Prospectus
Dated: August 17, 2016
Please read Section 32 of the Companies Act, 2013
Fixed Price Issue

MADHYA BHARAT AGRO PRODUCTS LIMITED

Corporate Identity Number: - U24121RJ1997PLC029126

Our Company was originally incorporated on October 22, 1997 as **"Madhya Bharat Agro Products Private Limited"** vide Registration no. 10-12401 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh, Gwalior. Our Company was converted into a Public Limited Company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting of the Company held on May 1, 1999 and the name of our company was changed to **"Madhya Bharat Agro Products Limited"** vide a fresh Certificate of incorporation dated June 11, 1999, issued by the Registrar of Companies, Madhya Pradesh, Gwalior. having CIN U24121MP1997PLC012401. Further the registered Office of the Company was changed to Bhilwara, Rajasthan from Indore, Madhya Pradesh and fresh certificate for change in registered office was issued by Registrar of Companies, Rajasthan, Jaipur dated May 05, 2009 having CIN U24121RJ1997PLC029126. For details of the changes in our Name and Registered Office, please see section titled *"**History and Certain Corporate Matters**"* on page 141 of this Prospectus.

Registered & Corporate Office: 5-O-21, Basement, R. C. Vyas Colony,Bhilwara-311001,Rajasthan,India
Tel No: +91-1482-237104; **Fax No:** +91-1482-239638 ; **E-mail:** secretarial@mbapl.com, **Website:** www.mbapl.com
Contact Person: Ms. Pallavi Sukhwal (Company Secretary & Compliance Officer)

PROMOTER OF OUR COMPANY: Mr. Pankaj Ostwal, Mr. Praveen Ostwal, Seasons Agro Chem India Private Limited & Ostwal Phoschem (India) Limited

THE OFFER

PUBLIC OFFER OF 57,90,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH OF MADHYA BHARAT AGRO PRODUCTS LIMITED ("OUR COMPANY") FOR CASH AT A PRICE OF ₹ 24 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 14 PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING TO ₹ 1389.60 LAKHS ("THE OFFER") THROUGH AN OFFER FOR SALE BY MR. PANKAJ OSTWAL, MRS SHASHI JAIN & MRS. AMITA MEHTA, MRS. SHASHI JAIN & MR. DHARMESH MEHTA, SEASONS AGRO CHEM INDIA PRIVATE LIMITED, OSTWAL PHOSCHEM (INDIA) LIMITED, PANERI TEXTILES PRIVATE LIMITED AND CHUNRI PRINTS PRIVATE LIMITED (COLLECTIVELY REFERRED AS SELLING SHAREHOLDERS INCLUDING PROMOTERS) OF WHICH 2,94,000 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH FOR A CASH PRICE OF ₹ 24 PER EQUITY SHARE, AGGREGATING TO ₹ 70.56 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF 54,96,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN OFFER PRICE OF ₹ 24 PER EQUITY SHARE AGGREGATING TO ₹ 1319.04 LAKHS (IS HEREINAFTER REFERRED TO AS THE "NET OFFER"). THE OFFER AND THE NET OFFER WILL CONSTITUTE 26.43% AND 25.09%, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE OFFER" BEGINNING ON PAGE 256 OF THIS PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE OFFER PRICE IS ₹ 24. THE OFFER PRICE IS 2.4 TIMES OF THE FACE VALUE.

THIS OFFER IS BEING MADE IN TERMS OF CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009(THE "SEBI ICDR REGULATIONS"), AS AMENDED. THIS OFFER IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATIONS, 2009, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "OFFER PROCEDURE" BEGINNING ON PAGE 264 OF THIS PROSPECTUS.

All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled ***"Offer Procedure"*** beginning on page 264 of this Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled ***"Offer Procedure"*** beginning on page 264 of this Prospectus.

RISK IN RELATION TO THE FIRST OFFER

This being the first public Offer of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares of the Company is ₹10.00 per equity share and the Offer Price is 2.4 times of the face value. The Offer Price (has been determined and justified by our Company in consultation with the Lead Manager as stated under the paragraph ***'Basis for Offer Price'*** on page 83 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the ***"Risk Factors"*** carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Prospectus. **Specific attention of the investors is invited to the section titled *'Risk Factors'* beginning on page 15 of this Prospectus.**

COMPANY & SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

Our Company having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholder accepts responsibility that this Prospectus contains all information about itself as the Selling Shareholder in the context of the Offer for Sale and assumes responsibility for statements in relation to itself included in this Prospectus.

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited ("NSE EMERGE"). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended, we are not required to obtain an in-principle listing approval for the shares being offered in this Offer. However, our Company has received an in-principle approval letter dated July 26, 2016 from NSE for using its name in this offer document for listing of our shares on the SME Platform of NSE. For the purpose of this Offer, the Designated Stock Exchange will be the National Stock Exchange of India Limited.

LEAD MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Hem Securities Ltd.	
HEM SECURITIES LIMITED 14/15, Khatau Bldg, 1st Floor, 40, Bank Street, Fort, Mumbai - 400001, India **Tel. No.:** +91- 022- 4906 0000 **Fax No.:** +91- 022- 2262 5991 **Website:** www.hemonline.com **Email:** ib@hemonline.com **Investor Grievance Email:** redressal@hemonline.com **Contact Person :** Mr. Anil Bhargava **SEBI Regn. No.** INM000010981	**BIGSHARE SERVICES PRIVATE LIMITED** E-2, Ansa Industrial Estate, Sakhivihar Road, Sakinaka, Andheri (East), Mumbai-400 072, Maharashtra, India **Tel No.:**+91-22-40430200 **Fax No.:**+91-22-28475201 **Email:** ipo@bigshareonline.com **Investor Grievance Email**: investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Ashok Shetty **SEBI Regn. No.:** MB/INR000001385

OFFER PROGRAMME

OFFER OPENS ON: Monday, August 29, 2016	**OFFER CLOSES ON:** Friday, September 02, 2016

TABLE OF CONTENTS

SECTION	CONTENTS	PAGE NO.
I	**GENERAL**	
	DEFINITIONS AND ABBREVIATIONS	1
	CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION & MARKET DATA & CURRENCY OF FINANCIAL PRESENTATION	12
	FORWARD LOOKING STATEMENTS	14
II	**RISK FACTORS**	15
III	**INTRODUCTION**	
	SUMMARY OF OUR INDUSTRY	33
	SUMMARY OF OUR BUSINESS	36
	SUMMARY OF OUR FINANCIALS	39
	THE OFFER	43
	GENERAL INFORMATION	44
	CAPITAL STRUCTURE	51
	OBJECTS OF THE OFFER	79
	BASIC TERMS OF OFFER	81
	BASIS FOR OFFER PRICE	83
	STATEMENT OF TAX BENEFITS	86
IV	**ABOUT THE ISSUER COMPANY**	
	INDUSTRY OVERVIEW	102
	OUR BUSINESS	112
	KEY INDUSTRY REGULATIONS AND POLICIES	129
	HISTORY AND CERTAIN CORPORATE MATTERS	141
	OUR MANAGEMENT	146
	OUR PROMOTER	161
	OUR PROMOTER GROUP AND GROUP COMPANIES/ENTITIES	168
	DIVIDEND POLICY	176
V	**FINANCIAL INFORMATION OF THE COMPANY**	
	AUDITOR'S REPORT ON STANDALONE RESTATED FINANCIAL STATEMENT	177
	STATEMENT OF FINANCIAL INDEBTEDNESS	208
	MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS	210
VI	**LEGAL AND OTHER INFORMATION**	
	OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	222
	GOVERNMENT AND OTHER APPROVALS	232
	OTHER REGULATORY AND STATUTORY DISCLOSURES	241
VII	**OFFER RELATED INFORMATION**	
	TERMS OF THE OFFER	256
	OFFER STRUCTURE	262
	OFFER PROCEDURE	264
	RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	304
VIII	**MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**	306
IX	**OTHER INFORMATION**	
	MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	336
	DECLARATION	338

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, enactment or regulation shall be to such legislation, enactment or regulation as amended from time to time. In the section ***"Main Provision of Articles of Association"*** on page 306 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

General Terms

Term	Description
"Our Company" or "Company" or "Madhya Bharat Agro Products Limited" or "MBAPL", "Madhya Bharat", and "We", "Our", "us".	Unless the context otherwise requires these words refer to Madhya Bharat Agro Products Limited, a public limited company incorporated under the Companies Act, 1956.
"you", "your" or "yours"	Prospective investors in this initial Public offering through Shares offered by each of the Selling Shareholders pursuant to the Offer for Sale to the successful investors.

Company Related Terms

Terms	Description
AOA / Articles / Articles of Association	Articles of Association of Madhya Bharat Agro Products Limited, as amended from time to time.
Auditors/ Statutory Auditors	The Auditors of Madhya Bharat Agro Products Limited being M/s Ashok Kanther & Associates, Chartered Accountant.
Audit Committee	The Committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015
Board of Directors / the Board / our Board	The Board of Directors of Madhya Bharat Agro Products Limited, including all duly constituted Committees thereof.
CIN	Corporate Identification Number.
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Pallavi Sukhwal
Corporate Promoters	Ostwal Phoschem (India) Limited (formerly known as Tedco Granite Limited) and Seasons Agro chem India Private Limited
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Executive Directors	Executive Directors are the Whole Time Directors of our Company.
Factories	Unit I located at Khasra No. 28, 36, 37, 120 & 121, Village Rajoua, Tehsil & District – Sagar, Madhya Pradesh. Unit II located at Khasra no. 166/1, Village: Sorai, Tehsil: Banda, District – Sagar, Madhya Pradesh, Plot No A-2, Sourai, Teh. Banda, Sagar, Madhya Pradesh
General Information Document (GID)	The General Information Document for investing in Public Issues prepared and issued in accordance with SEBI circular CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI read with SEBI Circular dated November 10, 2015 and bearing reference No.

Terms	Description
	CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA process.
GIR Number	General Index Registry Number.
Group Companies/Entities	The word "group companies", wherever they occur, shall include such companies as covered under the applicable accounting standards and also other companies as considered material by the board of the company as disclosed in ***"Our Promoter Group and Group Companies / Entities"*** promoted by the Promoters on page 168 of this Prospectus
HUF	Hindu Undivided Family.
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being – INE900L01010
IT Act	The Income Tax Act,1961 as amended till date
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on June 04, 2016, in accordance with the requirements of the SEBI (ICDR) Regulations
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Madhya Bharat Agro Products Limited as amended from time to time.
Non Residents	A person resident outside India, as defined under FEMA Regulations, 2000
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Original Promoters/Subcriber to MOA	Mr. Motilal Jain, Mr. Shailendra Kumar Jain, Mr. Sukhnandan Jain and Mr. Sunil Kumar Jain
Ostwal Group of Industries	A Group of Industries including companies as disclosed under section titled ***"Our Group Companies"*** beginning on page 168 of this Prospectus.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s. Mansaka Ravi & Associates, Chartered Accountant.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	Shall mean promoters of our Company i.e. Mr. Pankaj Ostwal, Mr. Praveen Ostwal, Ostwal Phoschem (India) Limited and Seasons Agro chem India Private Limited
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(zb) of the SEBI (ICDR) Regulations as enlisted in the section titled ***"Our Promoter Group and Group Companies / Entities"*** beginning on page 168 of this Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	5-O-21, Basement, R.C. Vyas Colony Bhilwara, Rajasthan - 311001
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information, as at and for the years ended March 31, 2012, 2013, 2014, 2015 and 2016, together with the annexures and notes thereto.
RoC/Registrar of Companies	Registrar of Companies, Rajasthan, Jaipur
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.

