following factors for identifying the loans that will be repaid out of the Net Proceeds:

- (i) costs, expenses and charges relating to the facility/borrowing including interest rates involved;
- (ii) presence of onerous terms and conditions under the facility;
- (iii) ease of operation of the facility;
- (iv) levy of any prepayment penalties and the quantum thereof;
- (v) provisions of any law, rules, regulations governing such borrowings;
- (vi) terms of pre-payment to lenders, if any;
- (vii) mix of credit facilities provided by lenders; and
- (viii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

In the event that where there is any prepayment penalties required to be paid under the terms of relevant financing agreement, such prepayment penalties shall be paid by our Company out of the internal accruals of our Company. We have and will also take such provisions into consideration while deciding repayment and/ or pre-payment of loans from the Net Proceeds. In case we are unable to raise the Net Proceeds till the due date for repayment of any of the above-mentioned portion of the loans, the funds earmarked for such repayment may be utilized for payment of future instalments of the above-mentioned loan or other loans for an amount not more than the total amount mentioned above.

The amounts outstanding under the borrowing facilities may be dependent on various factors and may include intermediate repayments and drawdowns. Accordingly, it may be possible that amount outstanding under the borrowing facilities may vary from time to time. We may, from time to time, repay, refinance, enter into further financing arrangements or draw down funds from any such existing borrowing facilities. In such event, our Company may utilize the Net Proceeds towards repayment/prepayment of any existing or additional indebtedness which will be selected based on various commercial considerations as set out above.

2. General corporate purposes

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds. Such utilization towards general corporate purposes shall be to drive our business growth including but not limited to,

- (i) strategic initiatives;

- (ii) funding growth opportunities;
- (iii) strengthening marketing capabilities and brand building exercises;
- (iv) meeting ongoing general corporate exigencies and contingencies;
- (v) capital expenditure;
- (vi) meeting working capital requirements;
- (vii) expenses of our Company;
- (viii) payments related to approvals,
- (ix) other general administrative expenses, and
- (x) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof, subject to meeting regulatory requirements and obtaining necessary approvals/consents, as applicable. Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

Estimated Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ 24.00 Lakhs. The break-up of the estimated Issue expenses is as follows:

Activity	Estimated amount	Percentage of the total estimated Issue Expenses	Percentage of the total Issue Size
	(in ₹ Lakhs)	%	%
Brokerage, selling commission and upload fees	[•]	[•]	[•]
Fee payable to the Registrar to the Issue	[•]	[•]	[•]
Fee payable to other professional services providers	[•]	[•]	[•]
Advertising / marketing expenses and shareholders outreach expenses	[•]	[•]	[•]
Fees payable to Regulators, Including Stock Exchange, SEBI, Depositories and other statutory fee	[•]	[•]	[•]
Printing and stationery, distribution, postage etc.	[•]	[•]	[•]
Other Expenses (Including Misc. exp. And Stamp Duty)	[•]	[•]	[•]
Total Estimated issue expenses *	24.00		0.98%

** Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All issue related expenses will be paid out of the Issue Proceeds received at the time of receipt of the Application Money. Issue expenses include applicable taxes, where applicable.*

Interim use of the Net Proceeds

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

Additionally, in compliance with Regulation 66 of the SEBI ICDR Regulations, our Company confirms that it shall not use the Net Proceeds for financing or for providing loans to or for acquiring shares of any person who is part of the Promoter Group or Group Companies.

Appraising entity

None of the objects of the Issue for which the Net Proceeds will be utilized has been appraised by any bank, financial institution or any other external agency.

Bridge financing facilities

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

Monitoring of utilization of funds

Our Company has appointed Infomerics Valuation And Rating Limited as the Monitoring Agency to monitor utilization of proceeds from the Issue, including the proceeds proposed to be utilized towards general corporate purposes in accordance with Regulation 82 of the SEBI ICDR Regulations. Our Company undertakes to place the Gross Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Board of directors without any delay, till 100% of the Gross Proceeds have been utilized. Our Company will disclose and continue to disclose the utilization of the Gross Proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds, which shall discuss, monitor and approve the use of the Gross Proceeds along with our Board. Further, pursuant to Regulation 32(5) of the SEBI Listing Regulations, our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Draft Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Gross Proceeds shall be certified by the Statutory Auditors of our Company, which shall be submitted by our Company with the Monitoring Agency.

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

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Other Confirmations

Neither our Promoter, nor members of the Promoter Group or our Directors have any interest in the Objects of the Issue.

As on the date of this Letter of Offer, there are no pending material approvals required from government or regulatory authorities, by our Company pertaining to the Objects of the Issue.

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter group, directors, associates or Key Management Personnel or group companies, except as stated above and in the normal course of business and in compliance with applicable laws.

Details of borrowings, sanctioned, as well as availed by our Company, out of that proposed to be re-paid or pre-paid, either in Part or Full:

Sr. No.	Date of latest applicable Sanction letter	Name of the lender	Nature of borrowing	Amount sanctioned as at September 30, 2025 (in ₹ Lakhs)	Tenure of borrowing	Amount outstanding as at September 30, 2025 (in ₹ Lakhs)	Applicable interest rate as at September 30, 2025 (%)	Re-payment/schedule	Pre-payment penalty	Purpose for which the loan amount was sanctioned
1	17.09.2022	HDFC Bank Ltd.	GECLGS Term Loan	133.66	07.04.2024 to 07.04.2027	72.62	9.53%	37 months	NIL	Covid Period
2	26.10.2020	HDFC Bank Ltd.	Term Loan	75.00	07.05.2021 to 07.05.2026	12.88	7.75%	61 Months	NIL	Acquisition of Plant & Machinery
3	17.09.2022	HDFC Bank Ltd.	Term Loan	500.00	07.05.2023 to 07.05.2030	368.58	7.75%	91 months	NIL	Acquisition of Plant & Machinery
4	28.02.2023	SIDBI	Term Loan	607.00	01.12.2023 to 10.07.2029	410.54	8.80%	68 months	3% of outstanding T/L amount	Acquisition of Plant & Machinery
5	28.02.2023	SIDBI	Term Loan	193.00	01.12.2023 to 10.07.2029	130.52	9.20%	68 months	3% of outstanding T/L amount	Acquisition of Plant & Machinery
6	20.06.2024	SIDBI	Term Loan	750.00	10.06.2025 to 10.05.2031	708.20	8.80%	72 months	3% of outstanding T/L amount	Acquisition of Plant & Machinery
7	26.09.2024	HDFC Bank Ltd.	Term Loan	750.00	07.03.2025 to 07.02.2032	684.61	7.75%	84 months	NIL	Acquisition of Plant & Machinery
8	06.07.2021	HDFC Bank Ltd	Auto Loan	51.00	07.08.2021 to 07.07.2026	9.80	7.27%	60 months	NIL	Vehicle Purchase

9	30.09.2025	HDFC Bank Ltd	Drul	1000.00	12 Months (Valid till 15.09.2026)	0.00	7.75%	12 months	NIL	LC Discounting (Non Fund Bases)
10	30.09.2025 (Renewal)	HDFC Bank Ltd	Psr	60.00	12 Months (Valid till 15.09.2026)	0.00	2.13 % Commission	12 months	NIL	Non Fund Bases
11	30.09.2025 (Renewal)	HDFC Bank Ltd	BG	50.00	12 Months (Valid till 15.09.2026)	36.99	0.75% Commission	12 months	NIL	Non Fund Bases
12	30.09.2025 (Renewal cum enhancement)	HDFC Bank Ltd	CASH CREDIT	4700.00	12 Months (Valid till 15.09.2026)	3258.01	7.75%	12 months	NIL	Working Capital
13	03.12.2024	Yes Bank	Cash Credit	1000.00	12 Months	538.44	9.00%	Under renewal	Nil	Working Capital
14	07.12.2024	Yes Bank	Channel Finance	500.00	12 Months	488.89	9.40%	Under Renewal	Nil	Channel Finance

**B. STATEMENT OF TAX BENEFITS FOR ISSUER AND ITS SHAREHOLDERS
STATEMENT OF SPECIAL TAX BENEFITS**

To,
The Board of Directors,
D & H INDIA LIMITED
A - 204, Kailash Esplanade,
Opposite Shreyas Cinema,
L.B.S. Marg, Ghatkopar (West),
Mumbai – 400 086

Sub: Statement of possible special tax benefits ("the statement") available to D & H India Limited ("Issuer Company") and its shareholders in connection with the proposed rights issue of equity shares of the Company under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) 2018, as amended ("the ICDR Regulations")

Dear Sir(s)/Madam(s),

1. We, **M/s ABN & Co., Chartered Accountants (FRN.004447C)**, engaged by the Company for the purpose of the Right issue have been requested by the Company to certify the accompanying Statement (hereinafter referred to as **"the Statement"**) showing the possible Special Direct and Indirect Tax benefits available to the Issuer Company and shareholders of the Company under the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended from time to time (**hereinafter referred to as "IT Act"**), and the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, as amended, including the relevant rules, notifications and circulars issued there under, (collectively referred as "Indirect Tax Regulations") as on the signing date for inclusion in the Letter of offer (**"Offer Document"**) prepared in connection with the Offer, has been prepared by the management of the Company in connection with the Offer, which we have initialled for identification purposes.
2. The Statement showing the current position of special tax benefits available to the Company and shareholders of the Company as per the provisions of the Income Tax Act, 1961 (**"IT Act"**) and the Central Goods and Services Tax Act, 2017, The Integrated Goods and Services Tax Act, 2017, The State Goods and Services Tax Act as passed by respective State Governments from where the Company and its material subsidiaries operate and applicable to the Company and its shareholders respectively, including the rules, regulations, circulars and notifications issued there under, (together, the "Tax Laws") relevant for the financial year 2024-25 for inclusion in the Offer Document for the issue of rights shares annexed herewith as Statement.
3. These possible special tax benefits are dependent on the Company and shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of corresponding tax laws. Hence, the ability of the Company and shareholders of the Company to derive these possible special tax benefits are dependent upon fulfilling such conditions, which are based on business imperatives, the Company and shareholders of the Company may or may not choose to fulfill. Further, certain tax benefits may be optional and it would be at the discretion of the Company or the shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax Laws.

Management's Responsibility

4. The Management do hereby confirm that, the company does not have any Material Subsidiary as defined under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on the date of issuing of this certificate.
5. The preparation of this Statement as on the date of our report which is to be included in the Offer Document is the responsibility of the management of the Company, for the purpose set out in paragraph 17 below. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company comply with the laws and regulations applicable to its activities.

Auditor's Responsibility

6. Our work has been carried out in accordance with Standards on Auditing, the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the **"ICAI"**). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the “**SEBI ICDR Regulations**”) and the Companies Act 2013 (“**Act**”), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company and its shareholders, in accordance with the Act as at the date of our report.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements issued by the ICAI.
9. Our work was performed solely to assist the Company in meeting their responsibilities in relation to the compliance with the Act and the Regulations in connection with the Offer document.
10. We do not express any opinion or provide any assurance whether:
 - i) The Company or the shareholders of the Company will continue to obtain these benefits in the future;
 - ii) The conditions prescribed for availing the benefits have been/would be met;
 - iii) The revenue authorities/courts will concur with the views expressed herein.
11. The Statement is intended solely for information and the inclusion in the Offer Document in connection with the Issue and is not referred to or distributed for any other purpose, without our prior consent, provided the below statement of limitation is included in the Offer Document.

LIMITATION

12. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.
13. Several of the benefits mentioned in the accompanying Statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying Statement are not exhaustive.
14. The benefits discussed in the enclosed Statement are neither exhaustive nor conclusive. These are based on the information and explanation obtained from the Company. The Statement is only intended to provide information to guide investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own consultant with respect to the specific tax implications arising from their participation in the offer. We are neither suggesting nor are we are advising the investor to invest money based on this statement.
15. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility for updating the views consequent to such changes. 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 both faith or intentional misconduct. We will not be liable to the Company, shareholders of the Companies, and any other persons in respect of this statement, except as applicable law.

