

**RAW EDGE INDUSTRIAL
SOLUTIONS LIMITED**

**Employee Stock Option
Scheme 2023**

SALIENT FEATURES OF THE SCHEME

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RAW EDGE INDUSTRIAL SOLUTIONS LIMITED
Employee Stock Option Plan 2023

1. NAME, OBJECTIVE AND TERM OF THE SCHEME

1.1 This Scheme shall be called Raw Edge Industrial Solutions Limited- Employee Stock Option Plan 2023 (ESOP 2023).

1.2 The ESOP 2023 has been formulated and approved on August 18, 2023 by the Board of Directors (“Board”) and approved on September 22, 2023 by the shareholders of Raw Edge Industrial Solutions, a company limited by shares, incorporated and registered under the Companies Act, 1956 and, having its registered office at B1-401, B Wing, Boomerang, Chandivali Farm Road, Andheri East, Mumbai Maharashtra-400072 (“Company”). The ESOP 2023 shall be effective from October 01, 2023 and shall continue to be in force until - (i) its termination by the Board / Nomination and Remuneration Committee; or (ii) the date on which all of the options available for issuance under the ESOP 2023 have been Exercised (as defined hereinafter). The Scheme has been amended in accordance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred as “SEBI SBEB Regulations, 2021”).

1.3 The objective of the ESOP 2023 is to:

- (a) reward employees for their performance and association with the Company;
- (b) to retain and reward talent in the organization and motivate the employees to contribute to the growth and profitability of the Company;
- (c) to attract and retain talent in the organization;
- (d) to foster ownership and financial motivation;
- (e) to link interests of employees with the Company and strengthen interdependence between the employee and the Company’s prosperity; and
- (f) to achieve inclusive growth by making the employees as stakeholders of the Company.

These objectives are sought to be achieved through the REISL ESOP 2023.

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

- I. “Act” means the Securities and Exchange Board of India Act, 1992 (15 of 1992)

and Companies Act, 2013;

- II. **“Applicable Law”** means every law relating to Employee Stock Options, to the extent applicable, including Companies Act, Securities and Exchange Board of India Act, 1992, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and all relevant tax, securities, exchange control or corporate laws of India, or amendments thereof or of any relevant jurisdiction or of any recognised Stock Exchange on which the Shares are listed or quoted;
- III. **“Board”** means the Board of Directors of the Company;
- IV. **“Cause”** means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or terms of employment amounting to misconduct or breach of terms of employment as determined by the Board after giving the Employee an opportunity of being heard:
 - (i) dishonest statements or acts of an Employee, with respect to the Company;
 - (ii) a felony or any misdemeanor involving moral turpitude, deceit, dishonesty or fraud committed by the Employee;
 - (iii) gross negligence, misconduct or insubordination of the Employee in connection with the performance of his duties and obligations towards the Company;
 - (iv) breach by the Employee of any terms of his employment agreement or the Company’s policies or other documents or directions of Company including the reasons of non-performance;
 - (v) participating or abetting a strike in contravention of any law for the time being in force;
 - (vi) Misconduct as provided under the labour laws after following the principles of natural justice;
- V. **“Committee”** means Nomination and Remuneration Committee of the Board as constituted from time to time in accordance with Companies Act as amended from time to time read with rules made thereunder and shall also constitute and act as the Compensation Committee for the purposes of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- VI. **“Companies Act”** means the Companies Act, 2013 and rules made thereunder and include any statutory modifications or re-enactments thereof;
- VII. **“Company”** means ‘Raw Edge Industrial Solutions Limited’, incorporated under the

Companies Act, 1956 having its registered office B1-401, B Wing, Boomerang, Chandivali Farm Road, Andheri East, Mumbai Maharashtra-400072 registered vide CIN L14219MH2005PLC240892;

- VIII. **“Company Policies/Terms of Employment”** means the Company’s policies for the Employees and the terms of employment as contained in the employment letter issued to the Employee at time of joining the employment and the Company’s Employee handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other Employees and customers.
- IX. **“Control”** shall have the same meaning as defined under the Companies Act, or Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- X. **“Director”** shall have the same meaning as defined under section 2(34) of the Companies Act ;
- XI. **“Employee”** means —
- (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
 - (ii) a Director of the Company, whether a whole time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an independent Director; or
 - (iii) an employee as defined in sub-clauses (i) or (ii), of a Group Company including Subsidiary or its Associate Company, in India or outside India, or of a Holding Company of the Company, but does not include—
 - (a) an Employee who is a Promoter or a person belonging to the Promoter group; or
 - (b) a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity Shares of the Company;
- XII. **“Employee Stock Option” or “Option”** means the option granted to an eligible Employee which gives such an Employee a right to purchase or subscribe at a future date, the Shares offered by the Company, directly or indirectly, at a pre-determined price;
- XIII. **“Employee Stock Option Plan” or “Employee Stock Option Scheme” or “ESOP” or “ESOS”** means a Scheme or Plan under which a Company grants Employee stock options to Employees directly or through a trust;
- XIV. **“Eligibility Criteria”** means the criteria as may be determined from time to time by

the Board/ Committee for granting the Employee Stock Options to the Employees;

- XV. **“ESOP 2023”** means Employee Stock Option Plan/Scheme under which the Company is authorized to grant Employee Stock Options to the Employees.
- XVI. **“Equity Shares”** means fully paid-up Equity Shares of the Company of face value of Rs. 10/- (Rupees Ten) each;
- XVII. **“Exercise”** means making of an application by an eligible Employee to the Company for issue of Shares or appreciation in form of cash, as the case may be, against vested Options in pursuance of the Scheme;
- XVIII. **“Exercise Period”** means the time period after vesting within which an Employee can exercise his/her right to apply for Shares against the vested option in pursuance of the Scheme;
- XIX. **“Exercise Price”** means the price @ of Rs. 10/- per share, if any, payable by an Employee for exercising the option granted to such an Employee in pursuance of the Scheme;
- XX. **“Fair Value of the Option”** means the value computed in respect of the Options granted based on the date of grant by use of mathematical/ statistical model such as Black Scholes.
- XXI. **“General Meeting”** means an annual general meeting or an extraordinary general meeting held by the Company in compliance with the Companies Act;
- XXII. **“Grant”** means the process by which the Company issues options, Shares under ESOP 2023;
- XXIII. **“Grant Date”** means the date on which the Board or Committee approves the grant. For accounting purposes, the grant date will be determined in accordance with applicable accounting standards;
- XXIV. **“Grantee”** means an Employee who receives an offer of Options from the Company or the Board or Committee under the Scheme.
- XXV. **“Group”** means two or more companies (present or future) which, directly or indirectly, are in a position to—
- (i) exercise twenty-six per cent or more of the voting rights in the other Company; or
 - (ii) appoint more than fifty per cent of the members of the Board of

Directors in the other Company; or

(iii) control the management or affairs of the other Company;