Terms	Description
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Selling Shareholders	Chunri Prints Pvt Ltd, Paneri Textiles Pvt Ltd., Mrs Shashi Jain & Mr. Dharmesh Mehta (For Partnership Krishna Enterprise), Mrs. Shashi Jain & Mrs. Amita Mehta (For Partnership Radhay Traders), Seasons Agro Chem India Pvt. Ltd., Ostwal Phoschem (India) Limited & Pankaj Ostwal
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Unit I	Located at Khasra No. 28, 36, 37, 120 & 121, Village Rajoua, Tehsil & District – Sagar, Madhya Pradesh.
Unit II	Located at Khasra no. 166/1, Village: Sorai, Tehsil: Banda, District – Sagar, Madhya Pradesh, Plot No A-2, Sourai, Teh. Banda, Sagar, Madhya Pradesh

OFFER RELATED TERMS

Terms	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares pursuant to the offer for sale by each of the Selling Shareholders.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an applicant as proof of registration of the Application.
Allottee	A successful applicant to whom the Equity Shares are allotted
Applicant/Investor	Any Prospective Investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application Amount	The number of Equity shares applied for and as indicated in the application form multiplied by price per equity shares payable by the applicants on submission of the application form.
Application Form	The form in terms of which the applicant shall make an application and which shall be considered as the application for the Allotment pursuant to the terms of the Prospectus.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by all Applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB. *Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors shall apply through ASBA process only.*
ASBA Account	Account maintained by the ASBA Investor with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Investor.
ASBA Applicant/Investor	Any applicant who intends to apply through ASBA Process.
Bankers to the Company	HDFC Bank and SBBJ Bank
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being HDFC Bank Limited
Banker to the Issue Agreement	Agreement dated July 30, 2016 entered into amongst the Company, Lead Manager, the Registrar, Selling Shareholders and the Banker of the Offer.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful applicants under the Offer and which is described in the chapter titled ***"Offer Procedure"*** beginning on page 264

Terms	Description
	of this Prospectus.
Book Building Process/ Book Building Method	The book building route as provided under Schedule XI of the SEBI (ICDR) Regulations, 2009.
Broker Centres	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays)
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Compliance Officer	The Company Secretary of our Company, Ms. Pallavi Sukhwal
Controlling Branches of the SCSBs	Such Branches of the SCSBs which co-ordinate Applicants by the ASBA Applicants with the Registrar to the Offerand the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, and Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of the Prospectus.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated Intermediaries/Collecting Agent	Members of the syndicate, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and collecting RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Offer
Designated Market Maker	Hem Finlease Private Limited
Designated RTA Locations	Such centers of the Collecting RTAs where applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the Collecting RTAs are available on the websites of the Stock Exchanges.
Designated Stock Exchange	National Stock Exchange of India Limited (NSE) (SME Platform of NSE i.e. NSE EMERGE
DP	Depository Participant
DP ID	Depository Participant's Identity number.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at http://www.sebi.gov.in/pmd/scsb.pdf
Draft Prospectus	Draft Prospectus dated June 20, 2016 issued in accordance with Section 32 of the Companies Act, 2013.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom this Prospectus will constitute an invitation to subscribe for the Equity Shares.

Terms	Description
Equity Listing Agreement	Listing agreement to be entered into by our Company with the Stock Exchanges in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Equity Shares	Equity Shares of our Company of face value ₹ 10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depositary participants
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI.
HSL	Hem Securities Limited.
Listing Agreement	The SME Equity Listing Agreement to be signed between our Company and National Stock Exchange of India Limited (NSE).
LM / Lead Manager	Lead Manager to the Issue, in this case being Hem Securities Limited.
Lot Size	6000 shares
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE Emerge Platform. In our case, Hem Finlease Private Limited (HFPL) (Registration No. INB231110033) is the sole Market Maker
Market Making Agreement	The Market Making Agreement dated July 30, 2016 between our Company, Lead Manager and Market Maker i.e. Hem Finlease Private Limited (HFPL).
Market Maker Reservation Portion	The reserved portion of 2,94,000 Equity Shares of ₹ 10 each at an Offer price of ₹ 24 each aggregating to ₹ 70.56 lacs to be subscribed by Market Maker in this Issue.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
MOU/ Issue Agreement	The Memorandum of Understanding dated June 15, 2016 between our Company, Selling Shareholders and LM
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of 54,96,000 equity Shares of ₹10 each at a price of ₹ 24 per Equity Share (the "***Offer Price***"), including a share premium of ₹ 14 per equity share.
Non-Institutional Investors	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
NSEL/NSE	National Stock Exchange of India Limited
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter X-B of the SEBI ICDR Regulations.
Offer Closing Date	The date after which the Designated Intermediaries shall not accept application for the Offer
Offer for Sale	Offer for sale of 57,90,000 Equity Shares being offered by the Selling Shareholders pursuant to the Prospectus.
Offer Opening Date	The date on which the Designated Intermediaries shall start accepting application for the

Terms	Description
	Offer
Offer Period	The period between the Offer Opening Date and the Offer Closing Date, inclusive of both days, during which prospective Applicants can submit their Applications, including any revisions thereof.
Offer Price	The price at which Equity Shares will be issued by the Company in terms of this Prospectus i.e. ₹ 24 per share.
Offer Size	Public offering of 57,90,000 Equity Shares of ₹ 10 each vide an Offer for sale for cash at a price of ₹ 24 per share including a premium of ₹ 14 per equity share by the selling shareholders, in terms of this Prospectus
Other Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB‘s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The prospectus to be filed with the RoC in accordance with Section 32 of the Companies Act, containing, *inter alia*, the Offer Price will be determined before filing the Prospectus with RoC.
Public Issue Account	Account opened with the Bankers to the Offerto receive monies from the SCSBs from the bank account of the ASBA Applicant on the Designated Date.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of ₹ 25.00 Crore; a pension fund with minimum corpus of ₹ 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Qualified Foreign Investors Depository Participant/ QFIs DP	Depository Participant for Qualified Foreign Investors
Registrar/ Registrar to the Offer/ RTA/ RTI	Registrar to the Offerbeing Bigshare Services Private Limited.
Registrar Agreement	The agreement dated June 17, 2016, entered into between our Company, the Selling Shareholders and the Registrar to the Offerin relation to the responsibilities and obligations of the Registrar to the Offerpertaining to the Offer.
Resident Retail Individual Investor	A Retail Individual Investor who is a person resident in India (as defined in FEMA).
Retail Individual Investors	Individual investors who have applied for Equity Shares for an amount not more than ₹2 lakhs in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRI‘s
Revision Form	The form used by the applicants to modify the quantity of Equity Shares in any of their

Terms	Description
	Application Forms or any previous Revision Form(s).
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/content/cat_of_mem.htm
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no.CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Self Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available http://www.sebi.gov.in/pmd/scsb.pdf
SME Exchange	SME Platform of the NSE i.e. NSE EMERGE
SME Platform	The SME Platform of NSE i.e. NSE EMERGE for listing equity shares offered under Chapter X-B of the SEBI ICDR Regulation which was approved by SEBI as an SME Exchange on September 27, 2011
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
Underwriters	The LM who has underwritten this Offer pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated July 30, 2016entered between the Underwriters (HSL), Selling Shareholders, Syndicate Members and our Company.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to Offer Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 .

COMPANY AND INDUSTRY RELATED TERMS

Technical and Industry Related Terms

Terms	Full Form
BRP	Beneficiated Rock Phosphate
Bn	Billion
CAN	Calcium Ammonium Nitrate
CIS	Commonwealth of Independent States
DAP	Diammonium Phosphate
DoF	Department of Fertilizers
ECA	Essential Commodities Act, 1955

FACT	Fertilizers & Chemicals Travancore of India
FAI	Fertilizers Association of India
FCI	Fertilizers Corporation of India
FCO	Fertilizer Control Order 1980
FD	Fixed Deposit
GSSP	Granulated Single Super Phosphate
HYV	High Yield Variety
ICAR	Indian Council of Agricultural Research
IEM	Industrial Entrepreneurs Memorandum
K	Potash
KPL	Krishana Phoschem Ltd
KVA	Kilo-Vote-Ampere
MBAPL	Madhya Bharat Agro Products Limited
Mn	Million
MOP	Muriate of Potash
MT/MMT	Metric Tonnes
N	Nitrogenous
NBS	Nutrient Based Subsidy
NRIPL	Nirmala Realinfrastructure Private Ltd
OTS	One Time Settlement
OGI	Ostwal Group of Industries
OPIL	Ostwal Phoschem (India) Limited (formerly known as Tedco Granite Limited)
PSSP	Powder Single Super Phosphate
P	Phosphorus
R & D	Research And Development
RCPS	Redeemable Non Cumulative Preference Shares
RHC	Rougher Concentrate
RSMML	Rajasthan State Mines And Minerals Ltd
SA	Sulphuric Acid
SEIAA	State Level Environmental Impact Assessment Authority
SOP	Sulphate of Potash
SSP	Single Super Phosphate
SBBJ	State Bank of Bikaner & Jaipur
SIPL	Seasons International Private Limited
TPA	Tonnes Per Annum
TPD	Tonne Per Day
TPY	Tonnes Per Year
TSP	Triple Super Phosphate

ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association

Abbreviation	Full Form
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992.

Abbreviation	Full Form
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate

Abbreviation	Full Form
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the following**:-**

(i) In the section titled ***"Main Provisions of the Articles of Association"*** beginning on page 306 of the Prospectus, defined terms shall have the meaning given to such terms in that section.
(ii) In the section titled ***"Financial Information of the Company"*** beginning on page 177 of the Prospectus, defined terms shall have the meaning given to such terms in that section;
(iii) In the Chapter titled ***"Statement of Tax Benefits"*** beginning on page 86 of the Prospectus, defined terms shall have the same meaning given to such terms in that chapter.

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

Certain Conventions

All references in the Prospectus to "India" are to the Republic of India. All references in the Prospectus to the "U.S.", "USA" or "United States" are to the United States of America.

In this Prospectus, the terms "we", "us", "our", the "Company", "our Company", "Madhya Bharat Agro Products Limited" and "MBAPL", unless the context otherwise indicates or implies, refers to Madhya Bharat Agro Products Limited. In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore". In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and Lacs. Unless stated otherwise, the financial data in the Prospectus is derived from our financial statements prepared and restated for the financial year ended 2016, 2015, 2014, 2013 and 2012 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2009 included under Section titled **"*Financial Information of the Company*"** beginning on page 177 of this Prospectus. Our Company does not have a subsidiary. Accordingly, financial information relating to us is presented on a Standalone basis. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards ("IFRS") and the Generally Accepted Accounting Principles in the United States of America (**"U.S. GAAP"**). Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

For additional definitions used in this Prospectus, see the section ***Definitions and Abbreviations*** on page 1of this Prospectus. In the section titled "***Main Provisions of Articles of Association***", on page no 306 of the Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled ***"Basis for Offer Price"*** on page 83 of the Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

Currency of Financial Presentation and Exchange Rates

All references to "Rupees" or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India. Except where

specified, including in the section titled "***Industry Overview***" throughout the Prospectus all figures have been expressed in thousands, Lakhs/Lacs, Million and Crores.

Any percentage amounts, as set forth in ***"Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operation" on*** page 15, 112 & 210 in the Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

The Prospectus contains conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

FORWARD LOOKING STATEMENTS

We have included statements in the Prospectus which contain words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward-looking statements". Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our 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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. Disruption in our manufacturing facilities.
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Inability to successfully obtain registrations in a timely manner or at all;
4. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
5. Disruption in supply of Raw Materials.
6. Changes in laws and regulations relating to the industries in which we operate;
7. Effect of lack of infrastructure facilities on our business;
8. Increased in prices of Raw Material
9. Occurrence of Environmental Problems & Uninsured Losses;
10. Intensified competition in industries/sector in which we operate;
11. Our ability to successfully implement our growth strategy and expansion plans;
12. Our ability to meet our capital expenditure requirements;
13. Our ability to attract, retain and manage qualified personnel;
14. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
15. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
16. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties;
18. The performance of the financial markets in India and globally;
19. Any adverse outcome in the legal proceedings in which we are involved;
20. Our ability to expand our geographical area of operation;
21. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled "***Risk Factors***"; ***"Our Business"*** & and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning*** on page 15, 112 & 210 respectively of the Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Neither our Company, our Directors, Selling Shareholders our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Offer.