Opinion

16. In our opinion, the Statement prepared by the Management presents, in all material respects, the special tax benefits available to the Company and the Company shareholders, is in accordance with the Act as at the date of our report.

Restriction on Use

17. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Offer Documents, prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India, and the concerned stock exchanges.

**For, ABN & Co.,
Chartered Accountants
(FRN: 004447C)**

**CAB M Bhandari
Partner
M. No.: 071232
UDIN: 25071232BMNTEM3896
Date: 27/10/2025
Place: Indore**

SPECIAL TAX BENEFITS UNDER THE INCOME TAX ACT, 1961 IN THE HANDS OF THE D & H INDIA LIMITED AND ITS SHARE HOLDERS OF THE COMPANY.

LIST OF DIRECT AND INDIRECT TAX LAWS

Sr. No.	Details of Tax Laws ('TAX LAWS')
1	Income-tax Act, 1961 and Income-tax Rules, 1962
2	Central Goods and Services Tax Act, 2017
3	Integrated Goods and Services Tax Act, 2017
4	State Goods and Services Tax Act, 2017

The information provided below sets out the special direct and indirect tax benefits in the hands of the Company and its shareholders in a summarized manner only and is not a complete analysis or listing of all potential tax benefits, under the current Income-tax Act, 1961 (the "IT Act"), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017 and respective State Goods and Services Tax Act, 2017, Goods and Services Tax Act, 2017 (collectively "GST Act") (collectively, "Taxation laws") presently in force in India.

Several of these special tax benefits are dependent on fulfilling the conditions prescribed under the relevant Taxation Laws. Hence, the ability of the Company and/or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives any of them face, they may or may not choose to fulfill. Further, certain special tax benefits may be optional, and it would be at the discretion of the Company or shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the relevant Taxation Laws. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation of the special tax benefits, which an investor can avail. The statement below covers only relevant Taxation law benefits and does not cover any benefit under any other law.

SPECIAL TAX BENEFITS AVAILABLE TO D & H INDIA LIMITED UNDER THE INCOME TAX ACT, 1961

A. Normal Provision Applicable on Domestic Company.

Income-tax rates applicable in case of domestic companies for Assessment Year 2026-27 are as follows:

Where its total turnover or gross receipt during the previous year 2023-24 does not exceed Rs. 400 crore	25%	Applicable on D & H India Ltd.
Where it opted for Section 115BA	25%	NA
Where it opted for Section 115BAA	22%	NA
Where it opted for Section 115BAB	15%	NA
Any other domestic company	30%	NA

The amount of income-tax computed shall, be increased by a surcharge,-

- (a) in case company having a total income exceeding one crore rupees, but not exceeding ten crore rupees, at the rate of seven per cent of such income-tax; and
- (b) in case company having a total income exceeding ten crore rupees, at the rate of twelve per cent of such income-tax;

However, the rate of surcharge in case of a company opting for taxability under Section 115BAA or Section 115BAB shall be 10% irrespective of amount of total income.

Provided that in the case of every company having a total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total

amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees :

Provided further that in the case of every company having a total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

Health and Education Cess

The amount of income-tax as increased by the applicable surcharge, shall be further increased by "Health and Education Cess on income-tax", calculated at the rate of four per cent of such income-tax and surcharge

B. Minimum Alternate Tax

A company shall be liable to pay MAT @ 15% of book profit (plus surcharge and health and Education Cess as applicable) where the normal tax liability of the company is less than 15% of book profit.

C. Section 35AD :- Deduction in respect of expenditure on specified business.

(1) An assessee shall be allowed a deduction in respect of the whole of any expenditure of capital nature incurred, wholly and exclusively, for the purposes of any specified business carried on by him during the previous year in which such expenditure is incurred by him :

Provided that the expenditure incurred, wholly and exclusively, for the purposes of any specified business, shall be allowed as deduction during the previous year in which he commences operations of his specified business, if—

- (a) the expenditure is incurred prior to the commencement of its operations; and
 - (b) the amount is capitalised in the books of account of the assessee on the date of commencement of its operations.
- (2) This section applies to the specified business which fulfils all the following conditions, namely :—
- (i) it is not set up by splitting up, or the reconstruction, of a business already in existence;
 - (ii) it is not set up by the transfer to the specified business of machinery or plant previously used for any purpose;
 - (iii) where the business is of the nature referred to in sub-clause (iii) of clause (c) of sub-section (8), such business,—
 - (a) is owned by a company formed and registered in India under the Companies Act, 1956 (1 of 1956) or by a consortium of such companies or by an authority or a board or a corporation established or constituted under any Central or State Act;
 - (b) has been approved by the Petroleum and Natural Gas Regulatory Board established under sub-section (1) of section 3 of the Petroleum and Natural Gas Regulatory Board Act, 2006 (19 of 2006) and notified by the Central Government in the Official Gazette in this behalf;
 - (c) has made not less than one-third of its total pipeline capacity available for use on common carrier basis by any person other than the assessee or an associated person; and
 - (d) Fulfils any other condition as may be prescribed.
- (3) The assessee shall not be allowed any deduction in respect of the specified business under the provisions of Chapter VIA under the heading "C.— Deductions in respect of certain incomes".
- (4) No deduction in respect of the expenditure referred to in sub-section (1) shall be allowed to the assessee under any other section in any previous year or under this section in any other previous year.
- (5) The provisions of this section shall apply to the specified business referred to in sub-section (2) if it commences its operations,—
- (a) on or after the 1st day of April, 2007, where the specified business is in the nature of laying and operating a cross-country natural gas pipeline network for distribution, including storage facilities being an integral part of such network; and
 - (b) on or after the 1st day of April, 2009, in all other cases not falling under clause (a).
- (6) The assessee carrying on the business of the nature referred to in clause (a) of sub-section (5) shall be allowed, in addition to deduction under sub-section (1), a further deduction in the previous year relevant to the assessment

year beginning on the 1st day of April, 2010, of an amount in respect of expenditure of capital nature incurred during any earlier previous year, if—

(a) the business referred to in clause (a) of sub-section (5) has commenced its operation at any time during the period beginning on or after the 1st day of April, 2007 and ending on the 31st day of March, 2009; and

(b) no deduction for such amount has been allowed or is allowable to the assessee in any earlier previous year.

(7) The provisions contained in sub-section (6) of section 80A and the provisions of sub-sections (7) and (10) of section 80-IA shall, so far as may be, apply to this section in respect of goods or services or assets held for the purposes of the specified business.

D. Section 35 of the Income Tax Act (1961) Deductions for expenditures on scientific research. Sections 35(1)(i), 35(1)(ii), and 35(1)(iii) detail the types of revenue expenses that qualify for this deduction.

Section 35(1)(i): In-house research expenditure

This section allows a 100% deduction for an assessee's revenue expenditure on scientific research related to their business.

Eligible expenditure:

Normal expenditure: Any day-to-day revenue expenses for in-house scientific research are fully deductible in the year they are incurred.

Pre-business expenditure: Any such expenses incurred during the three years immediately preceding the start of the business are deductible in the year the business commences. This includes salaries paid to research employees and the cost of materials used for research.

Excluded expenditure: Costs incurred for the acquisition of land or buildings do not qualify for a deduction under this clause.

Section 35(1)(ii): Payments to external research institutions for scientific research

This clause allows a 100% deduction for any sum paid to an approved external institution for scientific research.

Eligible payments: Sums paid to the following institutions for scientific research qualify for a deduction:

An approved research association.

An approved university or college.

Any other approved institution.

Approval requirement: The institution must be approved and officially notified by the Central Government to be eligible.

Deduction amount: Payments made on or after April 1, 2021, are eligible for a deduction equal to 100% of the sum paid. Previously, a higher weighted deduction was available.

Section 35(1)(iii): Payments to external research institutions for social science or statistical research

This clause provides a 100% deduction for sums paid to approved institutions for research in social science or statistical research.

Eligible payments: Payments made to the following institutions for research in social science or statistical research qualify for a deduction:

An approved research association.

An approved university or college.

Any other approved institution.

Approval requirement: The institution must be specifically approved and notified by the Central Government.

Deduction amount: Similar to payments for scientific research, the deduction is now limited to 100% of the sum paid for payments made on or after April 1, 2021.

Conditions for the recipient institution: The approved institution receiving the funds must use them for research in social sciences, carry out the research with its faculty or students, and maintain separate, audited accounts for the received funds.

Section 35(1)(iv):

in respect of any expenditure of a capital nature on scientific research related to the business carried on by the assessee, such deduction as may be admissible under the provisions of sub-section (2) :

Provided that the research association, university, college or other institution referred to in clause (ii) or clause (iii) shall make an application in the prescribed form and manner to the Central Government for the purpose of grant of approval, or continuance thereof, under clause (ii) or, as the case may be, clause (iii) :

Provided further that the Central Government may, before granting approval under clause (ii) or clause (iii), call for such documents (including audited annual accounts) or information from the research association, university, college or other institution as it thinks necessary in order to satisfy itself about the

genuineness of the activities of the research association, university, college or other institution and that Government may also make such inquiries as it may deem necessary in this behalf :

Provided also that any notification issued, by the Central Government under clause (ii) or clause (iii), before the date on which the Taxation Laws (Amendment) Bill, 2006 receives the assent of the President, shall, at any one time, have effect for such assessment year or years, not exceeding three assessment years (including an assessment year or years commencing before the date on which such notification is issued) as may be specified in the notification:

Provided also that where an application under the first proviso is made on or after the date on which the Taxation Laws (Amendment) Bill, 2006 receives the assent of the President, every notification under clause (ii) or clause (iii) shall be issued or an order rejecting the application shall be passed within the period of twelve months from the end of the month in which such application was received by the Central Government.

(2)

For the purposes of clause (iv) of sub-section (1),—

(i) in a case where such capital expenditure is incurred before the 1st day of April, 1967, one-fifth of the capital expenditure incurred in any previous year shall be deducted for that previous year; and the balance of the expenditure shall be deducted in equal instalments for each of the four immediately succeeding previous years ;

(ia) in a case where such capital expenditure is incurred after the 31st day of March, 1967, the whole of such capital expenditure incurred in any previous year shall be deducted for that previous year :

Provided that no deduction shall be admissible under this clause in respect of any expenditure incurred on the acquisition of any land, whether the land is acquired as such or as part of any property, after the 29th day of February, 1984.

(ii) notwithstanding anything contained in clause (i), where an asset representing expenditure of a capital nature incurred before the 1st day of April, 1967, ceases to be used in a previous year for scientific research related to the business and the value of the asset at the time of the cessation, together with the aggregate of deductions already allowed under clause (i) falls short of the said expenditure, then—

(a) there shall be allowed a deduction for that previous year of an amount equal to such deficiency, and

(b) no deduction shall be allowed under that clause for that previous year or for any subsequent previous year ;

(iii) if the asset mentioned in clause (ii) is sold, without having been used for other purposes, in the year of cessation, the sale price shall be taken to be the value of the asset at the time of the cessation ; and if the asset is sold, without having been used for other purposes, in a previous year subsequent to the year of cessation, and the sale price falls short of the value of the asset taken into account at the time of cessation, an amount equal to the deficiency shall be allowed as a deduction for the previous year in which the sale took place ;

(iv) where a deduction is allowed for any previous year under this section in respect of expenditure represented wholly or partly by an asset, no deduction shall be allowed under clause (ii) of sub-section (1) of section 32 for the same or any other previous year in respect of that asset ;

(v) where the asset mentioned in clause (ii) is used in the business after it ceases to be used for scientific research related to that business, depreciation shall be admissible under clause (ii) of sub-section (1) of section 32.