- XXVI. **“ICAI”** means the Institute of Chartered Accountants of India;
- XXVII. **“Insider”** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
- XXVIII. **“Independent Director”** shall have the same meaning assigned to it under the Companies Act and rules made thereunder;
- XXIX. **“Key Managerial Personnel”** shall have the same meaning as defined under section 2(51) of the Companies Act;
- XXX. **“Long Leave”** means a sanctioned leave in excess of 60 days without break;
- XXXI. **“Market Price”** means the latest available closing price, immediately prior to the relevant date, on the recognized Stock Exchange on which the Shares of the Company are listed. In case Shares are listed on more than one Stock Exchange, then the closing price on the Stock Exchange where the highest trading volume on the said date shall be considered.
- XXXII. **“Merchant Banker”** means a merchant banker as defined under Regulation 2(1)(cb) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, which is registered under Section 12 of the Securities and Exchange Board of India Act, 1992 (No. 15 of 1992);
- XXXIII. **“Option”** means Employee Stock Option within the meaning of this Scheme;
- XXXIV. **“Option Grantee”** means an Employee having a right but not an obligation to exercise an option in pursuance of ESOP 2023;
- XXXV. **“Permanent Disability or Permanent Incapacity”** means any incapacity of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Board/ Committee based on a certificate of a medical expert identified by the Company;
- XXXVI. **“Promoter”** shall have the same meaning as assigned to the term under the

Companies Act and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;

- XXXVII. **“Promoter Group”** shall have the same meaning assigned to the term under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
- XXXVIII. **“Recognised Stock Exchange or Stock Exchange”** means a stock exchange which has been granted recognition under section 4 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- XL. **“Relative”** shall have the same meaning as defined under section 2(77) of the Companies Act;
- XLI. **“Relevant Date”** means -
- a. in the case of grant, the date of the meeting of the Board/Committee on which the grant is made; or
 - b. in the case of exercise, the date on which the notice of exercise is given to the Company or to the trust by the Employee;
- XLII. **“Retirement”** means retirement as per the rules of the Company.
- XLIII. **“Scheme” “Plan”** means Employee Stock Option Plan 2023 also known as “ESOP 2023”;
- XLIV. **“Securities”** means securities as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- XLV. **“Secretarial Auditor”** means a Company secretary in practice appointed by a Company under rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit, pursuant to applicable provisions of the Companies Act and rules made thereunder and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- XLVI. **“SEBI”** means the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992;
- XLVII. **“SEBI (SBEB and Sweat Equity) Regulations”** means Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and re-enacted from time to time and includes any clarifications or circulars issued thereunder;
- XLVIII. **“Shares”** means Equity Shares of the Company within the meaning of this Scheme;
- L. **“Unvested Option”** means an Option in respect of which the relevant Vesting

Conditions have not been satisfied and as such, the Option Grantee has not become eligible to exercise the Option;

- LI. **“Vesting”** means the process by which the Employee becomes entitled to receive the benefit of a grant made to him/her under any of the Schemes;
- LII. **“Vesting Condition”** means any condition subject to which the Options granted would vest in an Option Grantee;
- LIII. **“Vesting Period”** means the period during which the vesting of option granted under any of the Schemes takes place;
- LIV. **“Vested Option”** means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to exercise the Option.

2.2 Interpretation

In this Scheme, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant to interpretation;
- b) a reference to a clause number is a reference to its sub-clauses;
- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender; and
- e) reference to Company shall refer to the Company

Words and expressions used and not defined herein but defined in the Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, and any statutory modification or re-enactment thereto, or Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or SEBI (SBEB and Sweat Equity) Regulations shall have the meanings respectively assigned to them in those legislations.

3. AUTHORITY

- 3.1 The Board of the Company through resolution dated August 18, 2023 and the Shareholders of the Company through special resolution passed on Annual General Meeting held on September 22, 2023, the Company is authorized to issue to the Employees under REISL ESOP 2023, not exceeding 10,00,000 (Ten Lakhs) Employee Stock Options convertible into not more than 10,00,000 (Ten Lakhs) Shares of face value of Rs. 10/- (Rupees Ten) each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the

Company, in accordance with the terms and conditions of such issue. Further, the maximum number of Options to be granted per Employee per grant and in aggregate shall not exceed 1,00,000 (One Lakh) in a year.

- 3.2 The maximum number of Options that shall be granted to the eligible Employees who are in the employment of the Company (whether now or hereafter existing, whether incorporated in India or overseas as may be from time to time be allowed under the prevailing laws, rules and regulations and / or any amendments thereto from time to time, whether working in India or out of India and to the Directors of the Company in any year and in aggregate, under ESOP 2023 shall not be equal to or exceeding 1% of the issued Capital (excluding outstanding warrants and conversions) of the Company if the prior specific approval from members of the Company through a special resolution to this effect is not obtained. The appraisal process for determining the eligibility of the Employees will be decided by the Board/ Committee from time to time.
- 3.3 Under ESOP 2023, the Company will issue fresh equity shares as and when the Vested Options are exercised by the Option Grantees.
- 3.4 If an Employee Stock Option expires, lapses, cancelled, surrendered or becomes unexercisable due to any reason/s, it shall be brought back to the Employee Stock Options pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Laws.
- 3.5 Where Shares are allotted consequently upon Exercise of an Employee Stock Option under the ESOP 2023, the maximum number of Shares that can be allotted under ESOP 2023 as referred to in Sub-clause 3.1 above shall stand reduced to the extent of such Shares allotted.
- 3.6 In case of a Share split, merger, demerger, Scheme of arrangement, amalgamation, sale of division, consolidation, rights issues, bonus issues and other corporate actions, if the revised face value of an Equity Share is less or more, as the case may be, than the current face value as prevailing on the date of coming into force of this Scheme, the maximum number of Shares available under ESOP 2023 as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares x face value per Share) prior to such split or consolidation remains unchanged after such split or consolidation.

4. ADMINISTRATION

- 4.1 The ESOP 2023 shall be administered by the Board or by the Committee as may be authorized by the Board. All questions of interpretation of the ESOP 2023 shall be determined by the Board/ Committee and such determination shall be final and binding upon all persons having an interest in the ESOP 2023, in compliance with Applicable Laws.
- 4.2 The Board/ Committee shall in accordance with this Scheme and Applicable Laws have determined the following:

- a. the quantum of Options to be granted shall be maximum 10,00,000 options in aggregate in various tranches and 1,00,000 options maximum per Employee and in aggregate under a Scheme in a financial year;
- b. the kind of benefits to be granted under this Scheme will be only Equity Shares;
- c. the conditions under which Options, Shares or other benefits as the case may be, may vest in Employees and may lapse in case of termination of employment for misconduct;
- d. The schedule for Vesting of the Options granted to Employees will be in tranches;
- e. The price at which the Options are to be granted from time to time (which will be the ExercisePrice for the Options at a future date).
- f. the exercise period within which the Employee can exercise the Options and that Options would lapse on failure to exercise the same within the exercise period;
- g. the specified time period shall be within 1 year after the vesting period ends which the Employee shall exercise the vested Options or in the event of termination or resignation;
- h. the right of an Employee to exercise all the Options, as the case may be, vested in him at onetime or at various points of time within the exercise period;
- i. the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration by the Board / Committee:
 - i. The number and price of Options shall be adjusted in a manner such that the total value to the Employee of the Options remains the same after the corporate action;
 - ii. the vesting period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Employee(s) who is granted such Options;
- j. the grant, vesting and exercise of Shares, Options or in case of Employees who are on long leave;
- k. eligibility to avail benefits under this Scheme in case of Employees who are on long leave;
- l. the procedure for funding the exercise of Options;
- m. the procedure for buy-back of specified securities issued under SEBI SBEB and Sweat EquityRegulations, if to be undertaken at any time by the Company and the applicable terms and conditions, including:
 - (i) permissible sources of financing for buy-back;
 - (ii) any minimum financial thresholds to be maintained by the Company as per its lastfinancial statements; and
 - (iii) limits upon quantum of specified securities that the Company may buy-back in financial year.

For the purpose of this Clause 4.2, specified securities mean as defined under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

- n. Amend any terms and conditions of any Options granted under the Scheme to the

extent it is not inconsistent with the terms of the Scheme and not prejudicial to the interest of the OptionGrantee.

- 4.3 The Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended from time to time, by the trust, the Company and its Employees, as may be applicable.
- 4.4 Approve forms, documents, deeds, writings and/or agreements for use in pursuance of the ESOP 2023. The Board/ Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 by the Company and its Employees.

5. ELIGIBILITY AND APPLICABILITY

- 5.1 Only Employees within the meaning of this Scheme are eligible for being granted Stock Options under ESOP 2023. The specific Employees to whom the Stock Options would be granted and their Eligibility Criteria would be determined by the Board/ Committee.
- 5.2 In case of any Grant of Option to the eligible Employees who are in the employment of the Company (whether now or hereafter existing, whether incorporated in India or overseas) as may be from time to time be allowed under the prevailing laws, rules and regulations and / or any amendments thereto from time to time, whether working in India or out of India and to the Directors of the Company, prior approval of the Shareholders shall be obtained, by the way of passing a Special Resolution, as per provisions of the Applicable Laws.
- 5.3 Further, where such Employee is a Director nominated by an institution as its representative on the Board of Directors of the Company –
- (i) The contract or agreement entered into between the institution nominating its Employee as the Director of a Company and the Director so appointed shall, *inter alia*, specify the following: -
 - a. whether the grants by the Company under its Scheme(s) can be accepted by the said Employee in his capacity as Director of the Company;
 - b. that grant if made to the Director, shall not be renounced in favour of the nominating institution; and
 - c. the conditions subject to which fees, commissions, other incentives, etc. can be accepted by the Director from the Company.
 - (ii) the institution nominating its Employee as a Director of the Company shall file a copy of the contract or agreement with the said Company, which shall, in turn, file the copy with all

the recognised stock exchanges on which its Shares are listed.

(iii) the Director so appointed shall furnish a copy of the contract or agreement at the first Boardmeeting of the Company attended by him after his nomination.

6. GRANT OF OPTIONS

6.1 Grant of Employee Stock Options shall be evidenced by the Issuance of Notice for shares as per SEBI (SBEB and Sweat Equity) Regulations, 2023 as decided by the Board shall from time to time. Such Notice shall be deemed to incorporate all the terms of the ESOP 2023, as if the same were set out therein.

6.2 Unless otherwise provided by the Board at the time when the Employee Stock Options are granted, the Employee Stock Options granted to an Employee shall be subject to the terms and conditions set forth in this Plan and the described conditions in Notice of Issuance as approved by the Board.

7. VESTING SCHEDULE AND VESTING CONDITIONS

7.1 The Options granted shall vest so long as an Employee continues to be in the employment of the Company. The Board/ Committee may, at its discretion, lay down certain performance metrics on the achievement of which such Options would vest, the detailed terms and conditions relating to such vesting, and the proportion in which Options granted would vest subject to the minimum vesting period of 1(one) year. The board or committee as may be approved from time to time decide the vesting period for every options granted in tranches.

Provided further that in the event of Death or Permanent Incapacity of an Employee, the minimum Vesting Period shall not be applicable and in such instances, all the unvested Options shall vest with effect from the date of the Death or Permanent Incapacity.

7.2 The vesting dates in respect of the Options granted under the Scheme may vary from Employee to Employee or any class thereof and/or in respect of the number or percentage of Options granted to an Employee.

7.3 Options shall vest essentially based on continuation of employment and apart from that the Board / Committee may prescribe other performance / other condition(s) for vesting.

7.4 Options granted under REISL ESOP 2023 would vest subject to a minimum vesting period of one year from the date of the Grant and maximum period of 11(Eleven) years as may be decided by the Board at the time of granting of option. The vesting shall occur in tranches beginning from the second year the till the end of eleventh year.

7.5 The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document(s) given to the Option Grantee at the time of grant of Options.

7.6 The period of Long Leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. In all other events including approved earned leave and

sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Board/ Committee.

8. EXERCISE

8.1 Exercise Price:

- (a) The Exercise Price shall be Rs. 10, which in any case will not be lower than the face value of the equity Shares of the Company on the date of such grant.
- (b) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or by any other payment methods prevalent in RBI recognized banking channels or in such other manner and subject to such procedures as the Board /Committee may decide.
- (c) No amount shall be payable by the Option Grantee at the time of grant.
- (d) Notwithstanding anything contained hereinabove, amount paid/payable, if any, by the Employee at the time of the grant, vesting or exercise of the Options will be forfeited if the Employee does not exercise the same within the exercise period.

8.2 Exercise Period:

(a) While in employment:

- (i) The options granted are exercisable after one year after completion of vesting period. The Options vested may be exercised by the Grantee at such intervals as determined by the Board/ Committee from time to time for all the ESOP options granted under ESOP 2023.
- (ii) The Vested Options shall be exercisable by the Employees by a written application (or by electronic means) to the Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Board/ Committee from time to time. The Options shall lapse, if not exercised within the specified exercise period.

(b) Exercise Period in case of separations:

Options can be exercised as per provisions outlined below*:

Sr. No.	Separations	Vested Options	Unvested Options

1	Resignation	Subject to the terms and conditions, all Vested Options as on date of submission of resignation before the end of vesting period but not exercised by the Option Grantee shall stand cancelled from the date of resignation.	All Unvested Options on the date of submission of resignation shall stand cancelled with effect from that date.
2	Termination (With cause like fraud, misconduct etc.)	All Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
3	Termination (Without cause)	All Vested Options which were not exercised at the time of such termination may be exercised by the Option Grantee on or before his last working day with the Company.	All Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
4	Retirement or early Retirement approved by Company	All vested Options shall vest as per the original vesting schedule and may be exercised by the Option Grantee within the originally allowed exercise period.	All Unvested Options shall vest as per the original vesting schedule and may be exercised by the Option Grantee within the originally allowed exercise period.
5	Death	All Vested Options, granted under a Scheme to him/her till his/her death shall vest, with effect from the date of his/her death, in the legal heirs or nominees of the deceased Employee, as the case may be and such Options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than 12 months from the date of Death.	All Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's nominee or legal heir/s within 12 months from the date of Death.