SECTION II: RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider the risks described below as well as other information in this Prospectus before making an investment in our Equity Shares. You should read this section in conjunction with the chapters ***"Our Business"*** *and* ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** *beginning on pages 112 and 210, respectively, as well as the other financial and statistical information contained in this Prospectus. The risks described in this section are those that we consider to be the most significant to our business, results of operations and financial condition. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition. If any or a combination of the following events occur, our business, financial condition, results of operations and prospects could materially suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks mentioned herein.*

Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus.

Materiality

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

1. Some events may not be material individually but may be found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may be having material impact in future.

Note:

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off.

*Any percentage amounts, as set forth in "**Risk Factors**" on page 15 and "**Management Discussion and Analysis of Financial Condition and Results of Operations**" on page 210 of this Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Audited Financial Statements, as restated" prepared in accordance with the Indian Accounting Standard.*

Risks Relating to our Business/ Internal Risk Factors

1. ***Our Company has made allotments of equity shares to more than 49 persons in past which were not in compliance with applicable laws relating to a public offering of securities, which may subject our Company to incur penalty in future from any regulatory authorities.***

Our Company has allotted equity shares to 82 persons in the allotment dated March 31, 2010, which were not in compliance with Section 67(3) of Companies Act, 1956 relating to a public offering of securities. Public offerings are required to comply with the applicable requirements in relation to making a 'public offer' of securities, including under the Companies Act, 1956, the SEBI Act, SCRA and the respective rules, regulations and guidelines issued thereunder. These requirements include, among others, the issue and registration of a prospectus with required disclosures and the making of an application for listing on the stock exchanges of the securities so offered. In respect of Allotments, which were allotted to more than 49 allottees, our Company did not meet these requirements.

However, pursuant to SEBI circular CIR/CFD/DIL3/18/2015 dated December 31, 2015 and amendment thereof dated May 03, 2016, our Company has provided the allottees with an option to surrender the securities and get the refund amount at a price not less than the amount of subscription money paid along with 15% interest p.a. thereon.

As of the date of this Prospectus, our Company has not received any notice from any regulatory authority alleging violation of the aforementioned provisions. Although we have complied with provision of aforesaid SEBI Circular by giving an option of refund even to current holders of securities in all case where the shares have been transfer from original allottees. Further, initiation of any adjudicatory proceedings or prosecution by ROC and any consequential imposition of penalties may also have a material adverse effect on our business, finances and results of operations.

2. ***There are certain outstanding legal proceedings involving our Company, Promoters and our Group Companies, which may have financial implication on the business of our Company.***

Our Company, Promoter and Group Companies are involved in certain civil, criminal, tax proceedings, which if determined, against us could have adverse impact on the business and financial results of our Company. For details kindly refer chapter titled ***"Outstanding Litigation and Material Developments"*** at page no. 222 of this Prospectus. A brief detail of such outstanding litigations as on the date of this Prospectus are as follows:

Litigation involving Our Company:-

A. Cases filed against our Company:-

Nature of Cases	No. of Outstanding Cases	Amount Involved (in Rs. Lacs)
Tax Litigation - Notice	1	Not Ascertainable
Other Pending Litigation	1	Not Ascertainable

B. Cases filed by Our Company:-

Nature of Cases	No of Outstanding Cases	Amount involved (In Lacs)
Other Pending Litigation	1	47.18

Litigation involving our Promoter Companies and Group Company:-

A. Cases filed against our Group Companies:-

Nature of Cases	No. of Outstanding Cases	Amount Involved (in Rs. Lacs)
Criminal Litigation	3	1.30
Regulatory Litigation	2	1.84

Tax Litigation - Notice	4	Not Ascertainable
Other Pending Litigation	17	1.29

B. Cases filed by Our Group Companies:-

Nature of Cases	No of Outstanding Cases	Amount involved (In Lacs)
Other Pending Litigation	4	166.90

We cannot provide any assurance that these matters will be decided in favour of the above mentioned entities or persons. Further, there is no assurance that similar proceedings will not be initiated against the above mentioned entities or persons in the future.

For details kindly refer chapter titled "***Outstanding Litigation and Material Developments"*** at page no. 222 of this Prospectus.
For further details in relation to the aforesaid litigations, please refer to the section titled ***"Outstanding Litigation and Material Developments"*** on page no. 222 of this Prospectus.

3. If we are not able to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business it may have a material adverse effect on our business.

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained other permits and licenses which are adequate to run our business, we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

For details regarding pending approvals, please refer to section titled "***Government and Other Approvals***" beginning on page 232 of the Prospectus.

4. Any action taken by the regulatory authorities in future for non-compliance of any provision of corporate laws could impact the financial position of the Companyto that extent.

Our Company has accepted certain amounts which are classified as deposits under the purview of Section 58A of the Companies Act, 1956 in the past. Due to absence of professional guidance on the matter, we did not follow the prescribed procedures as laid down under the relevant sections of Companies Act. Also Our Company has not complied with Section 185 of the Companies Act, 2013 with respect to non-compliance of corporate guarantee given to and taken by Group Company. Although no cognizance have been taken by the concerned authority in respect of the said offence, our company may be subjected to penalty in the event any action taken against us in the matter.

Additionally our Company has not complied with some Accounting Standard For instance, Accounting Standards 18, 22 and 29. However, now the Company has made necessary compliance in accordance with the Accounting Standards in the re-stated financial statements of the Company.

5. Substantial portion of our revenue has been dependent on one customer. Loss of this customer may have material adverse effect on our business and results of operations and financial condition.

For the year ended on March 31, 2016, more than 65% of our revenues were generated from our top customer namely Shriram Fertilizers & chemicals Limited. Additionally our Company has signed a Purchase and Sale Agreement with DCM Shriram

Limited (through its unit M/s Shriram Fertilizers & Chemicals) dated March 20, 2015 for supply of minimum 40000 Mt per annum. The loss of our major customer or reduction of orders from our key customer sales or a decrease in the volume of sales, any material delay, cancellation or reduction of orders from any of our other key customers may adversely affect our revenues and profitability. Further, we may not able to renew agreements with our Customer in future, thus, we cannot assure you that we will be able to generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our operations and profitability.

6. ***Our Company was registered with Board of Industrial and Financial Reconstruction (BIFR) in the year 2002-03 as a Sick Company and further was revived in the year 2005.***

Our Company has filed a reference to BIFR under Section 15(1) of the Sick Industrial Companies (Special Provision) Act, 1985 due to accumulated losses and dues from financial institutions. Further the Company was taken over by Mr. Pankaj Ostwal, Mr. Praveen Ostwal and Seasons Agro Chem India Pvt. Limited in the year 2004 and funds was infused by new promoters along with payment of dues from banks. The Company was de-registered from BIFR on basis of financial Statement of the Company ended March 31, 2005 vide order of BIFR dated April 04, 2007 and not considered as sick industrial company in meaning of section 3(1)(o) of SICA. Presently the networth of our Company is Rs. 6630 Lacs as on March 31, 2016 and our Company has made substantial growth during the time but we cannot assure that we will able to maintain such growth which may adversely affect our financial operations.

7. ***Our Registered Office is not owned by us. Our operations may be materially and adversely affected if we are unable to continue to utilize our registered Office in future.***

Our business is operated from our registered office situated at 5-O-21, Basement R.C. Vyas Colony Bhilwara, Rajasthan which is leased premise. We have entered into lease arrangements for our registered Office with Our Promoter Company Ostwal Phoschem (India) Limited for fifteen years commencing from May 01, 2015. If we are unable to continue to use our registered Office which is located on leased premise during the period of the relevant lease or extend such lease on its expiry on commercially acceptable terms, or at all, we may suffer a disruption in our operations which could have a material and adverse effect on our business and results of operations. We cannot assure you that we will have the right to occupy, the aforementioned premises in future, or that we will be able to continue with the uninterrupted use of this property, which may impair our operations and adversely affect our financial condition. For further details of our registered office please refer to the chapter titled **"*Our Business*"** on page 112 of this Prospectus.

8. ***Our Company is not having its own Distribution Network for sale of Products any disruption and inability to maintain the same and expand as per requirement, can adversely affect reputation and financial conditions of our Company***

Our Company is marketing its product through Shriram Fertilizer & Chemical (a unit of DCM Shriram Limited) and does not have its own Distribution Network. Although our Company has signed a Sale and Purchase agreement dated March 20, 2015 for supply of 40000 MT per annum for the period of five year beginning from April 01, 2015. Further our inability to maintain the existing distribution network or to expand it further as per the requirement of our proposed increased Capacities, can adversely affect our business, reputation and financial condition.

9. ***Our operations are subject to high working capital requirements. Our inability to maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet requirement of working capital or pay out debts, could adversely affect our operations.***

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. We have been sanctioned working capital of ₹ 990.00 lakhs from the existing bankers. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit

facility and other sources of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the section ***"Statement of Financial Indebtedness"*** on page 208 of this Prospectus. Further, we have high outstanding amount from our debtors which may result in a high risk in case of non-payment by these debtors. In the event we are not able to recover our dues from our debtors, we may not be able to maintain our sales level and thus adversely affecting our financial operations.

10. Our Company procures its raw materials from a selected few suppliers for its raw material requirements. Any disruption in supply of raw materials from these suppliers will adversely affect our operations.

The contributions of our top 10 suppliers to our total supplies are 66.97 % of total sales for the year ended March 31, 2016. Our Company is majorly dependent on a selected few suppliers to meet its raw material requirements. We procure our major supply of raw materials from various suppliers depending upon the price and quality of raw materials. However, our Top 10 supplier contributes significantly to supply of raw materials for the products manufactured by us. Any disruption of supply of raw materials from these major suppliers or our ability to procure raw materials from such suppliers at terms favorable to us will adversely affect our operations and financial cost. Loss of any one or more of our suppliers may adversely impact our production and eventually our profitability.

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

The details of Cash flows of our Company are as follows:

Particulars	**For the year ended (₹ in Lacs)**				
	31.03.2016	**31.03.2015**	**31.03.2014**	**31.03.2013**	**31.03.2012**
Net Cash from Operating Activities	646	559	1431	(1038)	2006
Net Cash used in Investing Activities	(2651)	(226)	(563)	(300)	(1191)
Net Cash from Financing Activities	2007	(345)	(917)	1362	(1036)

Cash flow of a Company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and to make new investments without raising finance from external resources. Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For more information, regarding Cash flows please refer ***"Annexure III"*** in chapter titled ***"Financial Information of the Company"*** beginning on page 177 of this Prospectus.

12. Our success depends heavily on our Promoters and senior management for the continued success of our business through their continuing services and strategic guidance and support.

Our success heavily depends upon the continued services of our Key Management Personnel, along with support of our Promoters. Further, we believe that being a relatively large organization; we would depend significantly on our Key Managerial Persons for executing their day to day activities. The loss of any of our Promoters and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section ***"Our Management"*** on page 146 of this Prospectus.

13. There are certain discrepancies noticed in some of our corporate records relating to forms filed with the Registrar of Companies.

Our Company has not complied with certain statutory provisions under the Companies Act 1956 /2013, for instance, our Company has made some clerical mistakes in documents and form filed with registrar of Companies also, viz. in some annual returns paid up capital mentioned is wrong and some transfers has not been mentioned. Although no actions have been taken in respect of the above discrepancies, however in the event of any cognizance being taken, our company may be subjected to penalty in respect of them.

Also there are some cases where forms has been filed belately with Registrar of Companies for which requiste delayed fees was paid by the Company. Although no show cause notice has been issued against the Company till date in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, penal actions may be taken against the Company and its directors, in which event the financials of the Company and its directors may be adversely affected.

14. Our financial condition could be affected if any of the customers of the Company does not honor the payment terms, makes any delay or default in the outstanding payments.