(2A)

Where, before the 1st day of March, 1984, the assessee pays any sum (being any sum paid with a specific direction that the sum shall not be used for the acquisition of any land or building or construction of any building) to a scientific research association or university or college or other institution referred to in clause (ii) of sub-section (1) or to a public sector company to be used for scientific research undertaken under a programme approved in this behalf by the prescribed authority having regard to the social, economic and industrial needs of India, then,—

(a) there shall be allowed a deduction of a sum equal to one and one-third times the sum so paid ; and

(b) no deduction in respect of such sum shall be allowed under clause (ii) of sub-section (1) for the same or any other assessment year.

(2AA)

Where the assessee pays any sum to a National Laboratory or a University or an Indian Institute of Technology or a specified person with a specific direction that the said sum shall be used for scientific research undertaken under a programme approved in this behalf by the prescribed authority, then—

- (a) there shall be allowed a deduction of a sum equal to one and one-half times the sum so paid ; and
- (b) no deduction in respect of such sum shall be allowed under any other provision of this Act :

Provided that the prescribed authority shall, before granting approval, satisfy itself about the feasibility of carrying out the scientific research and shall submit its report to the Principal Chief Commissioner or Chief Commissioner or Principal Director General or Director General in such form as may be prescribed:

Provided further that where any sum is paid to such National Laboratory or university or Indian Institute of Technology or specified person in a previous year relevant to the assessment year beginning on or after the 1st day of April, 2021, the deduction under this sub-section shall be equal to the sum so paid.

(2AB)

(1) Where a company engaged in the business of bio-technology or in any business of manufacture or production of any article or thing, not being an article or thing specified in the list of the Eleventh Schedule incurs any expenditure on scientific research (not being expenditure in the nature of cost of any land or building) on in-house research and development facility as approved by the prescribed authority, then, there shall be allowed a deduction of a sum equal to one and one-half times of the expenditure so incurred:

Provided that where such expenditure on scientific research (not being expenditure in the nature of cost of any land or building) on in-house research and development facility is incurred in a previous year relevant to the assessment year beginning on or after the 1st day of April, 2021, the deduction under this clause shall be equal to the expenditure so incurred.

(2) No deduction shall be allowed in respect of the expenditure mentioned in clause (1) under any other provision of this Act.

(3) No company shall be entitled for deduction under clause (1) unless it enters into an agreement with the prescribed authority for co-operation in such research and development facility and fulfils such conditions with regard to maintenance of accounts and audit thereof and furnishing of reports in such manner as may be prescribed.

(4) The prescribed authority shall submit its report in relation to the approval of the said facility to the Principal Chief Commissioner or Chief Commissioner or Principal Director General or Director General in such form and within such time as may be prescribed.

(5) [***]

(6) No deduction shall be allowed to a company approved under sub-clause (C) of clause (iia) of sub-section (1) in respect of the expenditure referred to in clause (1) which is incurred after the 31st day of March, 2008.

(2B)

(a) Where, before the 1st day of March, 1984, an assessee has incurred any expenditure (not being in the nature of capital expenditure incurred on the acquisition of any land or building or construction of any building) on scientific research undertaken under a programme approved in this behalf by the prescribed authority having regard to the social, economic and industrial needs of India, he shall, subject to the provisions of this sub-section, be allowed a deduction of a sum equal to one and one-fourth times the amount of the expenditure certified by the prescribed authority to have been so incurred during the previous year.

(b) Where a deduction has been allowed under clause (a) for any previous year in respect of any expenditure, no deduction in respect of such expenditure shall be allowed under clause (i) of sub-section (1) or clause (ia) of sub-section (2) for the same or any other previous year.

(c) Where a deduction is allowed for any previous year under this sub-section in respect of expenditure represented wholly or partly by an asset, no deduction shall be allowed in respect of that asset under clause (ii) of sub-section (1) of section 32 for the same or any subsequent previous year.

(d) Any deduction made under this sub-section in respect of any expenditure on scientific research in excess of the expenditure actually incurred shall be deemed to have been wrongly made for the purposes of this Act if the assessee fails to furnish within one year of the period allowed by the prescribed authority for completion of the programme, a certificate of its completion obtained from that authority, and the provisions of sub-section (5B) of section 155 shall apply accordingly.

(3) If any question arises under this section as to whether, and if so, to what extent, any activity constitutes or constituted, or any asset is or was being used for, scientific research, the Board shall refer the question to—

(a) the Central Government, when such question relates to any activity under clauses (ii) and (iii) of sub-section (1), and its decision shall be final;

(b) the prescribed authority, when such question relates to any activity other than the activity specified in clause (a), whose decision shall be final.

(4) The provisions of sub-section (2) of section 32 shall apply in relation to deductions allowable under clause (iv) of sub-section (1) as they apply in relation to deductions allowable in respect of depreciation.

(5) Where, in a scheme of amalgamation, the amalgamating company sells or otherwise transfers to the amalgamated company (being an Indian company) any asset representing expenditure of a capital nature on scientific research,—

(i) the amalgamating company shall not be allowed the deduction under clause (ii) or clause (iii) of sub-section (2); and

(ii) the provisions of this section shall, as far as may be, apply to the amalgamated company as they would have applied to the amalgamating company if the latter had not so sold or otherwise transferred the asset.

E. Chapter VI A Deduction:

I. Deduction from Gross Total Income

The Company is eligible for the following deductions from its Gross Total Income.

Section 80M- Deduction in respect of Inter Corporate Dividends

If D & H India Limited is a shareholder of another domestic company as defined in section 2(22A), and section 80M of the Act inter-alia provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

i) Dividend Income:

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in the case of a domestic company, a deduction under Section 80M of the Act would be available on fulfilling the conditions mentioned above.

ii) Capital Gains:

a) Tax on Long-term Capital Gain (LTCG) - Section 112A of IT Act:

As per Section 112A of the Act, long-term capital gains arising from the transfer of equity shares, a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 12.5% (without indexation) of such capital gains subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of a unit of an equity-oriented fund or a unit of a business trust under Chapter VII of Finance (No.2) Act read with Notification No. 60/2018/F No.370142/9/2017-TPL dated 1 October 2018. However, no tax under the said section shall be levied where such capital gains do not exceed INR 1,25,000 in a financial year as per Budget 2024.

b) Tax on Short-term Capital Gain (STCG)-Section 111A of IT Act:

As per Section 111A of the Act, short-term capital gains arising from the transfer of an equity share, a unit of an equity-oriented fund, or a unit of a business trust shall be taxed at 20% (plus applicable surcharge and cess) subject to fulfillment of prescribed conditions under the Act.

c) Treaty Benefit:

In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile and fulfillment of other conditions to avail the treaty benefit.

Section 80G- Deduction in respect of donations to certain funds, charitable institutions, etc.

Section 80G of the Indian Income Tax Act allows taxpayers to claim a deduction on monetary donations made to approved charitable institutions and relief funds. The deduction amount varies, depending on the recipient fund or organization, and the benefit is available to individuals, Hindu Undivided Families (HUFs), firms, and companies.

Section 80GGB- Deduction in respect of contributions given by companies to political parties.

Section 80GGB of the Income Tax Act, 1961 is meant for providing tax deductions to Indian companies, on making donations to the political parties who are registered or an electoral trust. As there is no specified limit for the same, any amount contributed can be claimed for a tax deduction.

SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO D & H INDIA LIMITED

Based on the various documents and the evidence produced before us, we would like to certify that the **D & H India Limited** availing any special tax benefit under the provisions of the **Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, State Goods and Services Tax Act, 2017, Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2015-2020**, including the amendments, rules, regulations, circulars and notifications issued thereon, as applicable, such as concessional tax rate or exemption from tax which is contingent upon fulfilment of conditions or any other similar special tax benefits is mentioned here:

A. Rule 96A. [Export] of goods or services under bond or Letter of Undertaking.-

An export of goods or services under a Letter of Undertaking (LUT) allows a registered business to make zero-rated supplies without paying Integrated Goods and Services Tax (IGST) upfront. This mechanism improves cash flow and simplifies the process for exporters, as they can claim a refund for any unutilized Input Tax Credit (ITC) without having to wait for a refund of tax paid on the export.

B. Duty Drawback scheme

The Duty Drawback (DBK) scheme provides a rebate of customs duties on inputs used in the manufacture of export goods. The scheme primarily operates under Sections 74 and 75 of the Customs Act, 1962, and is administered by the Department of Revenue.

C. Remission of Duties and Taxes on Exported Products (RoDTEP) scheme

The RoDTEP scheme replaced the Merchandise Exports from India Scheme (MEIS) to be compliant with World Trade Organization (WTO) norms. The goal is to reimburse central, state, and local duties and taxes that are not credited under any other scheme and remain embedded in exported goods.

The RoDTEP scheme replaced the Merchandise Exports from India Scheme (MEIS) to be compliant with World Trade Organization (WTO) norms. The goal is to reimburse central, state, and local duties and taxes that are not credited under any other scheme and remain embedded in exported goods.

SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO SHAREHOLDERS OF D & H INDIA LIMITED

There are no special indirect tax benefits available to the shareholders of the Company under Indirect tax regime.

NOTES:

1. We have not considered general tax benefits available to the Company and its shareholders. The above Statement covers only certain possible special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
2. The above Statement of possible special tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
3. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.
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.

SECTION VII- MANAGEMENT (BOARD OF DIRECTORS, COMMITTEES OF THE BOARD AND SENIOR MANAGEMENT) AND ORGANISATIONAL STRUCTURE

A. BOARD OF DIRECTORS

Our Articles of Association requires us to have not less than three and not more than Fifteen Directors including nominee director. As on date of this Draft Letter of Offer, we have 6 (Six) Directors on our Board, comprising of 1 (One) Managing Director, 2 (Two) Whole-time directors/Executive Director, of which 1 (One) is women director and 3 (Three) Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the SEBI LODR Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

Pursuant to the provisions of the Companies Act, 2013, at least 2/3 (two-third) of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with 1/3 (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 5 (five) years each. Set forth below are details regarding our Board as on the date of this Draft Letter of Offer:

S. N.	Name, address, designation, occupation, term, period of directorship, DIN and date of birth	Age (in years)	Other directorships held
1	Name: Mr. Harsh Vora DIN: 00149287 Date of Birth: December 10, 1962 Designation: Managing Director Address: 20/2, Yeshwant Niwas Road, Indore-452003 M.P. Occupation: Business Tenure: 3 years (upto September 30, 2026) Original date of Appointment: December 6, 1990 Nationality: Indian	63 years	1. V & H Fabricators Private Limited 2. V & H Infra Private Limited 3. HKV Exports Private Limited
2	Name: Mr. Saurabh Vora DIN: 02750484 Date of Birth: September 11, 1987 Designation: Whole-time Director Address: 20/2, Yeshwant Niwas Road, Indore-452003 M.P. Occupation: Business Tenure: 3 years (upto September 30, 2026) Original date of Appointment: October 1, 2014 Nationality: Indian	38 Years	1. V & H Fabricators Private Limited 2. HKV Exports Private Limited
3	Name: Mrs. Atithi Vora DIN: 06899964 Date of Birth: March 27, 1988 Designation: Whole-time Director Address: 20/2, Yeshwant Niwas Road, Indore-452003 M.P. Occupation: Business Tenure: 3 years (upto March 31, 2028) Original date of Appointment: October 1, 2014 Nationality: Indian	37 years	Nil
4	Name: Mr. Somendra Sharma DIN: 10736941 Date of Birth: September 4, 1984 Designation: Independent Director Address: 376, Mahatma Gandhi Marg,	41 years	Nil