6	Permanent Disability	All Vested Options, granted to him/her under a Scheme as on the date of permanent incapacitation shall vest in him/her on that day and such Options may be exercised by the Option Grantee or, if the Option Grantee is himself, unable to exercise due to such disability, the nominee or legal heir, immediately after, but in no event later than 12 months from the date of such disability.	All Unvested Options as on the date of such Permanent Disability shall vest immediately and can be exercised by the Option Grantee or, if the Option Grantee is himself unable to exercise due to such incapacity, the nominee or legal heir immediately after, but in no event later than 12 months from the date of such disability.
7	Abandonment**	All the Vested Options shall stand canceled.	All the Unvested Options shall stand canceled.
8	Any other reason not specified above	The Committee or any other Board Committee as due authorized shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of separation shall stand canceled with effect from that date.

* In case of any regulatory changes warranting any change in vesting schedule/conditions/exercise period in any of the above separation conditions, the provision of such change shall apply.

** The Board/ Committee, at its sole discretion shall decide the date of cancellation of Option's and such decision shall be binding on all concerned. Provided that, in accordance with Applicable Laws, notwithstanding anything to the contrary contained herein, the Company shall not vary the terms of the REISL ESOP 2023, in any manner which may be detrimental to the interests of the Employees.

8.3 In the event that an Employee, who has been granted benefits under a Scheme, is transferred or deputed to an Associate Company prior to vesting or exercise, the vesting and exercise as per the terms of grant shall continue in case of such transferred or deputed Employee even after the transfer or deputation.

8.4 In the event that an Employee who has been granted benefits under a Scheme, is transferred pursuant to Scheme of arrangement, amalgamation, merger or demerger or continued in the existing Company, prior to the vesting or exercise, the treatment of Options in such case

shall be specified in such Scheme of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the Employee.

- 8.5 The Options not exercised within the Exercise Period shall lapse and the Employee shall have no right over such lapsed or canceled Options.

9. COMPLIANCES AND CONDITIONS

- 9.1 For the listing of shares issued pursuant to ESOP 2023, the company shall obtain in-principle approval of the recognized stock exchanges where it proposes to list the said shares prior to the exercise of options.

10. LOCK-IN

The Board or the Committee as may be authorized by the Board, may, provide for lock-in of Shares issued upon the exercise of Options, which shall be mentioned in grant letter issued to the Option Grantee.

Provided that the transferability of the Shares shall be subject to the restriction for such period in terms of the Securities Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended from time to time or for such other period as may be stipulated from time to time in terms of Company's Code of Conduct for Prevention of Insider Trading.

11. EXIT ROUTE IN CASE OF DE-LISTING

If the Company gets de-listed from all the recognized Stock Exchanges, then the Board shall have the powers to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance with the Applicable Laws.

12. VARIATION OF TERMS OF THE SCHEMES

- 12.1 The Company may by special resolution of its shareholders vary the terms of the Scheme offered pursuant to an earlier resolution of the general body but not yet exercised by the Employees, if such variation is not prejudicial to the interests of the Employees.

Notwithstanding the provisions of above Clause, the Company shall be entitled to vary the terms of the Scheme to meet any regulatory requirement without seeking shareholders' approval by special resolution.

- 12.2 The notice for passing a special resolution for variation of terms of the Scheme shall disclose full details of the variation, the rationale therefore, and the details of the Employees who are beneficiaries of such variation.

- 12.3 A Company may reprice the Options, or Shares, as the case may be, which are not exercised,

whether or not they have been vested if the Schemes were rendered unattractive due to a fall in the price of the Shares in the stock market:

Provided that the Company ensures that such repricing is not detrimental to the interests of the Employees and approval of the shareholders by a special resolution has been obtained for such repricing.

13. SURRENDER OF OPTIONS

An Employee may surrender his/her vested /unvested Options at any time during / post his employment with the Company. Any Employee willing to surrender his/her Options shall communicate the same to the Board or Committee in writing. Thereafter the surrendered Options shall be brought back to the Employee Stock Options pool and shall become available for future grants.

14. METHOD OF VALUATION

The Company will follow IND AS for accounting of the Stock Options as are applicable to the Company for the same.

15. OTHER TERMS AND CONDITIONS

- 15.1 The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a Shareholder in respect of Employee Stock Options granted, till Shares underlying such Employee Stock Options are allotted by the Company on exercise of such Employee Stock Option.
- 15.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a Shareholder of the Company (for example, bonus Shares, rights Shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee Exercises the Employee Stock Option and becomes a registered holder of the Shares of the Company.
- 15.3 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 15.4 If the Company issues bonus Shares or rights Shares, the Option Grantee shall not be eligible for the bonus or rights Shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with of ESOP 2023.
- 15.5 Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case provisions in the table under Sub-clause 8.2(b) would apply.
- 15.6 No person other than the Employee to whom the Employee Stock Option is granted shall be

entitled to exercise the Employee Stock Option except in the event of the death of the Option Grantee, in which provisions in the table under Sub-clause 8.2(b) would apply.

- 15.7 Subject to the provisions of Applicable Law, including the Companies Act, the Company may at its sole discretion provide financial assistance to the Employees of such amounts and on such terms as may be deemed fit, to enable them to exercise the Options. The Company may fund or permit the empanelled stock brokers to make suitable arrangements to fund the Employee for payment of exercise price, the amount necessary to meet his/her tax obligations, and other related expenses pursuant to the exercise of Options granted under the ESOP 2023 and such amount shall be adjusted against the sale proceeds of some or all the Shares of such Employee.
- 15.8 If the Company gets its Shares de-listed from all the recognized Stock Exchange/s, then the Board shall have the powers to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance with the Applicable Laws.

16. TAXATION

- 16.1 The liability of paying taxes, if any, in respect of Employee Stock Options granted pursuant to this Scheme and the Shares issued pursuant to exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued there under and/or Income Tax Laws of respective countries as applicable to eligible Employees of Company working outside India, if any.
- 16.2 The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.
- 16.3 The Company shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee in full.

17. AUTHORITY TO VARY TERMS

The Board/ Committee may, if it deems necessary, modify, change, vary, amend, suspend or terminate the ESOP 2023, subject to compliance with the Applicable Laws and Regulations.

Further, Nomination and Remuneration Committee shall be entitled to vary the terms of the ESOP 2023 to meet any regulatory requirement without seeking Shareholders' approval by special resolution in terms of regulation 7 of SEBI SBEB and Sweat Equity Regulations.