Our Company derives a significant portion of income from a limited number of customers. The percentage of sales derived from our company's top 10 customers which is approximately 99.93% of our total sales for the period April 1, 2015 to March 31, 2016. Thus, we are exposed to payment delays and/or defaults by our customers and our financial position and financial performance are dependent on the creditworthiness of our customers. There is no guarantee that all or any of our customers will honor their outstanding amounts in time and whether they will be able to fulfill their obligations, due to any financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur from all or any of our major customer, our financial performance and our operating cash flows may be adversely affected.

15. Our Promoter and Promoter Group members has provided personal guarantees for loans availed by our Company. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the invocation of all or any personal guarantees and securities or enforcement of the collateral provided by our Promoter and Promoter Group members.

Our Promoter, Promoter Group Members and Promoter Company has provided personal guarantees to secure a significant portion of our existing borrowings, and may post listing continue to provide such guarantees and other security. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter, Promoter Group Members and Promoter Company may be invoked and/ or the collateral may also be enforced, which could negatively impact the reputation and networth of the Promoters. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoter, Promoter Group Members and Promoter Company may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. We may also not be successful in procuring alternate guarantees satisfactory to the lenders, and as a result we may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer ***"Statement of Financial Indebtness"*** on page no. 208 of this Prospectus.

16. Our Company is using Logo of our Group company Ostwal Phoschem (India) Limited which is not registered on name of our Company.

Presently, our Company is using logo our Group company Ostwal Phoschem (India) Limited and the same is not registered on name of our Company. Additionally our company has signed a Memorandum of Understanding dated April 15, 2011 with our Group Company "Ostwal Phoschem (India) Limited (formerly known as Tedco Granite Limited)" for use of trademark. As such, we do not enjoy the statutory protections accorded to a registered trademark on our name as on date. Also if in future we are able to use the logo registered on name of our Group Company which may cause damage to our business prospects, reputation and goodwill.

For further details please refer to chapter titled ***"Our Business"*** beginning on page 112 of the Prospectus.

17. We may be subject to any defects in our product which could adversely affect our business.

Although our fertilizers undergo quality checks before they are processed, they may still contain defective or undesired characteristics that may be difficult to detect, with the available technology and tools, prior to their sale and use. Our fertilizers are also subject to test & checks by our customer. Any test undertaken by such agencies which does not provide the desired result may lead to rejection of our product and may also involve us into legal penalties. We cannot assure that use of our products will not expose us to costly and time-consuming litigations/claims and lead to negative publicity about the quality of our products, further affecting our sales and performance. Any of the aforesaid factors would have a material adverse effect on business, financial condition and results of operations.

18. Our insurance coverage may be inadequate, as a result of which the loss or destruction of our assets could have a material adverse effect on our financial condition and results of operations.

While we believe we maintain insurance coverage in the amount that is commercially appropriate, we may not have sufficient insurance coverage to cover all economic losses, including when the loss suffered is not easily quantifiable and when our reputation has been damaged. Our insurance coverage includes insurance against damage, loss of profit and business interruption, and third party liability. The list of insured assets includeVehicles, Cash in transit, Public liability and insurances covering risk of damage caused as a result of burglary and fire. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Any large uninsured loss or insured loss which significantly exceeds the insurance coverage could adversely affect our business, financial condition, results of operations and prospects. For further details of insurance, please refer section titled ***"Our Business"*** beginning on page no. 112 of this Prospectus.

19. Our Promoter Company have incurred losses in past and any operating losses in the future could adversely affect the results of operations and financial conditions of our group companies.

The details of profit and loss of our Group Company in past years are as follows:-

Name of the Group Company	Profit/ (Loss) for the year ended (Amount in Lacs)		
	31st March 2015	31st March 2014	31st March 2013
Seasons Agro Chem India Pvt. Ltd.	38.81	(237.04)	(122.14)

Any operating losses could adversely affect the overall operations of the group and financial conditions. For more information, regarding the Company, please refer chapter titled ***"Our Promoter Group and Group Companies/ Entities"*** beginning on page 168 of this Prospectus.

20. Our business is subject to risks related to weather that could adversely affect the results of our operations and our financial condition.

Our business is mostly dependent upon the growth of agriculture and Agri-products which are subject to substantial risks faced by the weather condition in India. The agricultural industry is substantially subject to weather factors, which make its operational results relatively unpredictable. Weather condition such as delayed monsoon or less rainfall may affect us as a whole or on a regional basis. Due this fluctuation and unpredictability of the weather condition in India there can be no or less chances that we

can meet the sale and demand forecast. Extreme weather conditions can potentially reduce the demand for our fertilizers in any year and have a material adverse effect on our business, results of operations and financial condition

21. Any Penalty or demand raise by statutory authorities in future will affect the financial position of the Company.

Our Company is mainly engaged in business of manufacturing of fertilizers which attracts tax liability such as Excise Duty, Sales Tax, Service Tax and other applicable provision of the Acts. However the Company has been depositing the return under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year will affect the financial position of the Company. Any such penalty arising in future may lead to financial loss to our Company.

22. Any increase in or enforcement of our contingent liabilities may adversely affect our financial condition.

Our Contingent liability towards Bank guarantee given for our Group Company by our Company as on March 31, 2016 was ₹ 2035 Lacs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected. The details of Contingent Liability as on March 31, 2016 as follows:-

S.No.	Particulars	**Amount (₹ in Lacs)**
1.	Corporate Guarantee in favour of Seasons International Pvt. Ltd.	2035

For more information, regarding our contingent liabilities, please refer ***"Annexure U"*** on page 207 of the chapter titled "***Financial Information of the Company***" beginning on page 177 of this Prospectus.

23. The agricultural products business is highly seasonal in our country and such seasonality may adversely affect the demand for our fertilizers and also our operating results.

We are engaged in the manufacturing of fertilizers, which is the raw material for the agricultural industry. We have 2 major crop season in our country namely Rabi & Kharif. The demand for our product is affected by the crop season and therefore the demand for our fertilizer is highly seasonal in nature. Further, majority of the farmers depend on rain for cultivation. Generally rainfall occurs during Kharif season and hence, the timing and seasonality of rainfall also impacts the business of our Company. Thus, we are subject to seasonal factors, which make our operating results relatively unpredictable.

24. There may be potential conflicts of interest if our Promoters or Directors are involved in any business activities that compete with or are in the same line of activity as our business operations.

Our Group Company such as Krishana Phoschem Limited, and our Promoter Companies Ostwal Phoschem (India) Limited and Seasons Agro Chem India Private Limited are involved to some extent in the same line of activity in which our company is involved. Also our Company has entered into various transaction such as sales, purchases, Loans and Interest in past with our Group Companies and will continue to do in future. For detailed information for our transaction with group Companies please refer to Annexure R of Restated financial Statement under chapter titled ***"Financial Information of the Company"*** beginning on page 177 of this Prospectus. Further, we have not entered into any non-compete agreement with our said entities. We cannot assure you that our Promoter who has common interest in said entities will not favour the interest of the said entities As a result; conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Entities in circumstances where our respective interests diverge. There can be no assurance that our Promoters or our Group Entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, please refer to "***Common Pursuits***" on Page 165 of this Prospectus.

25. Any adverse decline in prices of our products may reduce our profit margins.

Prices of our products are influenced by several factors (Both internal and external), which including the inherent strength and productivity of the product, supply of competing product(s) in the market, demand from farmers and our customer, among others. Any adverse changes in terms of sale price, including not being able to revise prices in accordance with cost increases and other relevant factors including those not being in our control, may lead to a material adverse effect on our sales margins, profitability which would have a material adverse effect on our business, results of operations and financial condition.

26. Our raw material Rock Phosphate is obtained from the mines; imposition of any restriction on the mining/extraction of such material from the mines could affect our operations and result of operations.

Our raw material Rock Phosphate is obtained from the mines situated in the close vicinity of our production unit. The imposition of any restriction on the mining of Rock Phosphate will compel us to search for other sources of raw material. Procurement of raw material from other sources could be more expensive and time consuming as we may not be able to secure the favorable terms and conditions as we are currently enjoying, and accordingly would adversely affect our revenues and profitability.

27. The Company has not made any provision for decline or revalued in value of Investment of the Company.

Our Company has made an investment in Shares of our Group Company Krishana Phoschem Limited for a consideration of ₹ 117 Lacs as on March 31, 2016 and the same have not been revalued. We have not made any provision for this Increase or decrease in the value of investments, if provision is made in future on account of permanent decrease in value of these investments, our profits would reduce to the extent of such provision. This may have an adverse impact on our results of operations and financial conditions.

28. We will continue to be controlled by our Promoters and Promoter Group after the listing of the Equity Shares in the Offer.

Upon successful completion of the Offer, our Promoters and Promoter Group will collectively control, directly or indirectly, approximately 60.58 % of our outstanding Equity Shares (assuming full subscription to the Offer). As a result, our Promoters and Promoter Group will continue to have the ability to exercise significant control over our Company and all matters requiring shareholder approval, including election of directors, our business strategy and policies, and approval of significant corporate transactions such as mergers and business combinations. The extent of their shareholding in our Company may also have the effect of delaying, preventing or deterring a change in control of our Company, even if such a transaction may be beneficial to the other shareholders. The interests of our Promoters and Promoter Group as controlling shareholders of our Company could be in conflict with the interests of our other shareholders. We cannot assure you that our Promoters and Promoter Group will act to resolve any conflicts of interest in favor of our Company or the other shareholders. For details of our shareholding please refer section titled ***"Capital Structure"*** beginning on page no. 51 of this Prospectus.

29. We have incurred a substantial amount of indebtedness, which may adversely affect our cash flow and our ability to operate our business.

As of March 31, 2016 we have Rs. 1771.02 Lacs of principal amount of indebtedness outstanding. Our substantial indebtedness has important consequences to us such as:

- increasing our vulnerability to general adverse economic and industry conditions and adverse competitive and industry conditions and placing us at a competitive disadvantage to competitors that have less debt;
- requiring us to dedicate a substantial portion of our cash flow from operations and proceeds from any capital raising to payments on indebtedness, thereby reducing our cash flows for working capital expenditures, product development efforts, strategic acquisitions, investments and other general corporate requirements;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry and could limit our ability to pursue other business opportunities, and
- Increasing our interest expenditure, since a substantial portion of our debt bears interest at floating rates.

Our ability to meet our obligations and to repay our outstanding borrowings will depend primarily upon the cash flow generated by our business. There can be no assurance that we will generate sufficient cash to enable us to service our existing or proposed borrowings, comply with covenants or fund other liquidity needs. Furthermore, adverse developments in the Indian credit markets or a reduced perception of our creditworthiness in the credit markets could increase our debt service costs and the overall cost of our funds. Failure to meet our obligations under the financing arrangements could have an adverse effect on our cash flows, business and results of operations.

30. ***Our Company had entered into various transactions with our Promoters, Promoter Group, Directors and their Relatives and Group Companies. Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may adversely affect our competitive edge and better bargaining power had these transactions have been entered with non-related parties resulting into relatively more favourable terms and conditions and better margins.***

Our Company had entered into various transactions with our Promoters, Promoter Group, Directors and their Relatives and Group Companies. These transactions, inter-alia includes sale/purchase of goods, remuneration, loans and advances, rent etc. Our Company entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favourable terms had our Company not entered into such related party transactions. Our Company may enter into such transactions in future also and we cannot assure that in such an event there would be no adverse affect on results of our operations. For details please refer to ***Annexure R*** on ***Related Party Transactions*** of the Auditor's Report under Section titled "***Financial Information of the Company***" beginning on page no. 177 of this Prospectus.

31. ***Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.***

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

a. Environment (Protection) Act, 1986
b. Air (Prevention and Control of Pollution) Act, 1981
c. Water (Prevention and Control of Pollution) Act, 1974
d. Hazardous Waste Management & Handling Rules, 2008
e. Other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards

Any change in the scope and extent of the environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and time required to comply with these requirements could be significant. Any major amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur additional cost to meet the same which could adversely affect our business, prospects, financial condition and results of operations.