	Modiji ki Nasiya Ke Samne Indore-452002 M.P Occupation: Professional Tenure: 5 years (upto August 22, 2029) Original date of Appointment: August 23, 2024 Nationality: Indian		
5	Name: Dr. Niranjana Shastri DIN: 11101503 Date of Birth: May 22, 1980 Designation: Independent Director Address: 108 Ramchandra Nagar (Main), Airport Road, Indore, M.P. 452005 Occupation: Professional Term: 5 years (upto May 13, 2030) Original date of Appointment: May 14, 2025 Nationality: Indian	45 years	Nil
6	Name: Mr. Anit Saklecha DIN: 11227963 Date of Birth: May 17, 1975 Designation: Additional/ Independent Director Address: 105 Indralok colony, R T O Road, Sudama Nagar, Indore- 452009, Madhya Pradesh, Occupation: Professional Tenure: 5 years (upto August 13, 2030) Original date of Appointment: August 14, 2025 Nationality: Indian	50 Years	Nil

BRIEF PROFILES OF DIRECTORS:

1. Mr. Harsh Vora (DIN: 00149287)

Designation	Managing Director
Qualification	B.Com.
Experience	Having more than 41 years of experience in the industry. He is a commerce graduate having more than 40 years of experience in our Company's business and he has been the Managing Director of our Company since 1990 with his vision; our Company has come out with various challenges in the domestic market and grown to this level. Mr. Harsh Vora is also one of the core Promoters of our Company.
Expertise	Manufacturing and dealing in the Welding Electrodes and allied products as well as mining of bentonite products.
Other Directorships	1. V & H Fabricators Private Limited 2. V & H Infra Private Limited 3. HKV Exports Private Limited

2. Mr. Saurabh Vora (DIN: 02750484)

Designation	Whole-time Director
Qualification	B.Tech.
Experience	Having more than 17 years of experience in the industry, he is a B.Tech. and he is the Whole-time director of our Company since 2014 with his vision, our Company has come out with so many challenges in the domestic and international market and grown to this level. Mr. Saurabh Vora is also one of the members of the Promoter Group of our Company
Expertise	Manufacturing and marketing of products and procurement of raw material for Welding Electrodes and allied products as well as mining of bentonite products.
Other Directorships	1. V & H Fabricators Private Limited 2. HKV Exports Private Limited

3. Mrs. Atithi Vora (DIN: 06899964)

Designation	Whole-time Director (Women)
Qualification	She is a Chartered Accountant by profession and having 11 years of experience in the field of accounts and finance. Mrs. Atithi Vora is also one of the members of the Promoter Group of our Company
Experience	Having more than 11 years of experience in the filed of accounts, finance and taxation
Expertise	In the Accounts, finance, Taxation and legal compliances of our Company.
Other Directorships	Nil

4. Mr. Somendra Sharma (DIN: 10736941)

Designation	Independent Director
Qualification	He is Chartered Accountant.
Experience	He is a proprietor of a leading Chartered Accountant Firm. His distinguished career spans various roles including the proprietor of a leading CA firm, an external vendor for HDFC's Regional Processing Center, a visiting faculty member at Devi Ahilya Vishwavidyalaya (DAVV) University, and a prolific writer and speaker on management and taxation.
Expertise	Having more that 16 years experience and expertise in the field of the direct and indirect taxation and management of our Company's affairs.
Other Directorships	Nil.

5. Dr. Niranjan Shashti (DIN: 11101503)

Designation	Independent Director
Qualification	M.Com, Cost and Management Accountants from the Institute of Cost and Management Accountants of India and Company Secretary from the Institute of Company Secretaries of India and has obtained Ph.D. doctorate degree from Devi Ahilya University, Indore. and UGC NET, with certifications from Harvard Business School, MIT Sloan, University of Illinois Urbana-Champaign, Bloomberg, SAS USA and various IIMs. He is Securities Markets Trainer for SEBI and Financial Education Resource Person for NISM. He is an Alumnus of IIM Ahmedabad & Indore.
Experience	He is as Associate Professor (Finance) at School of Business Management in SVKM's NMIMS. He possessed 24 years of experience in accounting, finance and management. In recent past he holds various key leadership role in academics including In-charge Director of Indore Campus of NMIMS. He is CGMA Academic Champion by AICPA® USA for three consecutive years and won Teaching Excellence: Most Influential Lecturer 2022 (Global Champion) by AICPA® USA, Best Faculty: Multicampus Program Coordination by SBM – SVKM's NMIMS Indore. He is a jury member for CSR and Sustainability awards by The Associated Chambers of Commerce and Industry of India. He is member in TEF Committee of the Council of The Institute of Cost Accountants of India for two consecutive terms and was invited by the President of the Institute in a brainstorming session at IIM Ahmedabad to formulate the strategic vision of ICAI in line with the vision of Viksit Bharat@2047. He was in the 'Task Force for Member in Academic' by the Western India Regional Council of the Institute and has also served editorial board of its bulletin. He was unanimously elected as Chairman of The Institute's Indore-Dewas Chapter and won the best Chapter award.
Expertise	In the area of accounting, finance and management
Other Directorships	Nil.

6. Mr. Anit Saklecha (DIN: 11227963)

Designation	Additional Independent Director
Qualification	Chartered Accountant by profession
Experience	He is a distinguished professional and entrepreneur with over two decades of multifaceted experience in finance, taxation, authorship, and business leadership. He started his career in practice from 2000 to 2005, during which he gained rich expertise in direct and indirect

	taxation, corporate structuring, and financial advisory. His deep knowledge and sharp analytical approach earned him recognition as a trusted advisor to corporates and individuals alike. Beyond practice, he has made a significant mark in the academic and professional domain as a renowned author of Direct and Indirect Taxation books for Devi Ahilya Vishwavidyalaya (DAVV), Indore. His publications continue to serve as valuable learning resources for students and professionals, reflecting his commitment to knowledge sharing and education. Since the past 20 years, he has successfully ventured into the garment business, where he has established and managed a reputed enterprise. His entrepreneurial journey is marked by consistent growth, innovation, and strong business acumen. Combining his professional insights as a Chartered Accountant, his intellectual contributions as an author, and his entrepreneurial experience, it brings a well-rounded perspective to the Board.
Expertise	Financial expertise, and strategic vision, supporting our Company in achieving sustainable growth and governance excellence
Other Directorships	Nil.

B. COMMITTEES OF THE BOARD

In accordance with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 and other purposes the Board has the following 3 (Three) committees:

- (a) Audit Committee (AC)
- (b) Nomination and Remuneration Committee (NRC)
- (c) Stakeholders' Relationship Committee (SRC)

The Compositions of the Committees as on the Draft of the Letter of Offer as under.

1. Audit committee

The Audit Committee is constituted in accordance with the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointments, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
13. 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.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. 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.
16. 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.
17. 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.
18. To review the functioning of the Whistle Blower Mechanism.
19. Approval of appointment of the CFO after assessing the qualifications, experience and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
Review of information by Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores 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.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Audit Committee members and the composition of the committee as on the date of this Draft Letter of Offer is as under:

S.No.	Name of the Member	Category of Member	Position in the Committee
1	Mr. Somendra Sharma	Independent Director	Chairman of the Committee
2	Mr. Niranjana Shastri	Independent Director	Member of the Committee
3	Mr. Anit Saklecha	Independent Director	Member of the Committee
4	Mrs. Atithi Vora	Whole-time Director	Member of the Committee

CS Rajesh Sen, Company Secretary and Compliance Officer acts as the Secretary to the Committee.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess knowledge of finance, accounting practices and internal controls.

The representatives of the Statutory Auditors is a permanent invitee to the Audit Committee Meetings. The Chief Financial Officer (CFO) and Internal Auditor also attend Audit Committee Meetings. The Internal Auditor reports directly to the Audit Committee.

2. Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted by the Board in compliance with the requirement of Section 178(5) of the Act and Regulation 20 of the Listing Regulations and the Committee met at least 1 (One) time during the financial year.

The terms of reference mandated by your Board, which is also in line with the statutory and regulatory requirements are:

1. Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Stakeholders Relationship Committee members and the composition of the committee as on the date of this Draft Letter of Offer is as under:

S.No.	Name of the Member	Category of Member	Position in the Committee
1	Mr. Niranjana Shastri	Independent Director	Chairman of the Committee
2	Mr. Saurabh Vora	Whole-time Director	Member of the Committee
3	Mrs. Atithi Vora	Whole-time Director	Member of the Committee

CS Rajesh Sen, Company Secretary and Compliance Officer of our Company, acts as the secretary to the committee.

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to the directors. The Committee's composition meets with requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015. Section 178(5) of the Act and Regulation 20 of the Listing Regulations and the Committee met at least 1 **(One)** time during the financial year

The Remuneration Committee is duly constituted in accordance with the provisions of SEBI (LODR) Regulations, 2015 and Section 178 and other provisions of Companies Act, 2013 and is empowered to do the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to appointment and remuneration for Directors, Key Managerial Personnel and other senior employees;
2. To formulate criteria for evaluation of the members of the Board of Directors including Independent Directors, the Board of Directors and the Committees thereof;
3. To devise policy on Board Diversity;
4. To identify persons, qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and where necessary, their removal;
5. To formulate policy ensuring the following:
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully,
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
 - c. Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
 - d. Recommendation to the board, all remuneration, in whatever form, payable to senior management.
6. To design Company's policy on specific remuneration packages for Executive/ Whole Time Directors and Key Managerial Personnel including pension rights and any other compensation payment;
7. To determine, peruse and finalize terms and conditions including remuneration payable to Executive/ Whole Time Directors and Key Managerial Personnel of the Company from time to time;
8. To review, amend or ratify the existing terms and conditions including remuneration payable to Executive/ Whole Time Directors, Senior Management Personnel and Key Managerial Personnel of the Company;
9. Any other matter as may be assigned by the Board of Directors.

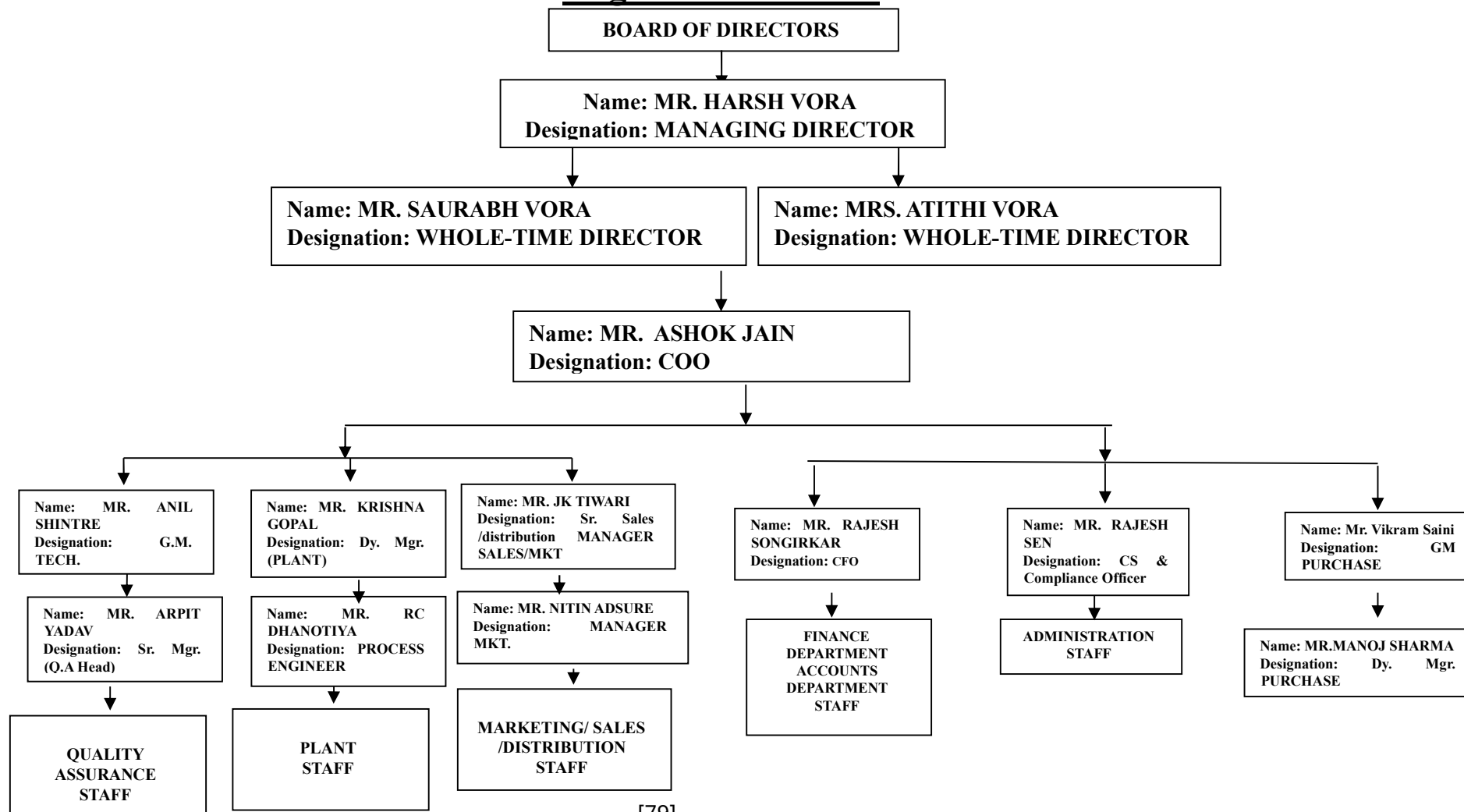
The Nomination and Remuneration Committee and the composition of the committee as on the date of this Draft Letter of Offer is as under;