18. MISCELLANEOUS

- 18.1 Government Regulations

The ESOP 2023 shall be subject to all Applicable Laws to the extent applicable. The Grant of

Options and allotment of Shares to the Employees under this ESOP 2023 shall be subject to the Company requiring the Employees to comply with all Applicable Laws. Further, Company will comply with all the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment made thereof.

18.2 Inability to obtain authority

The inability of the Company to obtain authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful allotment and issuance of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of such inability.

Neither the existence of this Scheme nor the fact that an individual has on any occasion been granted an Employee Stock Option shall give such individual any right, entitlement or expectation that he has or shall in future have any such right, entitlement or expectation to participate in this Scheme by being granted an Employee Stock Option on any other occasion.

18.3 The rights granted to an Option Grantee upon the grant of an Employee Stock Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

18.4 The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Employee Stock Option in whole or in part.

18.5 Participation in ESOP 2023 shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the market price of the Shares and the risks associated with the investments are that of the Employee alone.

19. INSIDER TRADING ETC.

The Employee shall ensure that there is no violation of:

- a. SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time; and
- b. SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003; and
- c. Any other regulations to prevent fraudulent or harmful practices relating to the Securities Market.

The Employee shall keep the Company, the Board, the Committee fully indemnified in respect of any liability arising for violation of the above provisions.

20. ACCOUNTING AND DISCLOSURES

20.1 The Company shall follow the laws/regulations applicable to accounting and disclosure related to Employee Stock Options, including but not limited to SEBI (SBEB and Sweat Equity)

Regulations as well as section 133 of the Companies Act, 2013, the Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Regulatory authorities from time to time, including the disclosure requirements prescribed therein.

- 20.2 The Company shall make disclosures to the prospective Option Grantees containing a statement of risks, information about the Company and salient features/Scheme document of the ESOP 2023 in a format as prescribed under SEBI (SBEB and Sweat Equity) Regulations,
- 20.3 The Company shall disclose details of Grant, Vest, Exercise and lapse of the Employee Stock Options in the Directors' Report or in an annexure thereof as prescribed under SEBI (SBEB and Sweat Equity) Regulations or any other Applicable Laws as in force.

21. CERTIFICATE FROM SECRETARIAL AUDITORS

The Board of Directors shall at each annual general meeting place before the shareholders, a certificate from the secretarial auditors of the Company that the Scheme(s) has been implemented in accordance with the prescribed regulations and in accordance with the resolution of the Company in the general meeting.

22. GOVERNING LAWS

The terms and conditions of the ESOP 2023 shall be governed by and construed in accordance with the Applicable Laws including the Foreign Exchange Laws mentioned below.

23. Foreign Exchange Laws

In case any Employee Stock Options are granted to any Employee being resident outside India belonging to the Company working outside India, the provisions of the Foreign Exchange Management Act, 1999 and Rules or Regulations made thereunder as amended and enacted from time to time shall be applicable and the Company has to comply with such requirements as prescribed from time to time in connection with Grant, Vest, Exercise of Employee Stock Options and allotment of Equity Shares thereof.

24. NOTICES

- 24.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this ESOP 2023 shall be in writing or electronic mode. The communications shall be made by the Company in any one or more of the following ways:
- (i) Sending communication(s) to the address of the Option Grantee available in the records of the Company; or
 - (ii) Delivering the communication(s) to the Option Grantee in person with acknowledgment of receipt thereof; or
 - (iii) Emailing the communication(s) to the Option Grantee at the official email address provided, if any, by the Company to the prospective /existing Option Grantee during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.

24.2 Any communication to be given by an Option Grantee to the Company in respect of –ESOP 2023 shall be sent to the person at the address mentioned below or e - mailed at:

Name : Harsh Vimal Soni
Designation : Company Secretary and Compliance Officer
Address : B1-401, B WING, BOOMERANG, CHANDIVALI FARM ROAD,
ANDHERI EAST, MUMBAI-400072
Email : cs@rawedge.in

25. JURISDICTION

The Courts in Surat, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ESOP 2023.

26. SEVERABILITY

In the event any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Plan in which case the Plan shall be construed as if such invalid, illegal, or unenforceable provisions had never been set forth herein, and the Plan shall be carried out as nearly as possible according to its original intent and terms.

27. CONFIDENTIALITY

An Option Grantee must keep the details of the ESOP 2023 and all other documents in connection thereto strictly confidential. The decision and judgment of the Company regarding breach of this Clause on confidentiality shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this Clause, the Board shall have the authority to deal with such cases as it may deem fit.

On acceptance of the grant of Option offered by the Company, it shall be deemed that as if the Option Grantee has authorized the Company to disclose information relating to the Option Grantee during the process of implementation of the Plan or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents and consultants on a need to know basis.

For Raw Edge Industrial Solutions Limited

Name : Bimalkumar Rajkumar Bansal
Designation: Managing Director
Place : Surat
Date :

DISCLOSURE DOCUMENT
(AS PER PART-G OF SCHEDULE-I OF SEBI(SBEB AND SWEAT EQUITY)REGULATIONS, 2021)

PART A
STATEMENT OF RISKS

All investments in Shares or options on Shares are subject to risk as the value of Shares may go down or up. In addition, Employee stock options are subject to the following additional risks:

1. **Concentration**: The risk arising out of any fall in value of Shares is aggravated if the Employee's holding is concentrated in the Shares of a single Company.
2. **Leverage**: Any change in the value of the Share can lead to a significantly larger change in the value of the option.
3. **Illiquidity**: The options cannot be transferred to anybody, and therefore the Employees cannot mitigate their risks by selling the whole or part of their options/benefits before they are exercised.
4. **Vesting**: The options will lapse if the employment is terminated prior to vesting. Even after the options are vested, the unexercised options may be forfeited if the employment is terminated for gross misconduct.

PART B
INFORMATION ABOUT THE COMPANY

1. **Business of the Company:**

Object Clause of the Company :

The activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

1. To carry on the business to produce commercialize, develop, distribute, derive, discover, excavate, dig, blast, grade, handle, manipulate, operate, organize, prepare, promote, supply, import, export, buy, sell, turn to account, and to act as agent, broker, Concessionaires; consultants, mine owner, quarry owner, loader, unloader, transporter, collaborator, jobworker, or otherwise, to do deal in all types of minerals, their concentrates, compounds, products, by-products, derivatives, mixtures, ingredients & residues, available on the planet of earth i.e. on the land, water or otherwise including iron ore, dolomites, coal, lime, bauxite ore, copper ore, mica, thorium ore, rare earth ore, columbite, monazite, samarskite, uraniferous, alienate chrome ore, low silica alumina, manganese ore, lead, zinc, tin, beryllium, magnesium, nickel, tungsten ore, molybdenum, lignite, bentotite, gypsum, stones

2. To carry on the business as manufacturers, producers, processors, makers, convertors, refiners, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in chemicals, chemical compounds (organic and inorganic) in all forms, and chemical products of any nature and kind whatsoever and all by – products and joints products thereof and to carry on the business as manufacturers, producers, processors, makers, convertors, refiners, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, subagents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in heavy chemicals of all kinds (solid, liquid, gaseous) and other organic dye stuff, chemical auxiliaries, disinfectants, insecticides, fungicides, deodorants, biochemical.