32. ***We are subject to the restrictive covenants of banks in respect of the Loan/Credit Limit and other banking facilities availed from them.***

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lenders, regarding, among other things such as major changes in share capital, changes in fixed assets and creation of any other charge, formulate any scheme of amalgamation, substantial change in management of the Company, extending finance to associate concerns etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in certain of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows.

For further details on the Cash Credit Limit and other banking facilities, please see **"*Statement of Financial Indebtedness*"** on page 208 of the Prospectus.

33. The loss of or shutdown of operations at our production facilities may have a material adverse effect on our business, financial condition and results of operations.

The breakdown or failure of our equipments and/ or civil structure can disrupt our production schedules, resulting in performance being below expected levels. In addition, the development or operation of our facilities may be disrupted for reasons that are beyond our control, including explosions, fires, earthquakes and other natural disasters, breakdown, failure or sub-standard performance of equipment, improper installation or operation of equipment, accidents, operational problems, transportation interruptions, other environmental risks, and labour disputes. Our production facilities are also subject to mechanical failure and equipment shutdowns. Our machineries may be susceptible to malfunction. If such events occur, the ability of our facilities to meet production targets may be adversely affected which may affect our business, financial condition and results of operations.

34. We could also be exposed to liability due to employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

Any misconduct or errors committed by our employees could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct in a timely manner or at all. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

35. A few of the raw materials used by us at our factories are hazardous in nature. In the event of any accidents involving any such hazardous materials and substances, our Company may be held liable for subsequent damages and litigations.

Improper or negligent handling while manufacturing and/or storing hazardous material and/or substances at our units may cause personal injury or loss of life and may also lead to severe damage or destruction to property or equipment and environmental damage, which may result in the suspension of operations and the imposition of civil and criminal liabilities. Any mishandling of hazardous substances by us could affect our business adversely and may impose liabilities on our Company.
Though the Company has taken insurance to cover such risks, even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Any large uninsured or insured loss which significantly exceeds the insurance coverage could adversely affect our business, financial condition, results of operations and prospects.

36. Our Company's manufacturing activities are depended on availability of skilled and unskilled labourers in large numbers. In case of unavailability of such labourers and / or inability to retain such personnel, our business operations could be affected.

Our Company has employed 69 employees as on March 31, 2016 on our payrolls. Out of the same, 6 employees are in the Administration office, while 25 employees are in Unit – I which is situated at Khasra No. 28, 36, 37, 120 & 121, Village Rajoua, Tehsil & District – Sagar, Madhya Pradesh and 38 employees are at Unit – II which is situated at Khasra no. 166/1, Village: Sorai, Tehsil: Banda, District – Sagar, Madhya Pradesh and Plot No A-2, Sourai, Teh. Banda, Sagar, Madhya Pradesh. Our operations and performance are labour intensive and depends on our ability to identify, attract and retain both skilled and unskilled labour. In case such labour is unavailable or we are unable to identify and retain such labourers our business could be adversely affected. We have not entered into any agreement for hiring additional labourers and thus availability of appropriately skilled labour cannot be guaranteed. Any failure to hire the appropriate labour may impact the operations and impair our client relations.

37. Our Promoters and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.

Our Promoters and Directors may be deemed to have been interested in our Company to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their positions held in our Company, if any. Our Promoters and Directors are interested in the certain transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled ***Our Business*** and ***Our Promoters***, beginning on page 112 and 161 respectively and the ***Annexure – R*** titled ***—Related Party Transactions*** on page 203 of the Prospectus.

38. Our business operations may be materially & adversely affected by strikes, work stoppages or increased wage demands by our employees.

Although we have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India 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.

Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition. 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. Shortage of skilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations.

39. We have not independently verified certain data in this Prospectus.

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

These facts and statistics included in "***Summary of Industry***" and "***Industry Overview***" on pages 33 and 102 respectively of the Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

40. We will not receive the proceeds from this Offer.

This Issue includes an Offer for Sale of 57,90,000 Equity Shares by the Selling Shareholders. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholders in proportion of the Equity Shares offered by the Selling Shareholders in the Offer for Sale and we will not receive any proceeds from such Offer for Sale. For further details, refer to the Section titled ***—Objects of the Offer*** on Page 79 of the Prospectus.

41. We are highly dependent on smooth supply and transportation and timely delivery of our products from our manufacturing facilities to our customers. Various uncertainties and delays or non delivery of our products will affect our sales.

We depend on transportation services to deliver our products from our manufacturing facilities to our customers. We rely on third parties to provide such services. Disruptions of transportation services because of weather related problems, strikes, lock-outs, inadequacies in road infrastructure or other events could impair our procurement of raw materials and our ability to supply our products to our customers which in turn may adversely affect our business operations and our financial condition.

Risks Relating to the Issue and Investments in Our Equity Shares

42. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.

Our growth is dependent on having a strong balance sheet to support our activities. In addition our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending

institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute the holding of existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be adversely affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence adversely affect the trading price of our Company‘s Equity Shares and its ability to raise capital through an Offer of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company’s Equity Shares. Additionally the disposal, pledge or encumbrance of Equity Shares by any of our Company‘s major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

43. We may not declared dividends in the foreseeable future.

In the past, we have not made dividend payments to the Shareholders of our Company. We may retain all future earnings, if any, for use in the operations and expansion 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 of Directors and will depend on factors that our Board of Directors deems relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. 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.

44. Fluctuations in currency exchange rates may have an adverse impact on the investment in our Equity Shares.

The exchange rate between the Indian Rupee and the U.S. Dollar has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the U.S. Dollar and the Indian Rupee may affect the value of the investment in our Equity Shares of a person resident outside India. Specifically for persons resident outside India, if there is a change in relative value of the Indian Rupee to the U.S. Dollar, each of the following values will also be affected: the U.S. Dollar equivalent of the Indian Rupee trading price of our Equity Shares in India; the U.S. Dollar equivalent of the proceeds that you would receive upon the sale in India of any of our Equity Shares; and the U.S. Dollar equivalent of cash dividends, if any, on our Equity Shares, which will be paid only in Indian Rupee. You may be unable to convert Indian Rupee proceeds into U.S. Dollars or any other currency or the rate at which any such conversion could occur could fluctuate.

45. You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax (“STT”), is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

Risks Relating to India /External Risk Factors

46. Our market share and business position may be adversely affected by economic, political and market factors, some of which are beyond our control.

Many factors affect the level of consumer spending in the overall fertilizer industry, including recession, inflation, deflation, political uncertainty, and availability of consumer credit, taxation, stock market performance, unemployment and other matters that influence consumer confidence. Our performance may decline during recessionary periods or in other periods where one or more macro-economic factors, or potential macroeconomic factors, negatively affect the level of consumer spending. Slow economic growth in India, the global credit crisis, declining consumer and business confidence and other challenges currently affecting the general economy, could lead to lower farmer spending on fertilizer generally.

47. Our performance is linked to the stability of policies and the political situation in India.

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

48. Significant differences exist between Indian GAAP, used throughout our financial information and other accounting principles with which investors may be more familiar.

As stated in the report of our auditors included in this Prospectus, our financial statements are prepared and presented in conformity with Indian GAAP, consistently applied during the periods stated, except as provided in such reports, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, including IFRS.

Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is dependent on your familiarity with Indian GAAP and the Companies Act, 2013. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

49. Communal disturbances, riots, terrorist attacks and other acts of violence or war involving India and/or other countries could adversely affect India's economy and the financial markets, result in loss of client confidence, and adversely affect our business, financial condition, cash flows and results of operations.

India has experienced communal disturbances, terrorist attacks and riots during recent years. Any major hostilities 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 and may adversely affect the Indian stock markets where our Equity Shares will trade as well as global equity markets generally. Such acts could negatively impact business sentiment and consumer confidence, which could adversely affect our business and profitability.

India and other countries may enter into armed conflict or war with other countries or extend preexisting hostilities. For example, neighboring countries in West and South Asia have experienced instances of civil unrest and hostilities. Military activity or terrorist attacks could adversely affect the Indian economy by, for example, disrupting communications and making travel more difficult. Such events could also create a perception that investments in Indian companies involve a higher degree of risk. This could adversely affect client confidence in India, which could have a negative impact on the economies of India and other countries, on the markets for our products and services and on our business. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

50. Applicable competition laws in India and any adverse application or interpretation of such laws may adversely affect our business and operations.

The Competition Act, regulates practices having or likely to have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and may result in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or directly or indirectly results in bid rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. On May 11, 2011, the Government issued and brought into force provisions of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the CCI.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us may fall within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. The applicability of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, may adversely affect our business, results of operations and prospects.

51. Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business.

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of our Equity Shares.

52. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and prospects.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

- The GoI has proposed a comprehensive national goods and services tax (GST) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure which is proposed to be effective from April 1, 2017. While the GoI and other state governments have announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the GST, we are

unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

- Further, the General Anti Avoidance Rules (GAAR) are proposed to be made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

We have not determined the impact of these proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Further, the GoI may introduce a waiver or incentive scheme in relation to specific population segments such as MSEs in public interest, pursuant to which we may be required to offer our products and services at discounted rates. This may affect our business and results of operations.

53. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.

India's infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

Prominent Notes:

1. Public offering of 57,90,000 Equity Shares of Face Value of ₹ 10/- each of Madhya Bharat Agro Products Limited ("MBAPL" or "Our Company") for Cash at a Price of ₹ 24 Per Equity Share (Including a Share Premium of ₹ 14 per Equity Share) ("Offer Price") aggregating to ₹ 1389.60 Lacs, of which 2,94,000 Equity Shares of Face Value of ₹10/- each at a price of ₹ 24 aggregating to ₹ 70.56 lacs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion") and Net Offer to Public of 54,96,000 Equity Shares of Face Value of Rs. 10/- each at a price of ₹ 24 aggregating to ₹ 1319.04 (hereinafter referred to as the "Net Offer") The Offer and the Net Offer will constitute 26.43% and 25.09% respectively of the Post Issue paid up Equity Share Capital of Our Company.

2. This Offer is being made for at least 25 % of the post- Issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2) (b) (i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a Fixed Price Issue 'the allocation' is the net Offer to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and
b) Remaining to other than Retail individual investors;
c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in other category.

If the retail investor category is entitled to more than fifty percant on proportionate basis, accordingly the retail individual investor shall be allocated that higher percentage.

3. The Net worth of our Company as on March 31, 2016 and March 31, 2015 was Rs. 6630 Lacs and Rs. 4698 Lacs respectively. For more information, see the section titled ***"Financial Information of the Company"*** beginning on page 177 of this Prospectus.

4. The NAV / Book Value per Equity Share, based on Standalone Restated Financials of our Company as March 31, 2016 and March 31, 2015 was Rs. 30.27 and Rs. 25.94 per equity share respectively. For more information, see the section titled ***"Financial Information of the Company"*** beginning on page 177 of this Prospectus.

5. The average cost of acquisition of Equity Shares by our Promoters is set out below:

Name of our Promoters	Number of Equity Shares Held	Average Cost of Acquisitions (Rs)
Mr. Pankaj Ostwal	1220130	0.57
Mr. Praveen Ostwal	332700	2.18
Seasons Agro Chem India Pvt. Ltd.	2310800	5.73
Ostwal Phoschem (India) Limited	9730520	24.78

As certified by our Statutory Auditor vide their certificate dated June 06, 2016. For Further details, please refer to ***"Capital Structure"*** *on page 51 of this Prospectus.*

6. The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to section titled "***Financial Information of the Company- Annexure R- Statement of Related Parties Transactions,*** on page 203 of this Prospectus.

7. No Group companies have any business or other interest in our Company, except as stated in section titled "***Financial Information of the Company - Annexure R - Statement of Related Parties Transactions, as Restated"*** on page 203 and "***Our Promoters Group and Group Companies/Entities"*** on page 168 and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.