S.No.	Name of the Member	Category of Member	Position in the Committee
1	Mr. Somendra Sharma	Independent Director	Chairman of the Committee
2	Mr. Niranjana Shastri	Independent Director	Member of the Committee
3	Mr. Anit Saklecha	Independent Director	Member of the Committee

CS Rajesh Sen, Company Secretary and Compliance Officer of our Company, acts as the secretary to the committee.

D & H INDIA LIMITED

Organization Chart



SECTION VIII: FINANCIAL INFORMATION

The Audited Standalone and Consolidated Financial Statements of our Company for the year ended March 31, 2025, and March 31, 2024, and the quarterly financial results (Limited Reviewed by the Auditors) for the quarter ended June 30, 2025 can be accessed on the website of our Company and BSE Ltd. at (www.dnhindia.com and/or www.bseindia.com).

The following table provides a brief summary of the audited Standalone and Consolidated Financial Statements and (Limited Reviewed) Financial Results Limited Reviewed by the Auditors of the Company for the quarter ended June 30, 2025 and Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2025, and March 31, 2024.

(in ₹ Lakhs, except EPS per share)

Particular	Standalone			Consolidated		
	June 30, 2025	March 31, 2025	March 31, 2024	June 30, 2025	March 31, 2025	March 31, 2024
	Limited Reviewed	Audited	Audited	Limited Reviewed	Audited	Audited
Total income from operations	5290.21	20912.64	15782.15	5290.21	20912.64	15782.16
Net profit/(Loss) before tax and extraordinary items	175.29	756.53	462.69	175.27	755.71	461.28
Profit/(loss) after tax and extraordinary items	134.08	516.09	272.01	134.07	515.29	270.49
Equity share capital	818.80	818.80	818.80	818.80	818.80	818.80
Reserves and surplus	3962.66	3828.91	3310.63	4022.69	3879.56	3355.32
Net worth	4781.46	4647.71	4129.43	4841.49	4698.36	4174.12
No. of Shares (Equity Rs. 10/- each)	8188000	8188000	8188000	8188000	8188000	8188000
Basic earnings per share (in Rs.)	1.63	6.33	3.43	1.75	6.40	3.42
Diluted earnings per share (in Rs.)	1.63	6.33	3.43	1.75	6.40	3.42
Return on net worth	2.80%	11.15%	6.76%	2.77%	10.97%	6.48%
Net Asset value per shares	58.39	56.76	50.43	59.13	57.38	50.98

DEVPURA NAVLAKHA & CO.
Chartered Accountants

13, Timothy Building,
75, S.S. Gaikwad Marg,
Opp. Metro Cinema,
Mumbai – 400 002.
Telefax: 022-2208 2217
Email: pkdevpura@rediffmail.com
pkdevpura@gmail.com

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF QUARTERLY
UNAUDITED STANDALONE FINANCIAL RESULTS OF THE COMPANY**

To,

The Board of Directors of **D & H INDIA LIMITED**

1. We have reviewed the accompanying Statement of Standalone unaudited financial results of **D & H INDIA LIMITED** ("The Company") for the quarter ended June, 2025 ("the statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 with the Stock Exchange.

This Statement which is the responsibility of the company's management and approved by the Board of Director, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.

2. We conducted our review of the statements in accordance with the Standards on Review Engagement (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. These standards require that we plan and perform the review to obtain reasonable assurance about whether the statements are free of material misstatement(s). A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data thus provide less assurance than audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with aforesaid 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 SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to the following matters:-

We were neither engaged to review, nor we have reviewed the comparatives figures including the reconciliation to the Total Comprehensive Income for the Quarter ended on June 30, 2024 and accordingly we do not express any conclusion on the result in the statement for the quarter ended June, 30, 2024 and as these figures have been furnished by the Management.

For M/s Devpura Navlakha & Co.
Chartered Accountants
FRN 121975W

Digitally signed by
SATYENDRA
SATYENDRA
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Date: 2025.08.14
13:41:27 +05'30'

CA Satyendra Lahoti
Partner
M.No. 135975
Date 14/08/2025
Place Mumbai
UDIN : **25135975BMKWNR8693**



D & H INDIA LIMITED

PART I Statement of Standalone Unaudited Results for the Quarter Ended 30.06.2025 (Rs. in Lacs except EPS)				
Sr.	PARTICULARS	Quarter ended		Year ended
		30.06.2025	31.03.2025	30.06.2024
		Unaudited	Audited	Unaudited
1	Income from operation			
	Sales including GST	6223.63	6908.66	6237.80
	Less: GST Recovered	933.42	994.03	790.99
	Net Sales (Net of GST)	5290.21	5914.62	4446.81
2	Other Income	18.20	44.98	0.68
3	Total Income	5308.41	5959.60	4447.39
4	Expenses			
	(a) Cost of materials consumed	4100.39	4076.50	3082.53
	(b) Purchase of stock in Trade	0.00	37.00	0.00
	(c) Changes in inventories of finished goods, Work in progress and stock-in trade	-313.94	330.12	289.91
	(d) Employee benefits expenses	559.41	447.51	367.47
	(e) Finance Costs	125.61	127.30	101.28
	(f) Depreciation and amortisation expenses	82.50	72.93	67.50
	(g) Other Expenses	679.15	676.04	428.95
	Total expenses	5133.12	5667.39	4337.64
5	Profit / (Loss) before exceptional item (3-4)	175.29	292.21	109.75
6	Exceptional items	0.00	0.00	0.00
7	Profit / (Loss) before Tax (5-6)	175.29	292.21	109.75
8	Tax expenses			
	(a) Current Tax	29.26	48.77	19.88
	(b) Earlier Tax	0.00	5.79	0.00
	(c) Deferred Tax	11.95	35.79	10.04
9	Profit / (Loss) for the period from continuing operations (7-8)	134.08	201.86	79.83
10	Other Comprehensive Income			
	A (i) Items that will not be reclassified to P & L	4.08	2.68	1.54
	(ii) Income tax relating to items that will not be reclassified to P & L	-1.03	0.00	0.00
	B (i) Items that will be reclassified to P & L	-3.38	0.00	0.00
	(ii) Income tax relating to items that will be reclassified to P&L	0.00	0.00	0.00
11	Total comprehensive income for the period (9+10)	133.75	204.54	81.37
	Paid-up Capital Equity Share Capital (Face Value Rs.10/- each)	818.80	818.80	818.80
12	Earning per share for continuing operation			
	a) Basic	1.63	2.50	0.99
	b) Diluted	1.63	2.50	0.99

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Note on Standalone Unaudited Results

- The above results have been reviewed by Audit Committee than taken on record by the Board of Director of the Company at their meeting held on 14th August, 2025
- EPS for the year ended 31st March 2025, is for the whole year, whereas for the quarter/year ended period is only for that quarter/year period.
- In accordance with Regulation 33 of the SEBI (Listing and other Disclosure Requirements) Regulation, 2015 the Company has published consolidated financial result. The Standalone financial results of the Company for the Quarter and Year ended 30.06.2025 are available on the Company website's (www.dnhindia.com) and on the website of BSE (www.bseindia.com).

Date: 14.08.2025
Place: Indore

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D & H India Limited

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Harsh Vora
Managing Director

DEVPURA NAVLAKHA & CO.
Chartered Accountants

13, Timothy Building,
75, S.S. Gaikwad Marg,
Opp. Metro Cinema,
Mumbai – 400 002.
Telefax: 022-2208 2217
Email: pkdevpura@rediffmail.com
pkdevpura@gmail.com

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF QUARTERLY
UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF THE COMPANY**

**Review Report to
The Board of Directors
D & H INDIA Limited
Dear Sirs,**

- We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of **D & H INDIA LTD.** (The Parent) and its subsidiary, (collectively referred to as "the group") and its share of the net profit after tax and total comprehensive income of its subsidiary for the quarter ended **30th June, 2025** ("the statement"), attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (the "Listing Regulation"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30th June, 2024 as reported in these unaudited consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
- This statement is the responsibility of the the parent's management and approved by the parent's Board of Directors, has been compiled from the related interim consolidated financial results / interim consolidated financial information which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting (Ind AS 34)", prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
- We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
- We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
- This Statement includes the results of the following entities: -

Parent Company:

- D & H India Ltd.

Subsidiary:

1. V & H Fabricators Pvt. Ltd. (Indian Subsidiary)

- Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M/s Devpura Navlakha & Co.
Chartered Accountants
FRN 121975W

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CA Satyendra Lahoti
Partner
M.No. 135975
Date 14/08/2025
Place Mumbai
UDIN : **25135975BMKWNT5494**



D & H INDIA LIMITED

PART I Statement of Consolidated Unaudited Results for the Quarter Ended 30.06.2025 (Rs. in Lacs except EPS)				
Sr.	PARTICULARS	Quarter ended		Year ended
		30.06.2025	31.03.2025	30.06.2024
		Un-Audited	Audited	Un-Audited
1	Income from operation			
	Sales including GST	6223.63	6908.65	5237.80
	Less: GST Recovered	933.42	994.03	790.99
	Net Sales (Net of GST)	5290.21	5914.62	4446.81
2	Other Income	18.20	45.01	0.68
3	Total income	5308.41	5959.64	4447.39
4	Expenses			
	(a) Cost of materials consumed	4100.39	4076.50	3082.53
	(b) Purchase of stock in Trade	0.00	37.00	0.00
	(c) Changes in inventories of finished goods, Work in progress and stock-in-trade	-313.94	330.12	289.91
	(d) Employee benefits expenses	559.41	447.52	367.47
	(e) Finance Costs	125.61	127.38	101.28
	(f) Depreciation and amortisation expenses	82.52	72.87	67.52
	(g) Other Expenses	579.15	576.21	429.70
	Total expenses	5133.14	5667.60	4338.41
5	Profit / (Loss) before exceptional item (3-4)	175.27	292.04	108.98
6	Exceptional items	0.00	0.00	0.00
7	Profit / (Loss) before Tax (5-6)	175.27	292.04	108.98
8	Tax expenses			
	(a) Current Tax	29.26	48.77	19.88
	(b) Earlier Tax	0.00	5.79	0.00
	(C) Deferred Tax	11.94	35.79	10.04
9	Profit / (Loss) for the period from continuing operations (7-8)	134.07	201.69	79.06
10	Share of profit (loss) of Associates	0.00	0.00	0.00
11	Profit / Loss for the period (9+10)	134.07	201.69	79.06
12	Other Comprehensive Income			
	A (i) items that will not be reclassified to p & L	14.88	-2.03	4.88
	(ii) Income tax relating to items that will not be reclassified to	-2.44	0.00	0.00
	B (i) items that will be reclassified to P & L	-3.38	0.00	0.00
	(ii) Income tax relating to items that will be reclassified to P&L	0.00	0.00	0.00
13	Total comprehensive income for the period (9+10)	143.13	199.67	83.94
	Paid-up Capital Equity Share Capital (Face Value Rs. 10/- each)	818.80	818.80	818.80
14	Earning per share for continuing operation			
	a) Basic	1.75	2.44	1.03
	b) Diluted	1.75	2.44	1.03