History:-

Our Company was incorporated as "Shree Sai shraddha Industries Private Limited" under the provision of the Companies Act, 1956 vide certificate of incorporation dated February 14, 2005 issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The registered office of our company was shifted from the state of Gujarat to the state of Maharashtra and the certificate was issued on March 7, 2013 by the Registrar of Companies, Maharashtra, Mumbai. A fresh certificate of incorporation was issued on July 5, 2013 by the Registrar of Companies, Maharashtra, Mumbai due to change of name to Raw Edge Industrial Solutions Private Limited. Consequent upon the conversion of our company to public limited company, the name of our company was changed to "Raw Edge Industrial Solutions Limited" and fresh certificate of incorporation dated March 1, 2018 was issued by the DROC, Registrar of Companies, RoC, Mumbai. The Corporate Identification Number of our Company is L14219MH2005PLC240892. Further, our Company got Listed on SME Platform of BSE Limited on July 18, 2018 and was subsequently migrated to the main board of BSE on July 12, 2021.

The Raw Edge business model finds its origin in organizing the inefficiencies of industrial raw materials supplies. The idea of organizing the unorganized industrial raw material sector was conceived by our promoter Directors. Whereas the supply of industrial raw materials involves research & development, exploration, mining, processing, logistics and IT enabling; these promoters foresaw the inefficiencies in the unorganized industrial raw materials sector.

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Particulars / Description
2005	Incorporated as a Shree Sai Shraddha Industries Private Limited
2010	Setup its first Calcium Lime crushing plant at Plot no. 5804, Road No. 58, GIDC Sachin, Surat
2012	Registered office of the company was shifted from the state of Gujarat to state of Maharashtra

2013	Name change from Shree Sai Shraddha Industries Private Limited to Raw Edge Industrial Solutions Private Limited
2013	Introduce Enterprise Resource Planning (ERP) for the first time in the company
2018	Converted in to a Public Limited from Private Limited
2018	Adoption of New set of Article of Association as per Companies Act, 2013.
2018	Got Listed on BSE SME Exchange.
2021	Got Migrated to Main Board of BSE exchange

Present business: -

The Raw Edge business model finds its origin in organizing the inefficiencies of the industrial raw materials supplies. The idea of organizing the unorganized industrial raw material sector was conceived by our promoter Directors. Whereas the supply of industrial raw materials involves research & development, exploration, mining, processing, logistics and IT enabling; these promoters foresaw the inefficiencies in the unorganized industrial raw materials sector.

To overcome the inefficiencies of the unorganized industrial raw materials sector, our company saw an opportunity in organizing this unorganized industrial raw material sector in the following way:

- By providing an outsourcing partner to the industry that would be highly organized, technically advance, environment friendly and very cost effective;
- By providing all the services under one umbrella that will timely fulfill the industry's raw material requirement, and;
- By providing end to end solutions to raw material needs of the industry anywhere in India.

In the Financial year 2006-07, our core promoter directors foreseen the potential use of Lime products and its demand, as a results, our company initially started trading in Lime Fines, Limestone, Ferrous Sulphate, Quartzite, Dolomite.

Later on, In the year 2009-10 company setup its first Calcium Lime crushing plant at Plot no. 5804, Road No. 58, GIDC Sachin, Surat by taking premises on lease basis.

To provide timely supply of our finished goods to our valuable customers, our company has started networking with Truck Owners. More than 1000 Truck Owners are associated with us. We fulfil our transportation requirement through them.

In the year 2012-13 to increase the accuracy, efficiency and economy in our operations our company has introduce Enterprise Resource Planning (ERP) for the first time in the company. Our Company has shown robust growth during the year 2012-13 by achieving turnover of `5631.44 Lakhs from `1188.71 Lakhs i.e increase by approximately 374%.

In the year 2013-14, company had taken Industrial Plot admeasuring an area of 1785.95 Square Meter situated at Block No.238, Plot No.3, near Garden POY Plant, Jolwa, Taluka: Palsana, District Surat, on lease hold basis for a period of 9 years. In this Industrial plot company shifted all its existing Plants and Machineries from Plot no. 5804, Road No. 58, GIDC Sachin, Surat and commenced the production of Lime processing and enhanced its manufacturing capacity to 60,000 MT/Annum of Lime processing. In addition to this company has also continued the trading of other minerals such as Lime Powder, Lime Stones, Dolomite, Quartzite, Calcined Magnesites, Quick Lime, Asetic Acid, Benzene, Butaone, Caustic, EthyleAcelate, Ethylene Glycole, Hydrogen Paroxide, Menthol, Potasium Carbonate, Toulene.

At present, we are into the manufacturing unit of crushed Quick Lime and Hydrated Lime with an installed capacity of 1,80,000 MT/per annum located at New Block No. 175, Old Block No. 186, GIDC, Panoli Road, Post-Nana Borasara, Taluka-Mangrol, Surat-394125, Gujarat and trading of calcium Lime products and various minerals such as Hydrated Lime, Lime Stones Chips, Dolomite, Quartzite, Plaster of Paris. Though our customers are spreaded over 5 states, but major supply of our products are concentrated in the state of Gujarat (contributing more than 90.00% of total turnover).

Our Manufacturing product range includes:

1. Hydrated lime
2. Quick lime
3. Limestone Powder

Trading Activities:

In addition to manufacturing activities company also trades in the following minerals:

1. Quartzite Mineral
2. Quick Lime Powder (AAC Grade)
3. Plaster of Paris (POP)
4. Calcined Magnesite Powder
5. Dolomite Mineral

Services Sector:

1. **Transportation - Fourth-party logistics**

Raw Edge is an innovation driven enterprise engaged in delivering fully integrated supply chain outsourcing solutions to large & medium scale enterprises.

A 4PL (Fourth Party Logistics) is an integrator that assembles the resources, capabilities, and technology of its own organization and other organizations to design, build and run comprehensive supply chain solutions. A more comprehensive view of the supply chain allows businesses to trim inventory, streamline logistics, and optimize the efficiency of their work forces/mobile assets as they gain a competitive edge.

Our company is planning to strength our end-to-end solution based approach, with optimal use of information technology for monitoring, better efficiency & minute-to-minute update which is the key requirement of our clients.

- **Registered Office:**

B-1-401, B Wing, Boomerang, Chandivali Farm Road, Andheri East, Mumbai 400072, Maharashtra, India.

- **Corporate Office:**

02, Navkruti Apartment, B/h B.R . Designs, Near Lal Bunglow, Athwa Lines, Surat-395007, Gujarat, India.