8. Our Company was originally incorporated on October 22, 1997 as "Madhya Bharat Agro Products Private Limited" vide Registration no. 10-12401 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh, Gwalior, . Our Company was converted into a Public Limited Company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting of the Company held on May 1, 1999 and the name of the our company was changed to "Madhya Bharat Agro Products Limited" vide a fresh Certificate of incorporation dated June 11, 1999, issued by the Registrar of Companies, Madhya Pradesh, Gwalior having CIN U24121MP1997PLC012401. Further the registered Office of the Company was changed to Bhilwara, Rajasthan from Indore, Madhya Pradesh and fresh certificate for change in registered office has issued by Registrar of Companies, Rajasthan, Jaipur dated May 05, 2009 having CIN U24121RJ1997PLC029126.

For details of change in our name, please refer to Section titled ***"History and Certain Corporate Matters"*** on page 141 of this Prospectus.

9. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Prospectus.

10. Our Company, Promoters, Directors, Promoter Group and Selling Shareholders have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI nor they have been declared as willful defaulters by RBI / Government authorities. Further, no violations of securities laws have been committed by them in the past or pending against them.

11. Investors are advised to see the paragraph titled "***Basis for Offer Price"*** beginning on page 83 of this Prospectus.

12. The Lead Manager and our Company shall update this Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Prospectus and commencement of trading.

13. Investors are free to contact the Lead Manager i.e. Hem Securities Limited for any clarification, complaint or information pertaining to the Offer. The Lead Manager and our Company shall make all information available to the public and investors

at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.

14. In the event of over-subscription, allotment shall be made as set out in paragraph titled ***"Basis of Allotment"*** beginning on page 296 of this Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. NSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.

15. The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our Company held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapter titled "***Our Management"*** beginning at page 146 chapter titled ***"Our Promoter Group & Group Companies/ Entities"*** beginning at page 168, and chapter titled ***"Financial Information of the Company"*** beginning at page 177 of this Prospectus.

16. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report and the Prospectus. For details, please see ***"Financial Information of the Company"*** beginning on page 177 of this Prospectus.

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

Global economic outlook

The world economy stumbled in 2015, amid weak aggregate demand, falling commodity prices and increasing financial market volatility in major economies. The world gross product is projected to grow by a mere 2.4 per cent in 2015, marking a downward revision from the 2.8 per cent forecast in the World Economic Situation and Prospects as of mid-2015. The growth rates of gross fixed capital formation and aggregate demand continue to remain subdued. The world economy is projected to grow by 2.9 per cent in 2016 and 3.2 per cent in 2017, supported by generally less restrictive fiscal and still accommodative monetary stances worldwide. The anticipated timing and pace of normalization of the United States monetary policy stance is expected to reduce policy uncertainties, while preventing excessive volatility in exchange rates and asset prices. While the normalization will eventually lead to higher borrowing costs, rising interest rates should encourage firms to front-load investments in the short run. The improvement in global growth is also predicated on easing of downward pressures on commodity prices, which should encourage new investments and lift growth, particularly in commodity dependent economies.

Growth of world gross product and gross domestic product by country grouping, 2007–2017
(Source - http://www.un.org/en/development/desa/policy/wesp/wesp_current/2016wesp_ch1_en.pdf)

Recent Developments:-

In 2015, global economic activity remained subdued. Growth in emerging market and developing economies—while still accounting for over 70 percent of global growth—declined for the fifth consecutive year, while a modest recovery continued in advanced economies. Three key transitions continue to influence the global outlook: (1) the gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing toward consumption and services, (2) lower prices for energy and other commodities, and (3) a gradual tightening in monetary policy in the United States in the context of a resilient U.S. recovery as several other major advanced economy central banks continue to ease monetary policy.

Overall growth in China is evolving broadly as envisaged, but with a faster-than-expected slowdown in imports and exports, in part reflecting weaker investment and manufacturing activity. These developments, together with market concerns about the future performance of the Chinese economy, are having spillovers to other economies through trade channels and weaker commodity prices, as well as through diminishing confidence and increasing volatility in financial markets. Manufacturing activity and trade remain weak globally, reflecting not only developments in China, but also subdued global demand and investment more broadly—notably a decline in investment in extractive industries. In addition, the dramatic decline in imports in a number of emerging market and developing economies in economic distress is also weighing heavily on global trade.

Oil prices have declined markedly since September 2015, reflecting expectations of sustained increases in production by Organization of the Petroleum Exporting Countries (OPEC) members amid continued global oil production in excess of oil consumption.[1] Futures markets are currently suggesting only modest increases in prices in 2016 and 2017. Prices of other commodities, especially metals, have fallen as well.

Lower oil prices strain the fiscal positions of fuel exporters and weigh on their growth prospects, while supporting household demand and lowering business energy costs in importers, especially in advanced economies, where price declines are fully passed on to end users. Though a decline in oil prices driven by higher oil supply should support global demand given a higher propensity to spend in oil importers relative to oil exporters, in current circumstances several factors have dampened the positive impact of lower oil prices. First and foremost, financial strains in many oil exporters reduce their ability to smooth the shock, entailing a sizable reduction in their domestic demand. The oil price decline has had a notable impact on investment in oil and gas extraction, also subtracting from global aggregate demand. Finally, the pickup in consumption in oil importers has so far been somewhat weaker than evidence from past episodes of oil price declines would have suggested, possibly reflecting continued deleveraging in some of these economies. Limited pass-through of price declines to consumers may also have been a factor in several emerging market and developing economies.

Monetary easing in the euro area and Japan is proceeding broadly as previously envisaged, while in December 2015 the U.S. Federal Reserve lifted the federal funds rate from the zero lower bound. Overall, financial conditions within advanced economies

remain very accommodative. Prospects of a gradual increase in policy interest rates in the United States as well as bouts of financial volatility amid concerns about emerging market growth prospects have contributed to tighter external financial conditions, declining capital flows, and further currency depreciations in many emerging market economies.

Headline inflation has broadly moved sideways in most countries, but with renewed declines in commodity prices and weakness in global manufacturing weighing on traded goods' prices it is likely to soften again. Core inflation rates remain well below inflation objectives in advanced economies. Mixed inflation developments in emerging market economies reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

(Source - http://www.imf.org/external/pubs/ft/weo/2016/update/01/)

Indian Economy Overview

Introduction:-

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

Road Ahead

The International Monetary Fund (IMF) and the Moody's Investors Service have forecasted that India will witness a GDP growth rate of 7.5 per cent in 2016, due to improved investor confidence, lower food prices and better policy reforms. Besides, according to mid-year update of United Nations World Economic Situation and Prospects, India is expected to grow at 7.6 per cent in 2015 and at 7.7 per cent in 2016.

As per the latest Global Economic Prospects (GEP) report by World Bank, India is leading The World Bank's growth chart for major economies. The Bank believes India to become the fastest growing major economy by 2015, growing at 7.5 per cent.

According to Mr. Jayant Sinha, Minister of State for Finance, Indian economy would continue to grow at 7 to 9 per cent and would double in size to US$ 4–5 trillion in a decade, becoming the third largest economy in absolute terms. Furthermore, initiatives like Make in India and Digital India will play a vital role in the driving the Indian economy.

(Source - http://www.ibef.org/economy/indian-economy-overview)

INDIAN AGRICULTURE INDUSTRY

Agriculture plays a vital role in India's economy. Over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, is one of the largest contributors to the Gross Domestic Product (GDP). As per estimates by the Central Statistics Office (CSO), the share of agriculture and allied sectors (including agriculture, livestock, forestry and fishery) was 15.35 per cent of the Gross Value Added (GVA) during 2015–16 at 2011–12 prices.

India is the largest producer, consumer and exporter of spices and spice products. India's fruit production has grown faster than vegetables making it the second largest fruit producer in the world. India's horticulture output, comprising fruits, vegetables and spices, -year in 2014-15 to a record high of 283.5 million tonnes (MT) It ranks third in farm and agriculture outputs. Agricultural export constitutes 10 per cent of the country's exports and is the fourth-largest exported principal commodity. The agro industry in India is divided into several sub segments such as canned, dairy, processed, frozen food to fisheries, meat, poultry, and food grains.

The Department of Agriculture and Cooperation under the Ministry of Agriculture is responsible for the development of the agriculture sector in India. It manages several other bodies, such as the National Dairy Development Board (NDDB), to develop other allied agricultural sectors.

(Source - http://www.ibef.org/industry/agriculture-india.aspx**)**

FERTILIZER DEMAND

Low crop prices affect world fertilizer demand in 2015/16

The 2015/16 campaign is impacted by low international agricultural commodity prices and by weakening economic activity in emerging economies. Global fertilizer demand in 2015/16 is forecast to retreat by 0.1%, to 183.1 Mt. The 0.1% increase in N demand (110.4 Mt) would not fully counterbalance demand contractions of 0.9% for P (40.8 Mt) and 0.2% for potassium (K) (31.9 Mt).

Regionally, demand is seen as dropping in Latin America and Oceania, following strong expansion in previous years, as well as in West Asia due to geopolitical tensions. Demand would stagnate in East Asia. Increases in the rest of the world would not offset the declining regions. The largest year-on-year changes in volume are seen in Latin America (contraction) and South Asia (expansion).

World fertilizer demand is seen as rebounding in 2016/17

Demand in 2016/17 is expected to be influenced by persisting low (but probably no longer declining) crop prices and rebounding economic growth in emerging economies. Global fertilizer demand is forecast to expand by 1.9% in 2016/17, to 186.6 Mt, assuming no major changes to agricultural market fundamentals; a progressive change in fertilizer subsidy rates in India that would support balanced fertilization; and continuous improvement of N and P use efficiency in China. Driven by increased supply in China, K demand is seen as growing firmly (+3.3%, to 33.0 Mt). Demand for N and P is seen as expanding more modestly, by 1.4% to 112.0 Mt for N, and by 2.1% to 41.6 Mt for P. Fertilizer demand is forecast to contract in Oceania, supposing that El Niño will have a negative impact on regional agriculture. It is seen as stable in Western & Central Europe, and it would rise elsewhere. Assuming easing economic conditions in Brazil and Argentina, demand would strongly rebound in Latin America. Demand would also rebound firmly in West Asia, presuming average weather conditions and reduced sanctions against Iran. Growth would remain modest in North America and East Asia, as the outlook is influenced by improvement in fertilizer use efficiency. Firm expansion is forecast in Eastern Europe & Central Asia, South Asia and Africa. The largest changes in volume are seen in Latin America and South Asia, followed by East Asia. Between 2013/14 and 2016/17, global demand is expected to increase by only 3.3% (i.e. about 1% per year), with much stronger growth for K (+8.7%) than for N (+2.0%) and P (+2.8%). Over the same period, North America would be the only region recording negative growth. South Asia would witness the strongest expansion, in both absolute and relative terms.

FERTILIZER SUPPLY

2015 was characterized by near-stagnant demand and few trade opportunities. Meanwhile, capacity and supply availability are increasing on account of investment decisions taken four to five years ago during the post-2008 era. The fertilizer industry nowadays is faced with over-capacity issues. Rationalization and consolidation activities have emerged in key producing countries.

World nutrient sales in 2015 were estimated at 241 Mt nutrients, representing a moderate increase of 2% over 2014. Fertilizer sales, which accounted for 78% of total sales, were estimated at 183 Mt nutrients, showing no growth over 2014. Net industrial uses and non-allocated tonnages reached 58 Mt nutrients.

Global sales of primary nutrients were essentially driven by firm domestic deliveries. Home deliveries rose by 3%, to 189 Mt nutrients, and contributed 78% of total primary nutrient sales.

Global nutrient demand in 2015 was adequately supplied from existing production capacity and from newly-commissioned operations. However, feedstock issues and political tensions have continued to impact production and global trade.

In 2015 global production of the main fertilizers marked a pause; there was little or no variation in the output of most products, with the exception of increasing DAP volumes. Potash production declined, while other products registered modest increases. Globally, the fertilizer industry operated at 78% of installed capacity.