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Note on Consolidated Unaudited Results

- The above results have been reviewed by Audit Committee than taken on record by the Board of Director of the Company at their meeting held on 14th August, 2025
- Consolidated financial Results include the result of V & H Fabricator Pvt. Ltd. - wholly owned subsidiaries company of D & H India Limited.
- EPS for the year ended 31st March 2025, is for the whole year, whereas for the quarter/year ended period is only for that quarter/year period.
- In accordance with Regulation 33 of the SEBI (Listing and other Disclosure Requirements) Regulation, 2015 the Company has published consolidated financial result. The Standalone financial results of the Company for the quarter and Year ended 30.06.2025 are available on the Company website's (www.dnhindia.com) and on the website of BSE (www.bseindia.com)

Date: 14.08.2025
Place: Indore

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D & H India Limited

Harsh

Harsh Vora
Managing Director

Transaction with the Related Party

Our Company has entered into the following Related Party Transaction as per Ind AS 24

(₹ in Lakhs)

Transactions with the Related Parties	For the quarter Upto June 30, 2025 (Limited Reviewed)	FY March 31, 2025 (Audited)	FY March 31, 2024 (Audited)
Nature of Transaction			
Remuneration to Executive Directors	150.00	264.00	264.07
Remuneration to other Key Managerial Personnel	5.92	21.18	18.43
Out standing Balances			
Trade and Other Receivables	0.00	0.00	6.80
Trade and other payables	84.00	0.00	0.00

SECTION IX: RATIONALE FOR THE ISSUE PRICE

Detailed rationale for the Issue Price

The Issue Price will be determined by the Company on the basis of qualitative and quantitative factors as described below:

Qualitative factors

Some of the qualitative factors which form the basis for computing the Issue Price are set forth below:

- Diversified product portfolio including and businesses of welding electrodes, wires etc.;
- Having the existing three manufacturing plants at Sanwer Road, Indore (M.P.); Village Sejvaya, Ghatabilloid (M.P.) and Village Borai District Durg which provides excellent quality of the products for industrial and consumables uses;
- Access to diversified and cost-effective sources of funding backed by strong capital base;
- Experienced management team with extensive industry knowledge; and

Quantitative factors

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

1. Basic and diluted Earnings per Equity Share ("EPS") (face value of each Equity Share is ₹10):

Fiscal	Standalone		Consolidated	
	Basic EPS (₹)	Diluted EPS(₹)	Basic EPS (₹)	Diluted EPS(₹)
June 30, 2025 (Limited Reviewed by the Auditors)	1.63	1.63	1.75	1.75
March 31, 2025 (Audited)	6.33	6.33	6.40	6.40
March 31, 2024 (Audited)	3.43	3.43	3.42	3.42

Notes:

Basic EPS: Net Profit for the year attributable to owners of our Company/weighted average number of Equity Shares outstanding during the year.

Diluted EPS: Net Profit for the year attributable to owners of our Company/weighted average number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares.

2. Return on Networth

Fiscal	Standalone	Consolidated
June 30, 2025 (Limited Reviewed by the Auditors)	2.80%	2.77%
March 31, 2025 (Audited)	11.15%	10.97%
March 31, 2024 (Audited)	6.76%	6.48%

Note: Return on net worth: Net Profit for the year attributable to owners of our Company/Average Net Worth.

3. Net Asset Value ("NAV") per Equity Shares

(NAV (₹))

Fiscal	Standalone	Consolidated
June 30, 2025 (Limited Reviewed by the Auditors)	58.39	59.13
March 31, 2025 (Audited)	56.76	57.38
March 31, 2024 (Audited)	50.43	50.98

Note: Net Asset Value per Equity Share of ₹10 (Net Worth/ number of Equity Shares issued, subscribed and fully paid outstanding as at the end of the year).

The Issue Price is [●] times of the face value of the Equity Share.

SECTION X: GOVERNMENT APPROVALS OR LICENSING ARRANGEMENTS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “*Objects of the Issue*” beginning at Page No. 56 of this Draft Letter of Offer.

SECTION XI: OTHER REGULATORY AND STATUTORY DISCLOSURES

(a) AUTHORITY FOR THE ISSUE

This Issue has been authorized by the resolution passed by our Board at its meeting held on October 27, 2025 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 the Draft Letter of Offer at its meeting held on [●], 2025.

Our Board, in its meeting held on [●], has resolved to issue the Equity Shares to the Eligible Equity Shareholders, at ₹[●] per Equity Share aggregating up to ₹ 2456.40 Lakhs. The Issue Price of ₹[●] per share has been arrived by our Company prior to determination of the Record Date.

Our Company has received in-principle approval from BSE Ltd., in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Equity Shares to be allotted in this Issue pursuant to their letter dated [●]. Our Company will also make application to BSE Ltd. 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 "Offering Information" beginning on Page No. 94 of this Draft Letter of Offer.

(b) PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoter, the members of our Promoter Group and our Directors have not been prohibited from accessing or operating in the capital markets or restrained 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.

None of our Directors are declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

The Equity Shares of our Company have not been suspended from trading as a disciplinary measure imposed by SEBI or any other regulatory authority during the last three years.

(c) ASSOCIATION WITH ENTITIES PROHIBITED BY SEBI AND RBI

Our directors are not associated with any other entity 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 or RBI.

(d) DESIGNATED STOCK EXCHANGE

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

(e) DISCLAIMER CLAUSES

- (i) 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.
- (ii) Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE Ltd. 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.
- (iii) Our Company and our Promoters are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

- (iv) 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 an application to the Stock Exchange for receiving its In Principle approval for the listing of the Equity Shares to be issued pursuant to this Issue. BSE Ltd. is the Designated Stock Exchange for the Issue.
- (v) 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 including our Company's website www.dnhindia.com.

All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and its respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Draft Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centre.

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.

(f) DISCLAIMER IN RESPECT OF JURISDICTION

This Draft Letter of Offer has been prepared under the provisions of Indian law 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 Mumbai, Maharashtra only.

(g) DISCLAIMER CLAUSE OF STOCK EXCHANGES

As requested, a copy of the Draft Letter of Offer has been submitted to BSE Ltd. The disclaimer clause as intimated by BSE Ltd. to our Company, post scrutiny of the Draft Letter of Offer, will be included in the Letter of Offer prior to the filing with the Stock Exchanges.

(h) REDRESSAL OF INVESTOR GRIEVANCES

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. 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 within 15 (Fifteen) days from the receipt of the complaint.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI LODR 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. Ankit Consultancy Private Limited is 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 (Fifteen) days from the receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer or any pre-Issue or post-Issue related matters. 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 Rights 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 "*Making an application through ASBA Process*" at Page No. 96 of this Draft Letter of Offer. The contact details of our Registrar to the Issue is as follows:

Registrar to the Issue

ANKIT CONSULTANCY PRIVATE LIMITED

Registrar and Share transfer Agent

SEBI Reg. No.: INR000000767

Address - Plot No. 60, Electronic Complex Pardeshipura, Indore, Madhya Pradesh, 452010

Tel: 0731-2551745

E-mail: investor@ankitonline.com, compliance@ankitonline.com,

Investor Grievance ID: compliance@ankitonline.com

Contact Person: CS Saurabh Maheshwari

Website: www.ankitonline.com

CIN: U74140MP1985PTC003074

(i) SELLING RESTRICTIONS

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar to the Issue. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Application Form and the Rights Entitlement Letter 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 of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer / Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

(j) Other Confirmations

Our Company, in accordance with Regulation 79 of the SEBI ICDR Regulations, shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making an Application, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person for making an Application.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN “OFFSHORE TRANSACTIONS” AS DEFINED IN AND IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THIS LETTER OF OFFER 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. No Application Form should 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 Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch this Letter of Offer and Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who purchases or sells Rights Entitlements or makes an application for Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the purchase or sale of Rights Entitlements, it will not be, in the United States and is authorized to purchase or sell the Rights Entitlement and subscribe to the Rights Equity Shares in compliance with all applicable laws 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, electronically transmitted from or dispatched from the United States or any other jurisdiction where the offer and sale of the Rights 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 outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided; or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

SECTION XII: MATERIAL DEVELOPMENTS

There have not been any Material Developments, 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.

Scheme of Amalgamation:

The Board of directors of our Company has approved the Scheme of Amalgamation under section 230-232 of the Companies Act, 2013 between D & H India Limited (*Transferee Company*) and V & H Infra Private Limited (*Transferor Company*) at their meeting held on 23rd December, 2024. The appointed date in the Scheme is 1st April, 2024.

Our Company has obtained a Letter of Observation of BSE Ltd. by letter No. DSC/AMAL/NB/ R37/ 3705/2025-26 dated July 17, 2025. The object and rational of the Scheme proposes inter-alia to carry on the mining business of Bentonite products being carrying by the Transferor Company after approval of the Scheme. Our Company proposes to issue 402 (Four Hundred and Two) equity shares of D & H India Limited of Rs 10/- each fully paid-up for every 100 (One Hundred) equity shares of V & H Infra Private Limited of 10/- each fully paid-up. Thereby our Company shall issue 60,30,000 Equity shares of Rs. 10/- each to the shareholders/members of the Transferor Company, which shall be listed at BSE Ltd. Our Company is in process for filing of necessary application before the Hon'ble National Company Law Tribunal, at Mumbai Bench for seeking necessary approvals of the Scheme.

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

SECTION XIII: OFFERING INFORMATION

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company are not liable for any amendments or modifications 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 investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Circulars ("**SEBI – Rights Issue Circular**"), all investors (including renouncees) shall make an application for a rights issue only through ASBA facility.*

Investors are requested to note that Application in this Issue can only be made through ASBA or any other mode which may be notified by SEBI.

OVERVIEW

The Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association of our Company, the provisions of Companies Act, the terms and conditions as may be incorporated in the FEMA, the SEBI ICDR Regulations, the SEBI LODR 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 the SEBI, the RBI or other regulatory authorities, the terms of Listing Agreements entered into by our Company with the Stock Exchange and terms and conditions as stipulated in the Allotment Advice.

Important:

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS:

In accordance with the SEBI (ICDR) Regulations, and the ASBA Circular, our Company will send/dispatch at least 3 (three) days before the Issue Opening Date, the Rights Entitlement Letter, Application Form and other issue material ('**Issue Materials**') only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Draft Letter of Offer will be sent/dispatched, by the Registrar to the Issue/ CDSL on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard.

Investors can also access the Draft Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at www.dnhindia.com
- b) The Registrar to the Issue at www.ankitonline.com
- c) the Stock Exchanges at www.bseindia.com

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit www.ankitonline.com.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.ankitonline.com by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. www.dnhindia.com)

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Draft Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Draft 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. Resident Eligible Equity Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number.

The distribution of the Letter of Offer, the Rights Entitlement Letter and the issue of Rights 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 the Letter of Offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the 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 the 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, the 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 the Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the 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 the 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 the Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorised to acquire the Rights Entitlements and the Rights 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).

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid e-mail address and an Indian address to our Company.

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation or purchase of the Equity Shares and/or Rights Entitlements 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 and Rights Entitlement Letter should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under this Letter of 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 this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch, only through email, the Application Form and other applicable Issue materials only to Eligible Equity Shareholders who have provided an Indian address to our Company.

Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States, and is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations.

Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "US SEC"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

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 Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

II. 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 Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense account, as applicable. For further details on the Rights Entitlements and demat suspense account, please see "*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on Page No. 107 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense account in case of resident Eligible Equity Shareholders holding shares in physical form as at Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application 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.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or
- ii) the requisite internet banking.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein that the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

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, please see “*Grounds for Technical Rejection*” on Page No. 103. 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 SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and 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, - please see “*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” beginning on Page No. 98.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to. Details of each of the Eligible Equity Shareholders’ Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at www.ankitonline.com and link of the same would also be available on the website of our Company at www.dnhindia.com. Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

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

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

Making an Application through the ASBA process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors 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 authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors 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, their directors, their 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.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's for Investors applying through ASBA:

- a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialised form only.
- c) Ensure that the Applications are submitted to the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights 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.
- e) Ensure that you have authorized 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.
- f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- g) 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.
- h) 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.
- i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don'ts for Investors applying through ASBA:

- a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- c) Do not send your physical Application to the Registrar, 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.
- d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- e) Do not submit Application Form using third party ASBA account.
- f) Avoiding applying on the Issue Closing Date due to risk of delay/restriction in making any physical Application.
- g) Do not submit Multiple Application Forms.

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 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 or the Stock Exchange or our Company. 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.

If an Eligible Equity Shareholder makes an application both in an application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilise 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:

1. Name of our Company, D & H India Limited.
2. 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);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP and Client ID;
4. 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 Rights Equity Shares applied for pursuant to this Issue;
5. Number of Equity Shares held at Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements.
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total application amount paid at the rate of ₹[●] per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. 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.
14. Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. 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);
16. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar at investor@ankitonline.com, compliance@ankitonline.com
17. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in “Restrictions on Purchases and Resales” on Page No. 126 and shall include the following:

“I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to Eligible Equity Shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and

under no circumstances is to be construed as, an offering of any Rights 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 Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither our Company, nor the Registrar, or any other person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, or any other person acting on behalf of our Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

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. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled "Restrictions on Purchases and Resales" on Page No. 126.

I/ We understand and agree that the Rights Entitlements 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 U.S. Securities Act.

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 account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors 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 Investor. The plain paper Application format will be available on the website of the Registrar at www.ankitonline.com.

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 Investors' 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 Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least 2 (two) clear 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 account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as at 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 2 (two) clear 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;
- 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*” on beginning on Page No. 98.

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

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights 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*” beginning on Page No.115.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares unless regulatory approvals are submitted.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTER/PROMOTER GROUP

Intention and extent of participation by our Promoter and Promoter Group with respect to (i) their right entitlement; and (ii) their intention to subscribe over and above their Right Entitlement; and (iii) their intention to renounce their right entitlement, to specific investor(s)

Our Promoter and Promoter Group may intended to subscribe their right entitlement in part or in full in the proposed issue, however, they have yet not finalised the extent of their participation and they may renounce a part of or full of their Rights Entitlement in the Open Market.

Therefore, the minimum subscription criteria (of at least 90% of the Issue) as provided in regulation 86(1) of the SEBI ICDR Regulation is applicable to the Issue. Pursuant to Regulation 86(2) of the SEBI ICDR Regulation in case of non receipt of minimum subscription, all application monies received shall be refunded to the applicants forthwith, but not later than 4 (Four) days from the closure of the Right Issue.

Our Company does not intend to allot the under subscribed portion of the Right Equity Shares in this issue to any specific investors. Accordingly, provision of Regulation 84(1)(f) of the SEBI ICDR Regulation are not applicable to us.

Our Company is in compliance with Regulation 38 of the SEBI ICDR Regulation and will continue to comply with the Minimum public shareholding requirement under applicable law, pursuant to this issue.

ALLOTMENT BY THE COMPANY TO ALLOT THE UNDER-SUBSCRIBED PORTION OF THE RIGHTS ISSUE TO ANY SPECIFIC INVESTOR(S)

Our Company do not intend to allot any share to the specific investor(s) in case of under subscription of the Issue.

MINIMUM SUBSCRIPTION

The object of this Issue involves; (i) Repayment and/or prepayment, in full or part, of all or a portion of certain borrowings availed by our Company; and (ii) General Corporate Purpose. Accordingly, the minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations, shall apply to this issue as the renouncement of the Right Entitlement(s) of the Promoter and Promoter Group may be renounced in favour of General Public by way of sale of the Right Entitlement or renouncement of Right Entitlement if any.

In view of above the requirement of the Regulation 86 of the SEBI ICDR Regulations shall apply, therefore, if our Company does not receive minimum subscription of at least 90% 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 in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

Additional general instructions for Investors in relation to making of an application;

- a) Please read the Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regards 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 Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” beginning on Page No. 98.
- d) Applications should be 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 authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. 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.
- e) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
- f) 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 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 Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- g) 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. Investors applying under this Issue should note that on the basis of name of the Investors, 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, Investors 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 Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian 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 Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, or the Registrar shall be liable to compensate the Investor 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 Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

- h)* By signing the Application Forms, Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i)* 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 Investors must sign the Application as per the specimen signature recorded with the SCSB.
- j)* Investors 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. The investor 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.
- k)* 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.
- l)* All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to 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 at 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.
- m)* Investors are required to ensure that the number of Rights Equity Shares applied by them do not exceed the prescribed limits under the applicable law.
- n)* Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o)* Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p)* Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q)* Do not pay the Application Money in cash, by money order, pay order or postal order.
- r)* Do not submit multiple Applications.
- s)* 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 FEMA Rules.
- t)* Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Grounds for Technical Rejection

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

- a)* DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b)* Details of PAN mentioned in the Application do not match with the PAN records available with the Registrar.
- c)* Sending an Application to our Company, Registrar, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- d)* Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e)* Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f)* Account holder not signing the Application or declaration mentioned therein.
- g)* Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h)* Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- i)* 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).
- j)* 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.

- k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- o) If an Investor 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 Investor to subscribe to their Rights Entitlements.
- p) Applications which: (i) appear to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights 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 outside the United States, and is eligible to subscribe for the Rights 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 Rights Equity Shares in respect of any such Application Form.
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Investors that are residing in U.S. address as per the depository records.
- s) Applicants not having the requisite approvals to make Application in the Issue.

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 Investors, and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialised 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 Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see “*Procedure for Applications by Mutual Funds*” on Page No. 105

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of our Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure*” on Page No. 53.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT’S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Procedure for Applications by certain categories of Investors

(a) Procedure for Applications by Mutual Funds

- (i) 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.
- (ii) 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.
- (iii) No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funded or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

(b) Procedure for Applications by NRI's

- (i) 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.
- (ii) 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 recognised 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.
- (iii) Further, in accordance with press note 3 of 2020, the FDI Circular 2020 has been amended to state that all investments by entities incorporated 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 Investors"), 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 Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

(c) Procedure for Applications by FPIs

- (i) 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 investor group (which means multiple entities registered as foreign portfolio investors 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 investor 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 investor 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 investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100% under automatic route).
- (ii) 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 (iv) compliance with other conditions as may be prescribed by SEBI.

(d) Applications will not be accepted from FPIs in restricted jurisdictions

- (i) FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds ₹ 2 Lakhs can participate in the Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 2 Lakhs.
- (ii) 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:
 - a. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
 - b. 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.

(e) Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

- (i) 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.
- (ii) 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.
- (iii) 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 our 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.

(f) 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 [●], 2025, i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such a 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 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*” on beginning on Page No. 115.

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, Investors 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, whether applying through ASBA facility, may withdraw their application post the Issue Closing Date.

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.

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 Rights Equity Shares Allotted, will be refunded/unblocked in the respective bank accounts from which Application Money was received/ASBA Accounts of the Investor within a period of 4 (Four) 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.

III. 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 at the Record Date, you may be entitled to subscribe to the number of Rights 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 (www.ankitonline.com) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e www.dnhindia.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialised 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 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 lapse and shall be extinguished after the Issue Closing Date. No Rights 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 Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as at 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 2 (two) clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least 1 (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 www.ankitonline.com. 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 dematerialised 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 account (namely, “[●] RE Suspense Account”) 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 the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR 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 at 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 2 (two) clear Working Days prior to the Issue Closing Date, i.e., by [●], 2025 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense account to their demat account at least 1 (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.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(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 favour 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.

The Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least 2 (two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

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 Investors 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.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors 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 Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

₹ [●] per Rights Equity Share (including premium of ₹ [●] per Rights Equity Share) shall be payable on Application.

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 Investors.

a. 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 dematerialised form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] 2025 (both days inclusive).

The Investors 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 Investors 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+1 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.

b. 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 account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Equity Shares in the Issue.

The Off Market Renunciation shall take place only during the Renunciation Period for off Market Renunciation, i.e., from [●] to [●] 2025 (both days inclusive).

The Investors 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 the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors 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.

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 favour 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.

V. 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 Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorising the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor'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 Investor 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 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, of the receipt of minimum subscription and pursuant to the finalisation 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 Investors

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 Investors

As regards the Application by non-resident Investors, 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 Rights 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 Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights 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 Rights 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 Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Rights 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, please see "*Summary of Draft Letter of Offer*" beginning from Page No.20.

Manner of dealing with Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Equity Share for every [●] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares

or not in the multiple of [●] the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of 1 (one) additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any. Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this 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 LODR 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 Rights Equity Shares to be issued and Allotted under this Issue shall, upon being fully paid-up rank paripassu with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the in principle listing approval and trading approvals, the Rights 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 Rights 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 Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE Ltd. through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals 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 this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: **DHINDIA 517514**) under the ISIN: INE589D01018. The Rights 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 trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights 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 Rights 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 4 (four) days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/unblocked within 4 (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 4 (fourth) day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Rights of Holders of Rights Equity Shares

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- a) The right to receive dividend, if declared;
- b) The right to receive surplus on liquidation;
- c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d) The right to free transferability of Rights Equity Shares;
- e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- f) Such other rights may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL OFFERING INFORMATION – TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares shall be tradable only in dematerialised form. The market lot for the Rights Equity Shares in dematerialised mode is 1 (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 holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of the Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights 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 Investors would prevail.

Any Investor 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 Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be 1 (One) Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant this Issue. However, the Investors should note that pursuant to the provisions of the SEBI LODR Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable 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 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 Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched through the Speed Post, 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, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai, where our Registered Office is located).

This Draft Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out there in (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 Rights 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 Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor 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 www.ankitonline.com. It will be the sole responsibility of the investors 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 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 Rights Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access the Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights 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 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 Rights 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 Rights 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, OCBs have been derecognised 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 to obtain prior approval from RBI for applying in this Issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

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 email to [●].

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALISED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” BEGINNING ON PAGE NO. 116.

VIII. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS #	[●]
DATE OF CLOSURE OF OFF MARKET TRANSFER 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 a duly authorised committee 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 at 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 2 (two) clear 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 account to their respective demat accounts, at least 1 (one) day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder 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, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar i.e. www.ankitonline.com. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e. www.ankitonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the 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 Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights 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 Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head should be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If the number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the BSE Ltd., Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights 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 Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board or its Rights Issue Committee in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights 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 specific investor(s), if applicable, 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.
- f) 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), (d) and (e) 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, i.e BSE Ltd., the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. 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;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. 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 Banker to the Issue to refund such Applicants.

X. 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 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 Rights 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 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.

The Rights Entitlements will be credited in the dematerialised form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds 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 Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be unblocked. The unblocking of ASBA funds / refund of monies shall be completed 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 a rate as prescribed under applicable law.

XI. 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.

- a) Unblocking amounts blocked using ASBA facility.
- b) **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 a Magnetic Ink Character Recognition (“**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.
- c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ 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 at a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors 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 Investors through this method.
- d) **Direct Credit** – Investors having bank accounts with the Bankers 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.
- e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors 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, a 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 Investor's bank receiving the credit would be borne by the Investor.

- f) For all other Investors, 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 demand drafts drawn in favour of the sole/first Investor and payable at par.
- g) Credit of refunds to Investors 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.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

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.