SWOT ANALYSIS:

Strengths	Weakness
<ul style="list-style-type: none"> ✓ Experienced Promoters-Directors and Team of core Key Managerial Personnel. ✓ Latest and advanced Information Technology and Infrastructure. ✓ In-house Laboratory for Research and analysis of Raw Material Testing quality checks at each step. ✓ A 4PL (Fourth Party Logistics) is an integrator that assembles the resources, capabilities, and technology of its own organization and other organizations to design, build and run comprehensive supply chain solutions. ✓ Ability to expand and curtail operations rapidly in line with market demand 	<ul style="list-style-type: none"> ✓ Our major business activities are concentrated in a limited geographical area (i.e in South Gujarat) ✓ Limited Client Group ✓ Continous losses during past few years.
Opportunities	Threats
<ul style="list-style-type: none"> ✓ Growth in demand from various Industries engaged in Plastics, Sugar, Agriculture, animal feed, etc. ✓ Huge demand from south Gujarat can be tapped up by increasing the installed capacity. ✓ Minimize the intermediary margin by expanding bulker services. ✓ Nowadays Lime products play a vital role in water purification as well as sewage treatment. ✓ Rising construction activity and expanding environmental applications of lime products result into rise in demand of Lime Product. 	<ul style="list-style-type: none"> ✓ Competition from organised and unorganised sector ✓ In view of the side effect on human being during manufacturing process, any negligence on the part of employee- employer will result legal consequences.

2. Abridged financial information:

Abridged financial information, for the last five years for which audited financial information is available in respect of the Company and its subsidiaries.

Balance sheet – Standalone					
(Currency: Indian rupees) (in lakhs)					
	As at	As at	As at	As at	As at
	31.03.2022	31.03.2021	31.03.2020	31.03.2019	31.03.2018
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	1,005.84	838.20	838.20	838.20	670.08
Reserves and surplus	1,236.52	1454.80	1498.78	1398.30	131.12
Share application Money pending allotment	0	0	0	0	0
Non-current liabilities					
Long term borrowings	1,086.39	1313.23	996.13	542.57	309.65
Lease Liabilities	0	43.14	65.14	0	0
Deferred tax liabilities (net)	14.72	32.64	54.41	4.76	27.23
Borrowings and Long term provisions	8.19	10.60	12.91	8.63	8.38
Current liabilities					
Short Term Borrowings	1335.19	1109.13	1278.47	984.99	939.08
Trade payables	1572.94	1239.19	1220.62	1865.07	699.39
Other current liabilities	14.77	21.47	20.69	177.44	35.46
Other financial liabilities	2.85	6.29	6.40	0	0

Short term provisions	19.27	0	0.93	111.11	78.22
Total	6296.69	6068.69	5992.68	5931.06	2898.61
ASSETS					
Non-current assets					
Fixed assets					
(i) Tangible assets	2543.93	2748.19	3015.31	499.70	519.57
(ii) Intangible assets	1.45	2.90	4.70	6.50	8.31
(iii) Capital work-in-progress & Intangible	0	0	0	2140.16	0
Assets under development	0	0	0	0	0
Non-current investments	0	0	0	0	0
Long Term Loans and advances	0	0	0	293.37	99.91
Other non-current assets	129.05	116.03	116.62	0	0
Current assets					
Inventories	544.54	523.23	444.33	31.37	34.74
Trade receivables	2785.29	2278.50	1991.80	2606.24	2152.74
Cash and bank balances	3.66	94.03	84.95	107.14	0.76
Short-term loans	0	0	0	0	0
Other current assets	288.77	305.81	334.97	246.58	82.57
Total	6296.69	6068.69	5992.68	5931.06	2898.61

Statement of Profit and loss - Standalone

(Currency: Indian rupees) (in lakhs)

	Year ended	Year ended	Year ended	Year ended	Year ended
	31/Mar/2022	31/Mar/2021	31/Mar/2020	31/Mar/2019	31/Mar/2018
INCOME					

Revenue from operations	4,473.52	4391.17	5213.33	5978.83	5343.86
Other operating income					
Other income	0.14	-	32.36	18.20	58.95
Total revenue	4473.66	4391.17	5245.69	5997.03	5402.82
EXPENDITURE					
Manufacturing and other operating expense	2789.35	2773.32	3334.83	3636.05	2999.39
Employee benefits expense	180.98	171.09	235.25	159.26	98.64
Depreciation and amortisation	189.53	221.30	212.83	92.99	92.55
Finance Costs	226.72	202.34	224.46	134.33	127.12
Other expenses	1,161.52	1094.84	1091.52	1660.93	1845.98
Total expenditure	4,548.10	4462.89	5098.91	5683.56	5163.69
Profit before exceptional Items	(74.44)	(71.72)	146.77	313.48	239.13
Exceptional Items	0	0	0	0	0
Profit before tax	(74.44)	(64.06)	146.77	313.48	239.13
Provision for tax expense					
(a) Current tax	0	0	0.93	111.11	78.22
(b) Deferred tax (credit)/charge	(17.92)	(21.77)	49.66	(22.47)	(12.71)
(c) Income Tax of Previous Year					0.02
Profit for the year	(56.52)	(49.95)	96.20	224.83	173.60
Basic earnings per Share of Rs. 10/- each	(0.56)	(0.60)	1.15	2.84	2.59

Cash Flow Statement - Standalone					
(Currency: Indian rupees) (in lakhs)					
PARTICULARS	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021	For the Year Ended on 31st March, 2020	For the Year Ended on 31st March, 2019	For the Year Ended on 31st March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit	(74.44)	(64.06)	146.78	313.48	239.12
Adjusted for:					
Gratuity expense	3.47				-
(Profit) on sale of Property, Plant and Equipment	8.86	7.45	0.37	-	0.13
Depreciation / Amortisation and Depletion Expense	199.40	221.30	212.83	92.99	92.55
Finance Costs	0.05	-	-	-	-
Interest on unsecured Loan	28.79	33.94	33.74	23.20	44.55
Interest on Term loan & CC	194.22	155.50	158.43	82.17	76.07
Interest on Loans and Advances	-	-	(9.46)	(0.28)	(21.72)
Interest on GEB Deposits	-	-	-	-	-
Non-cash item	-				
Operating Profit before Working Capital Changes and other adjustments:	360.35	354.12	542.69	511.56	430.70
Add/(Less):					
Increase / (Decrease) in Trade Payables	333.76	18.57	(644.45)	1165.68	(76.00)
Increase / (Decrease) in other current financial liabilities	(3.43)	-	-	141.98	(21.31)
Increase / (Decrease)	-	(138.27)	173.57	45.91	162.25