(Source - http://www.fertilizer.org/ - Short term Fertilizer Outlook 2015-16)

SUMMARY OF OUR BUSINESS

*The following information should be read together with the information contained in the section titled "**Risk factors**", "**Industry Overview**", "**Management's discussion and analysis of financial condition and results of operations**" and "**Financial Information of the Company**" on page 15, 102, 210 and 177 respectively of this Prospectus.*

OVERVIEW

We are manufacturing Beneficiated Rock Phosphate (BRP), Single Super Phosphate (SSP) and Sulphuric Acidwhich is used in large quantities for replenishing "P" (Phosphorus) in the soil and act as a fertilizer for the crop. Our Company has entered into the backward integration by manufacturing of Beneficiated Rock Phosphate (BRP) and Sulphuric Acid which is used as a raw material for manufacturing of SSP. We are also engaged in business of Purchase and Sale of (Trading) of Textiles and agricultural commodity.

Our Company was incorporated in the 1997 and promoted by Mr. Shailendra Kumar Jain, Mr. Motilal Jain, Mr. Sukhnandan Jain and Mr. Sunil Kumar Jain with an object to implement an SSP Plant and has successfully implemented the SSP plant at Unit I in the year 1999. Later in year 2004the company was taken-over by Mr. Pankaj Ostwal, Praveen Ostwal and Seasons Agro Chem India Pvt. Ltd..We set up unit II of Beneficiated Rock Phosphate ("BRP") with an installed capacity of 99000 MT (TPA) (processing) which will process the low grade rock phosphate into high grade rock phosphate and its commercial processing started in March 2012.Our manufacturing plant is situated at Sagar, Madhya Pradesh with total installed capacity of 180000 MT of SSP, 99000 MT of BRP and 36000MT of Sulphuric Acid.

The basic raw materials required for manufacturing SSP is Beneficiated Rock Phosphate (BRP), Sulphuric Acid and water. We have quality control checks before any consignment of Raw material is accepted since it has a direct impact on the quality of Finished Product.

For the year ended March 31, 2016, our Company's Total Income and Restated Profit after Tax was Rs. 6478 Lacs and Rs. 945 Lacs, respectively. For the year ended March 31, 2015, our Company's Total Income and Restated Profit After Tax was Rs. 6843 Lacs and Rs. 404 Lakhs respectively, compared to our Company's Total Income and Restated Profit After Tax of Rs. 5896 Lacs and Rs. 367 Lacs respectively, over previous year ended i.e. March 31, 2014.

Features of our Products

- Lowest price per kg preferred by small and marginal farmers
- Multi-nutrient fertilizer containing P2O5 as primary nutrient and Sulphur and Calcium as secondary nutrients
- It is the cheapest source of Sulphur for the Soil
- Only Phosphatic fertilizer which can utilize Indian rock phosphate deposits

OUR BUSINESS STRENGTH:-

1. Cost Effective sourcing and Strategic Location of Manufacturing Unit:-

We believe that our cost efficient manufacturing and supply chain management results in a significant reduction in our operational costs. With our experience, we are able to gauge our procurement of raw materials in timely manner. Further, our manufacturing unit situated within the state of Madhya Pradesh is ensured with sufficient raw material which is locally procured. The location of our current manufacturing facilities gives us a significant competitive cost advantage in terms of raw material sourcing manufacturing and labour costs and enables us to address the western markets efficiently.

2. Our Management Expertise:-

Our Promoters are engaged in Mineral beneficiation plant and Fertilizer Industries, which also form part of Board of Directors of our Company. Also, our Company is managed by a team of professional & experienced personnel. The team comprises of personnel having operational and business development experience. We believe that our management team's experience and their understanding of the industry will enable us to continue to take advantage of both current and future market opportunities. It is also

expected to help us in addressing and mitigating various risks inherent in our business, including significant competition and the global economic crisis.

3. Cost effective production and timely fulfillment of orders:-

Our Company has taken various steps in order to ensure adherence to timely fulfillment of orders and also to achieve greater cost efficiency. Also our Company has signed a Supply & Purchase agreement with DCM Shriram Limited for regular supply of our Products. Our Company constantly endeavors to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

4. Backward integration:-

As a step towards backward integration our Company has set up a Unit II-BRP with an installed processing capacity of 99000 (TPA) and its commercial processing started in March, 2012, at Khasra no. 166/1, Village: Sorai, Tehsil: Banda, Distt. Sagar, Madhya Pradesh and A-2, Sourai, The. Banda, Sagar, Madhya Pradesh. BRP is used as raw material for manufacturing SSP. Also our Company has set up a Sulphuric acid plant with an installed capacity of 36000 MT, both BRP & Sulphuric acid are used as raw material to manufacturing SSP

5. Existing relationship with suppliers:-

We buy low grade rock from MPSMC and sulphur from Bharat Oman Refineries Limited. Also we have acquired other raw materials from several suppliers and have maintained relationship with them for a long time. Due to our relationships with our suppliers, we get quality and timely supplies of raw materials. This enables us to manage our inventories and supply quality products.

OUR BUSINESS STRATEGIES:-

1. Optimal Utilization of Resources:-

Our Company constantly endeavors to improve our manufacturing process, and will increase service activities to optimize the utilization of resources. We have invested significant resources, and intend to further invest in our activities to develop customized systems and processes to ensure effective management control. We regularly analyze our existing policies to be carried out for our manufacturing process which enables us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

2. To build-up a professional organization:-

As an organization, we believe in transparency and commitment in our work and with our customers. We have an experienced team for taking care of our day to day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business. We will consistently put efforts among its group of experienced employees to transform them into an outstanding team of empowered professionals which helps in further accelerating the wheels of development of the Organization.

3. Research and Development:-

We have a well qualified team with wide experience in fertilizer industries that are constantly focusing on innovations. Our products confirm to various test requirements conducted independent bodies to meet industry standards. Our Research and Development team constantly studies different industry verticals to identify product inefficiencies and innovate strategies in areas in which we could add value.

4. Focus on Cordial relations with our Suppliers, Customers and employees:-

We believe that developing and maintaining long term sustainable relationships with our suppliers, Customer and employees will help us in achieving the goals set, increasing sales and penetering in to new markets. We offer our products at competitive prices, which will help us, achieve consumer satisfaction and build long term relationships, which will translate into repeated sales.

5. Increase geographical presence

We intend to further expand the scale of our operations, explore new distribution channels and increase our reach and customers base domestically. As the Indian market is filled with various opportunities in this industry will accordingly help to increase customer's base.

SUMMARY OF OUR FINANCIAL

ANNEXURE – I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amt. in Lacs)

Particulars	As at				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
I. EQUITY AND LIABILITIES					
Shareholder's Funds					
Share Capital	2191	1811	1811	1106	1106
Reserves and Surplus	6900	5355	5053	1406	1049
Money received against share warrants	0.00	0.00	0.00	0.00	0.00
Share Application Money Pending Allotment	0.00	0.00	0.00	0.00	0.00
Non Current Liabilities					
Long-term Borrowings	1607	308	353	2632	795
Deferred tax liabilities (Net)	0	327	333	269	189
Other Long Term Liabilities	0.00	0.00	0.00	0.00	0.00
Long-term Provisions	0.00	0.00	0.00	0.00	0.00
Current Liabilities					
Short-term Borrowings	32	479	535	477	337
Trade Payables	169	705	230	344	817
Other Current Liabilities	233	168	360	909	1396
Short-term Provisions	190	212	162	147	97
Total	**11321**	**9365**	**8838**	**7289**	**5785**
II. ASSETS					
Non Current Assets					
Fixed assets					
(i) Tangible Assets	8837	5888	6266	3989	3897
(ii) Intangible Assets	0	0	0	0	0
(iii) Capital Work-In-Progress	0	641	442	30	0
(iv) Intangible Assets Under Development	0	0	0	0	0
Non Current Investments	117	117	117	123	123
Deferred Tax Assets (Net)	8	0	0	0	0
Long-term Loans and Advances	184	47	76	552	178
Other Non Current Assets	0	0	0	0	0
Current assets					
Current Investments	0	0	0	0	0
Inventories	583	886	1210	1880	730
Trade Receivables	700	569	92	247	306
Cash and Cash Equivalents	52	51	103	152	129
Short-term Loans and Advances	832	1159	528	310	415
Other Current Assets	9	6	4	6	6
Total	**11321**	**9365**	**8838**	**7289**	**5785**
The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, II and III.					

ANNEXURE – II
RESTATED STATEMENT OF PROFIT AND LOSS

(Amt in Lacs)

Particulars		For the Period/Year ended				
		31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Revenue from Operations (Gross)		6499	6249	5909	4579	4617
Less: Excise Duty		32	26	29	31	0
Net Revenue From Operation		6466	6223	5880	4548	4617
Other income		12	620	16	28	14
Total Revenue	**A**	**6478**	**6843**	**5896**	**4576**	**4631**
Expenses:						
Cost of Material Consumed		2406	2679	3196	3009	2853
Purchases of Stock in Trade		1355	1302	0	0	0
Changes in inventories of finished goods, WIP and Stock-in-Trade		(62)	395	366	(885)	378
Employee benefits expense		162	137	163	150	49
Finance costs		283	326	332	483	170
Depreciation and amortization expense		336	342	185	178	102
Other expenses		1388	1072	1106	1096	601
Total Expenses	**B**	**5868**	**6253**	**5348**	**4031**	**4152**
Profit before extraordinary items and tax		610	589	548	545	480
Exceptional/Prior Period item		0	0	0	0	0
Profit Before Tax		**610**	**589**	**548**	**545**	**480**
Provision for Tax						
- Current Tax		125	165	110	109	97
- Deferred Tax Liability / (Asset)		(335)	(6)	65	80	122
MAT Credit Entitlement		(125)	0	0	(12)	(22)
MAT Credit Utilised		0	27	7	0	0
Short/(Excess) Tax adjustment of prior years		0	0	0	0	0
Restated profit after tax for the period from continuing operations		**945**	**404**	**367**	**367**	**283**
Profit/ (Loss) from Discontinuing operation		0.00	0.00	0.00	0.00	0.00
Tax expenses of discontinuing operations		0.00	0.00	0.00	0.00	0.00
Restated profit for the period		**945**	**404**	**367**	**367**	**283**
The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, II and III.						

ANNEXURE – III
RESTATED CASH FLOW STATEMENT

(Amt in Lacs)

Particulars	For the Period/Year ended				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before tax	610	589	548	545	480
Adjustment for :					
Interest on Fixed Deposit	4	3	5	10	7
Dividend Income	-	-	-	-	-
Depreciation	336	342	185	178	102
Preliminary Exp. W/off					(38)
Provision for Gratuity	-	-	-	-	-
Loss on foreign Exchange Fluctuation			(3)		-
Loss / (Profit) on sale of Fixed Assets	4	4	4	1	3
Balance Write off			(7)		-
Interest on Borrowed Fund	281	300	329	475	169
Operating profit before working capital changes	**1,227**	**1,232**	**1,051**	**1,189**	**708**
Adjustment for :					
(Increase)/Decrease in Inventories	303	324	670	(1,150)	88
(Increase)/Decrease in Trade Receivables	(131)	(477)	155	59	(293)
(Increase)/Decrease in Short Term loans and advances	327	(631)	(218)	115	(190)
(Increase)/Decrease in Other Current Assets	(3)	(2)	2	0	(2)
(Increase)/Decrease in Long Term loans and advances	(12)	2	469	(362)	95
Increase/(Decrease) in trade payables	(537)	475	(113)	(474)	350
Increase/(Decrease) in Short Term Borrowings	(447)	(56)	58	140	337
Increase/(Decrease) in provisions	18	(5)	15	37	-
Increase/(Decrease) in other current liabilities	20	(195)	(552)	(487)	1,018
	(461)	**(566)**	**486**	**(2,121)**	**1,403**
Cash generated from / (used in) operations	**766**	**666**	**1,537**	**(932)**	**2,111**
Income Tax paid	121	107	107	106	105
Net cash generated from/(used in) operating activities - (A)	**646**	**559**	**1,431**	**(1,038)**	**2,006**
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of tangible fixed assets	(2,656)	(275)	(591)	(318)	(1,203)
Sale (Purchase) of long-term investments	-	-	6	-	-
Sale of tangible fixed assets	1	5	17	7	5
Interest Income on Fixed Deposit	4	3	5	10	7
Dividend Income	-	-	-	-	-
Net cash (used in) Investing Activities - (B)	**(2,651)**	**(266)**	**(563)**	**(300)**	**(1,191)**
CASH FLOW FROM FINANCING ACTIVITIES					

Proceeds from issue of Share Capital	380	-	1,692	-	-
Proceeds from issuance of share capital Share Premium	608	-	-	-	-
Repayment of Long Term borrowings	1,300	(45)	(2,280)	1,838	(867)
Interest on Borrowed Fund	(281)	(300)	(329)	(475)	(169)
Proposed Dividend Paid (Including Dividend Distribution Tax)	-	-	-	-	-
Net cash(used in) / from financing activities - (C)	**2,007**	**(345)**	**(917)**	**1,362**	**(1,036)**
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	1	(52)	(49)	23	(222)
Cash and cash equivalents at the beginning of the year	51	103	152	129	351
Cash and cash equivalents at the end of the year	52	51	103	152	129
Cash and cash equivalents at the end of year comprises :					
1. Components of cash and cash equivalents:					
Particulars	**31-03-2016**	**31-03-2015**	**31-03-2014**	**31-03-2013**	**31-03-2012**
Cash on hand	8	23	24	14	5
Balances with scheduled banks:					
In current accounts	31	10	57	107	19
in Deposits with Scheduled Bank	14	18	22	31	104
Total Cash and cash equivalents	52	51	103	152	129
2. The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).					
3. Figures in Brackets represents outflow.					
4. The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexures IV, II and III.					