Receipt of the Rights Equity Shares in Dematerialised Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALISED 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 CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS AT THE RECORD DATE OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/ FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialised (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialised form, instead of holding the Equity Shares in the form of physical certificates:

- a) Tripartite agreement amongst our Company, NSDL and the Registrar to the Issue; and
- b) Tripartite agreement amongst our Company, CDSL and the Registrar to the Issue.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALISED FORM

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. 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 Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in the Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialised 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 Investor Education and Protection Fund (IEPF) authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
9. Eligible Equity Shareholders, who hold Equity Shares in physical form as on record date and who have not furnished the details of their demat account to the Registrar or our Company at least 2 (two) Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

XIII. IMPERSONATION

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447. Also, any penalty if imposed pursuant to Companies Act, 2013 shall be disclosed”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where fraud involves an amount less than ₹0.1 crore or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹0.50 crore or with both.

XIV. 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 unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; 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.

XV. DISPOSAL OF APPLICATION AND APPLICATION MONEY

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

Our Board or our duly authorized committee 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 Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 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 Common Application Form carefully.

XVI. MINIMUM SUBSCRIPTION

The object of this Issue involves; (i) Repayment and/or prepayment, in full or part, of all or a portion of certain borrowings availed by our company; and (ii) General Corporate Purpose. Accordingly, the minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations, shall apply to this issue as the renouncement of the Right Entitlement(s) of the Promoter and Promoter Group may be renounced in favour of General Public by way of sale of the Right Entitlement or renouncement of Right Entitlement if any.

In view of above the requirement of the Regulation 86 of the SEBI ICDR Regulations shall apply, therefore, if our Company does not receive minimum subscription of at least 90% 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 in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

XVII. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form 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 must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at 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 superscribed “**D & H India Limited – Rights Issue**” on the envelope and postmarked in India) to the Registrar at the following address:

ANKIT CONSULTANCY PRIVATE LIMITED

Registrar and Share transfer Agent

SEBI Reg. No.: INR000000767

Address - Plot No. 60, Electronic Complex Pardeshipura, Indore, Madhya Pradesh, 452010

Tel: 0731-2551745

E-mail: investor@ankitonline.com, compliance@ankitonline.com,

Investor Grievance ID: compliance@ankitonline.com

Contact Person: CS Saurabh Maheshwari

Website: www.ankitonline.com

CIN: U74140MP1985PTC003074

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar at www.ankitonline.com. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +0731-2551745.
4. The Investors can visit following links for the below-mentioned purposes:
 - a. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.ankitonline.com
 - b. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar www.ankitonline.com or our Company:
 - c. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.ankitonline.com
 - d. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: www.ankitonline.com

This Issue will remain open for a minimum 7 (Seven) 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 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

SECTION XIV: UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- 1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the time limit specified by SEBI.
- 3) 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.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 2 (two) Working 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.
- 5) 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.
- 6) No further issue of equity shares and convertible securities shall be made till the securities offered through the Letter of Offer are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than any issuance of Equity Shares upon exercise of options under the ESOS Schemes as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
- 7) Adequate arrangements shall be made to collect all ASBA Applications.
- 8) As on date, our Company does not have any convertible debt instruments.
- 9) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

SECTION XV: 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 until 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.
- D. Our Company may utilise the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

SECTION XVI: RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. 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 not 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 through the FDI Circular 2020 (defined below).

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 at 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 the FEMA Rules 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.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

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 falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognised 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 FEMA Rules. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approval, 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. As per existing Policy of the Government of India, erstwhile OCBs cannot participate in this issue.

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 Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION XVII: RESTRICTIONS ON PURCHASES AND RESALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that the Letter of Offer will be filed with the Stock Exchange and submitted to the SEBI for information and dissemination.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into: (i) the United States, or (ii) any jurisdiction other than India except in accordance with the legal requirements applicable in such jurisdiction.

Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone: (i) in the United States or (ii) any jurisdiction 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, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer and any other Issue Materials should not distribute or send the Letter of Offer or any such documents 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 the Letter of Offer or any other Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares. Rights Entitlements may not be transferred or sold to any person outside India except in accordance with applicable law.

The Letter of Offer is, and the other Issue Materials will be, supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements, or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

No offer in 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 within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state securities laws. The Rights Entitlements and the Rights Equity Shares are only being offered and sold outside the United States in offshore transactions, as defined in and in compliance with Regulation S. Neither the receipt of the Letter of Offer nor any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholders who has received the Letter of Offer and its accompanying documents directly from our Company.

Representations, Warranties and Agreements by Purchasers

The Rights Entitlements and the Rights Equity Shares offered outside the United States are being offered in “offshore transactions” in reliance on Regulation S.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser, by accepting the delivery of the Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery

of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted, acknowledged and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
2. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
3. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
4. The purchaser acquiring the Rights Equity Shares for one or more managed accounts, represents and warrants that the purchaser has been authorized in writing, by each such managed account to acquire the Rights Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference herein to ‘the purchaser’ to include such accounts.
5. The purchaser is eligible to invest in India under applicable law, including the FEMA Rules and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India. Further, the purchaser is eligible to invest in and hold the Rights Equity Shares in accordance with the FDI Policy, read along with the press note 3 of 2020 dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules.
6. The purchaser is investing in the Rights Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in the Issue, the purchaser is not in violation of any applicable law, including but not limited to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the Companies Act, 2013, each as amended and/or substituted from time to time.
7. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of the Letter of Offer with the Stock Exchange and its submission with the SEBI for information and dissemination); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements (except in India) or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
8. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in the Issue.

9. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
10. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to us and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and the Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in the Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
11. Without limiting the generality of the foregoing, the purchaser acknowledges that the Equity Shares are listed on BSE and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent financial results, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes the "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
12. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with the Issue, and the Rights Entitlements or the Rights Equity Shares, including the Letter of Offer and the Exchange Information, has been prepared solely by our Company.
13. The purchaser acknowledges that no written or oral information relating to the Issue, and the Rights Entitlements or the Rights Equity Shares has been or will be provided by our Company.
14. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, undertakings and agreements and other information contained in the Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of us have reason to believe is in the United States or is ineligible to participate in the Issue under applicable securities laws.
15. The purchaser is aware that the Rights Entitlements and the Equity Shares have not been and will not be registered under the Securities Act or the securities law of any state of the United States and that the offer of the Rights Entitlements and the offer and sale of the Rights Equity Shares to the purchaser was made in accordance with Regulation S.
16. The purchaser was outside the United States at the time the offer of the Rights Entitlements and Rights Equity Shares was made to it and the purchaser was outside the United States when the purchaser's buy order for the Rights Equity Shares was originated.

17. The purchaser did not accept the Rights Entitlements or subscribe to the Rights Equity Shares as a result of any “directed selling efforts” (as defined in Regulation S).
18. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If, in the future, the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares: (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
19. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for, and authorized to consummate the purchase of, the Rights Equity Shares in compliance with all applicable laws and regulations. If the purchaser is outside India:
 - a. the purchaser, and each account for which it is acting, satisfies: (i) all suitability standards for investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe, and is subscribing, for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence; and
 - b. the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
20. Except for the sale of Rights Equity Shares on the Stock Exchange, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
21. The purchaser is a highly sophisticated investor and has such knowledge and experience in financial, business and international investment matters and is capable of independently evaluating the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of an investment in the Rights Entitlements and the Rights Equity Shares. It, or any account for which it is acting, has the financial ability to bear the economic risk of investment in the Rights Entitlements and the Rights Equity Shares, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to any investment it (or such account for which it is acting) may make in the Rights Entitlements and the Rights Equity Shares, and is able to sustain a complete loss in connection therewith and it will not look to our Company for all or part of any such loss or losses it may suffer.
22. Each of the aforementioned representations, warranties, acknowledgements and agreements shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Rights Equity Shares. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties, acknowledgements and agreements set forth above and elsewhere in the Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements which are given to our Company, and are irrevocable.
24. The purchaser agrees that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Bhopal, Madhya Pradesh,
25. India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Letter of Offer and other Issue Materials.

SECTION XVIII: STATUTORY AND OTHER INFORMATION

1. The allotment of the equity shares under Rights Issue shall be in Dematerialised Form.
2. Copies of Unaudited Financial Results (Limited Reviewed by the Auditors) for the quarter ended June 30, 2025 and the Annual Reports for the Financial Years 2025 and 2024 can be viewed at the link www.dnhindia.com.
3. Copies of all material contracts if any shall also be made available for inspection through online means by our Company.

SECTION XIX: MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available for inspection at the registered office of our Company till the issue closing date on working days and working hours between 11:00 A.M. to 5:00 P.M. and also this Draft Letter of Offer shall be available on the website of our Company at www.dnhindia.com from the date of this Draft Letter of Offer until the Issue Closing Date.

Additionally, any person intending to inspect the abovementioned contracts and documents, may do so, by writing an email to rsen@dnhindia.com.

1. Material Contracts for the Issue

- (i) Registrar Agreement dated [●], entered into amongst our Company and the Registrar to the Issue.
- (ii) Monitoring Agency Agreement dated [●], between our Company and monitoring agency
- (iii) Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

2. Material Documents

- (i) Certified true copies of the Certificate of Incorporation, the Memorandum of Association and the Articles of Association of our Company as amended from time to time.
- (ii) Resolution of the Board of Directors dated October 27, 2025 in relation to the approval of this Issue.
- (iii) Resolution of the Board of Directors dated [●], 2025, approving and adopting the Letter of Offer.
- (iv) Resolution passed by our Rights Issue Committee dated [●] finalizing the Offering Information including Record Date and the Rights Entitlement ratio.
- (v) Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory and Peer Review Auditor, the Registrar to the Issue, Banker to the Issue/Refund Bank for inclusion of their names in the Draft Letter of Offer in their respective capacities.
- (vi) Copy of the offer prospectus/ Public issue document of the preceding public issue available to the public as specified in the SEBI ICDR and shall such prospectus is also available for inspection.
- (vii) Limited Auditors Report dated August 14, 2025 for the financial Results for the quarter ended June 30, 2025 and the Auditors Reports, and the standalone and consolidated financial statements for the year ended March 2025 and 2024, of our Company included in this Draft Letter of Offer.
- (viii) Statement of Tax Benefits dated October 27, 2025, from the Statutory Auditor included in this Draft Letter of Offer.
- (ix) Copy of the draft Scheme of Amalgamation under section 230-232 of the Companies Act, 2013 alongwith the BSE/SEBI Observation letter dated July 17, 2025.
- (x) Tripartite Agreement between our Company, NSDL and the Registrar to the Issue.
- (xi) Tripartite Agreement between our Company, CDSL and the Registrar to the Issue.
- (xii) In principle approval letter no. [●] dated [●] issued by BSE Ltd.

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 relevant statutes. There are no other agreements/arrangements entered into by our Company or clauses/covenants applicable to our Company which are material, not in the ordinary course of business and which are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer.

SECTION XX: DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the SEBI Act, and the rules made there under or regulations issued thereunder, as the case may be.

I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Sd/-
NAME: Mr. Harsh Vora
DIN: 00149287
(Chairperson & Managing Director)

Sd/-
NAME: Mr. Saurabh Vora
DIN: 02750484
(Whole-time Director)

Sd/-
NAME: Mrs. Atithi Vora
DIN: 06899964
(Whole-time Director)

Sd/-
NAME: Mr. Anit Saklecha
DIN: 11227963
(Additional Independent Director)

Sd/-
NAME: Mr. Niranjan Shastri
DIN: 11101503
(Independent Director)

Sd/-
NAME: Mr. Somendra Sharma
DIN: 10736941
(Independent Director)

NAME: Mr. Rajesh Songirkar
(Chief Financial Officer)

NAME: Mr. Rajesh Sen
(Company Secretary & Compliance Officer)

Place: Indore
Date: October 27, 2025