in Short Term Borrowings					
Increase / (Decrease) in other current liabilities	12.57	(30.42)	(30.43)	-	-
Increase / (Decrease) in Short Term/ Long Term Provision	-	(3.24)	(101.63)	33.14	58.98
Increase / (Decrease) in Trade Receivables	(506.79)	(286.71)	614.45	(453.50)	(403.23)
Increase / (Decrease) in Inventories	(21.31)	(78.90)	(412.96)	3.38	(8.29)
Increase / (Decrease) in Other Current Assets	17.04	29.16	(88.39)	(164.00)	(60.21)
Changes in Working Capital	(168.16)	(489.80)	(489.84)	772.58	(347.80)
Cash Generated from Operations	192.19	(135.68)	52.84	1284.14	82.90
Direct Taxes Paid	0	0	0.93	111.11	78.24
Net Cash Flow from/(used in) Operating Activities	192.19	(135.68)	51.92	1173.03	4.66
B. CASH FLOW FROM INVESTING ACTIVITIES					
Acquisition of property, plant and equipment, capital work-in-progress and intangible assets	(90.20)	(17.23)	(2662.69)	(2211.46)	0.34
Proceeds from disposal of Property, Plant and Equipment	87.65	33.75	0.80	0	(23.68)
Decrease in CWIP			2140.16		
Decrease in Long Term Loans & Advances	-	-	-	-	-
Interest Received	-	-	-	-	-
Interest on GEB Deposits	-	-	-	-	-
Non-current Investments	-	-	-	-	-

Net Cash Flow from/(used in) Investing Activities	(2.55)	16.52	(521.73)	(2211.46)	(23.34)
C. CASH FLOW FROM FINANCING ACTIVITIES					
Add: Adjustment for					
Increase / (Decrease) in Short Term Borrowings	226.06	-	-	-	-
Increase / (Decrease) in Long Term Borrowings	(269.98)	317.09	453.57	232.92	(104.77)
Increase / (Decrease) in share capital	-	-	-	168.12	-
Increase / (Decrease) in reserve and surplus	-	-	-	1042.34	-
Interest on Loans and Advances	-	-	9.46	0.28	21.72
	(43.92)	317.09	463.03	1443.67	83.05
Less: Adjustment for					
(Decrease)/ Increase in Long Term loans and Advances	(13.02)	0.58	176.76	(193.47)	221.63
Interest on unsecured Loan	(28.79)	(33.94)	(33.74)	(23.20)	(44.54)
Interest on Term Loan	(194.22)	(155.50)	(158.43)	(82.18)	(76.07)
Financial Cost	(0.05)	-	-	-	-
	(236.08)	(188.86)	(15.41)	(298.84)	101.01
Net Cash Flow from / (used in) Financing Activities	(280.00)	128.24	447.62	1144.82	17.95
Net Increase/ (Decrease) in Cash & Cash Equivalents	(90.36)	9.08	(22.19)	106.38	(0.73)

Opening Balance of Cash and Cash Equivalents	94.03	84.95	107.14	0.76	1.48
Closing Balance of Cash and Cash Equivalents	3.66	94.03	84.95	107.14	0.76

3. RISK FACTORS AND MANAGEMENT PERCEPTION:

INTERNAL RISK FACTORS

i. We do not own a registered office from which we operate.

Our Registered Office is located at B-1-401, Ground Floor, B Wing, Boomerang, Chandivali Farm Road, Andheri East, Mumbai - 400072. The registered office is not owned by us. The premises have been taken by us on lease from M/s. Atritej Realtors Private Limited on such terms and conditions as mentioned in the agreement. Upon termination of the lease, we are required to vacate the said business premises and handover the possession of the said premises to the Lessor/Licensor, unless renewed. There can be no assurance that the term of the agreements will be renewed and in the event the Lessor/Licensor terminates or does not renew the agreements on commercially acceptable terms, or at all, and we may require to vacate our registered offices, we may require to identify alternative premises and enter into fresh lease or leave and license agreement. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability.

ii. Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registration and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. If we fail to maintain such registrations and licenses or comply with applicable conditions, then such respective regulatory can impose fine on our company or suspend and/or cancel the approval/licenses which may affect our business adversely.

iii. We require Consent from Gujarat Pollution Control Board (GPCB), Gandhinagar under the Air (Prevention and Control of Pollution) Act, 1981 and Authorisation under Hazardous Waste (Management, Handling and Transboundary Movement) Rules-2016. For operation of our factory we are subject to inspection under the GPCB.

At present our company has received consent from Gujarat Pollution Control Board which is required to be renewed on expiry of validity, subject to compliance of the conditions stated in the consent letter issued by the GPCB. Inspection proceedings are undertaken by the GPCB in our manufacturing plant at regular intervals for inspection of compliance of various conditions for discharge of Effluent & Emission. further, consent will be lapsed automatically at any time if the board observed not proper discharge of effluent

from our industrial plant as per the norms of GPCB mentioned in the consent letter. If any such action taken by GPCB against our Company which will affect our business operations and may adversely affects financials positions of the Company.

iv. There are no long term supply agreements for the supply with our vendors/suppliers. Our Business may be adversely affected if there is any disruption in the raw material supply or due to non-availability of raw material.

We do not have written agreements with our vendors/suppliers and operate on a purchase order system. There are no long term supply agreements for the raw material. In absence of any formal contract with our vendors/suppliers, we are exposed to the risks of irregular supplies or no supplies at all or delayed supplies or price variation which would materially affect our results of operations.

In the event of any disruption in the raw material supply or the non-availability of raw material in the required quantity and of required quality from alternate source, the production schedule may be adversely affected impacting the sales and profitability of the Company.

v. Our inability to meet our obligations, including financial and other covenants under our debt financing, could adversely affect our business and results of operations.

Our financing arrangements are subject to restrictive covenants that limit our ability to undertake actions, which could adversely affect our business and financial condition. Such as

- The Borrower shall not repay any principal or interest on any loans availed from the shareholders/directors/partners without prior written consent of the Bank.
- The borrower shall not declare dividend for any year except out of profit of the current year and subject to not default in payment/repayment obligation to the Bank and prior written approval of the Bank being obtained.
- Borrower shall have to obtained prior approval of the Bank for change in its statutory auditors.

EXTERNAL RISK FACTOR

i. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

ii. 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. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

iii. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

iv. We are subject to risks arising from interest rate fluctuations, which could adversely impact our business, financial condition and operating results.

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

v. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include customs duties, GST, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

vi. There are restrictions on daily / weekly / monthly movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time

We would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time

vii. Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally.

viii. Economic developments and volatility in securities markets in other countries may cause the price of the Equity Shares to decline.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investor's reactions to developments in one country may have adverse effects on the market price of securities of companies situated in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

4. CONTINUING DISCLOSURE REQUIREMENT:

The Option Grantee shall be provided copies of all documents that are sent to the members of the Company. This shall include the annual accounts of the Company as well as notices of meetings and the accompanying explanatory statements.

For Raw Edge Industrial Solutions Limited

Name : Bimalkumar Rajkumar Bansal

Designation: Managing Director

Place : Surat

Date :