THE OFFER

PRESENT OFFER IN TERMS OF THIS PROSPECTUS	
Equity Shares Offered	Public Offering of 57,90,000 Equity Shares of Face Value of ₹ 10/- each for Cash at a Price of ₹ 24 Per Equity Share (Including a Share Premium of ₹ 14 per Equity Share) aggregating to ₹ 1389.60 Lacs.^
Of which	
Reserved for the Market Makers	2,94,000 Equity Shares of ₹ 10/- each fully paid of the Company for cash at a price of ₹ 24 per Equity shares aggregating up to ₹ 70.56 Lacs.
Net Offer to the Public*	54,96,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 24 per Equity share aggregating up to ₹ 1319.04 lacs
	of which
	27,48,000 Equity Shares of ₹ 10/- each at a premium of ₹ 14 per Equity Share will be available for allocation for allotment to Retail Individual Investors of upto Rs.2.00 Lacs.
	27,48,000 Equity Shares of ₹ 10/- each at a premium of ₹ 14 per Equity Share per equity share will be available for allocation for allotment to Investors of above Rs.2.00 Lacs
Equity Shares outstanding prior to the Offer	2,19,06,735 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Offer	2,19,06,735 Equity Shares of face value of ₹10 each
Use of Offer Proceeds	See the chapter titled ***"Objects of the Offer***" on page 79 of this Prospectus.

^The Selling Shareholders have authorized their respective participation in the Offer for Sale. For details see ***"Other Regulatory and Statutory Disclosures"*** on page 241 of this Prospectus.

The Equity Shares held by the Selling Shareholder in the Offer have been held by them for more than a period of one year.

Notes:-

1. This Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For at least 25% of the post- Issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957 as amended. For further details please refer to ***"Offer Structure"*** on page 262 of this Prospectus.

2. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a Fixed Price Issue 'the allocation' is the net Offer to the public category shall be made as follows:

   a) Minimum fifty percent to retail individual investors; and
   b) Remaining to other than Retail individual investors;
   c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in other category.

   If the retail investor category is entitled to more than fifty percant on proportionate basis, accordingly the retail individual investor shall be allocated that higher percentage.

3. Our Company will not receive any proceeds from the Offer for Sale

For details, including in relation to grounds for rejection of application, refer to the ***"Offer Procedure"*** on page 264, for details of the terms of the Offer, see "***Terms of the Offer***" on page 256 of this Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated on October 22, 1997 as "Madhya Bharat Agro Products Private Limited" vide Registration no. 10-12401 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh, Gwalior. Our Company was converted into a Public Limited Company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting of the Company held on May 1, 1999 and the name of the our company was changed to "Madhya Bharat Agro Products Limited" vide a fresh Certificate of incorporation dated June 11, 1999, issued by the Registrar of Companies, Madhya Pradesh, Gwalior having CIN U24121MP1997PLC012401. Further the registered Office of the Company was changed to Bhilwara, Rajasthan from Indore, Madhya Pradesh and fresh certificate for change in registered office has been issued by Registrar of Companies, Rajasthan, Jaipur dated May 05, 2009 having CIN U24121RJ1997PLC029126.

For further details please refer to chapter titled ***"History and Certain Corporate Matters"*** beginning on page 141 of this Prospectus.

Brief Company and Offer Information

Registered Office	5-O-21, Basement R.C. Vyas Colony Bhilwara, Rajasthan – 311001 Tel. No. +91-1482-237104, Fax No. - +91-1482-239638 E-mail: secretarial@mbapl.com Website: www.mbapl.com
Factory Address	**Unit –I:** Kharsa No. 28, 36, 37,120 & 121, Village Rajoua, Tehsil & District – Sagar, Madhya Pradesh **Unit –II:** Kharsa no. 166/1, Village: Sorai, Tehsil: Banda, District – Sagar, Madhya Pradesh, Plot No A-2, Sourai, Teh. Banda, Sagar, Madhya Pradesh
Date of Incorporation	October 22, 1997
Corporate Registration No.	029126
Corporate Identification No.	U24121RJ1997PLC029126
Company Category	Company Limited by Shares
Company Sub-category	Indian Non Government Company
Address of Registrar of Companies	Registrar of Companies, Rajasthan, Jaipur Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur- 302001, Rajasthan Phone: 0141-2222465/466; Fax: 0141-2222464 Email: roc.jaipur@mca.gov.in Website: http://www.mca.gov.in
Designated Stock Exchange	NSE EMERGE (SME Platform of NSE), Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex Bandra (East), Mumbai-400051, Maharashtra
Offer Programme	Offer Opens on : Monday, August 29, 2016 Offer Closes on : Friday, September 02, 2016
Company Secretary & Compliance Officer	Ms. Pallavi Sukhwal **Madhya Bharat Agro Products Limited** 5-O-21, Basement R.C. Vyas Colony Bhilwara, Rajasthan – 311001 Tel. No. +91-1482-237104, Fax No. - +91-1482-239638 E-mail: secretarial@mbapl.com Website: www.mbapl.com
Chief Financial Officer	Mr. Sourabh Gupta **Madhya Bharat Agro Products Limited** 5-O-21, Basement R.C. Vyas Colony Bhilwara, Rajasthan – 311001 Tel. No. +91-1482-237104, Fax No. - +91-1482-239638 E-mail: secretarial@mbapl.com Website: www.mbapl.com

Note: Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and unblocking of funds

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form number, DP ID, Client ID, PAN, date of the ASBA Form, address of the applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the applicant.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

For all Offer related queries, and for redressal of complaints, applicant may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange shall be forwarded to the Lead Manager, who shall respond to the same.

Board of Directors of our Company

Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mr. Pankaj Ostwal	Chairman & Managing Director	5-0-1, R C Vyas Colony, Bhilwara – 311001 (Rajasthan)	02586806
Mr. Praveen Ostwal	Non-Executive Director	5-0-1 R C Vyas Colony, Bhilwara – 311001 (Rajasthan)	00412207
Mr. Sourabh Gupta	Whole time Director	3 D Basant Vihar Ward No. 48, Bhilwara, Rajasthan, INDIA	07177647
Mr. Sushil Kumar Surana	Non Executive Independent Director	92, Rajendra Marg Bhilwara Rajasthan, India	01918651
Mrs. Paras Mal Surana	Non Executive Independent Director	107, Rajendra Marg, Union Bank of India Ke Pass Bhilwara, Rajasthan, India	06367348
Mr. Arvind Kothari	Non Executive Independent Director	32 Kothari Bhawan, Kashipuri, Bhilwara, Rajasthan, India	03268623
Mrs. Aruna Kothari	Additional Non Executive Independent Director	106, Kiran Chandra Singha Road, Ganges Garden, Shibpur, Howrah- 711102	07535756

For further details of the Directors of our Company, please refer to the chapter titled "***Our Management***" on page 146 of this Prospectus.

Selling Shareholders:-

The details of our Selling Shareholders are set forth below:

S.No.	Name of Selling Shareholders	Numbers of Shares
1.	Chunri Prints Pvt Ltd	1,18,125
2.	Paneri Textiles Pvt Ltd.	75,000
3.	Smt Shashi Jain & Shri Dharmesh Mehta	5,00,000
4.	Ostwal Phoschem (India) Limited	28,03,750
5.	Smt Shashi Jain & Smt. Amita Mehta	10,30,000
6.	Season Agro Chem India Pvt. Ltd.	2,44,010
7.	Pankaj Ostwal	10,19,115
Total		**57,90,000**

Details of Key Intermediaries pertaining to this Offer and Our Company:

Lead Manager of the Offer	**Legal Advisor to the Offer**
HEM SECURITIES LIMITED 14/15 Khatau Building, 1st Floor, 40 Bank Street, Fort, Mumbai – 400001, Maharashtra Tel No.:+91-22-4906 0000 Fax No.:+91-22-22625991 Email: ib@hemonline.com Investor Grievance Email: redressal@hemonline.com Website: www.hemonline.com Contact Person: Mr. Anil Bhargava SEBI Regn. No.: INM000010981	**Vedanta Law Chambers** Ist Floor, SSK House, B-62, Sahakar Marg, Lal Kothi, Jaipur-302015 Rajasthan, India Tel: +91- 141 -2740911, +91- 141 -4014091 Fax: +91- 141 -2740911 Website: www.vedantalaw.webs.com Email: vedantalaw@rediffmail.com Contact Person: Advocate Nivedita R Sarda
Registrar to the Offre	**Bankers to the Company**
BIGSHARE SERVICES PRIVATE LIMITED E-2, Ansa Industrial Estate, Sakhivihar Road, Sakinaka, Andheri (East), Mumbai-400 072, Maharashtra, India Tel No.:+91-22-40430200 Fax No.:+91-22-28475201 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr.Ashok Shetty SEBI Regn. No.: INR000001385	**HDFC Bank** Shop No. 1,2,3,4 S.K Plaza, Pur Road, Bhilwara-311001 Contact No. : 7877425804 Email address : Mohit.goyal1@hdfcbank.com Website : www.hdfcbank.com Contact Person : Mr. Mohit Goyal **SBBJ Bank** MCB Industrial Estate, Panchal Chauraha, Bhilwara – 311001 Contact No : 01482-240361 Fax No: 01482-240244 Email Address : sbbj10093@sbbj.co.in Website : www.sbbjbank.com Contact Person Mr. M R Mali
Statutory Auditors of the Company	**Peer Review Auditors**
M/s Ashok Kanther & Associates **CHARTERED ACCOUNTANTS** 90 Main Board, Indira Market, Bhilwara – 311001, Rajasthan Tel. No: +91-9414287289 Email: ashok_khanther@yahoo.co.in Firm Registration No.: 050014C Contact Person: CA Ashok Kanther	**M/S. Mansaka Ravi & Associates** **CHARTERED ACCOUNTANTS** 34, Fourth Floor, Triniti Mall, Swage Farm, New Sanganer Road, Sodala Jaipur – 302019 Phone : 0141- 2297330, +91-9829753254 Email: caravimanaska@gmail.com Firm Registration No.: 015023C Contact Person: Mr. Ravi Mansaka
Banker to the Offer	
HDFC Bank Limited FIF OPS Department,- Lodha I, Think Techno Campus O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East) Mumbai-400042 Tel No – 022 30752928 Fax – 022 25799801 Email : Vincent.dsouza@hdfcbank.com Website : www.hdfcbank.com Contact Person : Vincent Dsouza SEBI Reg No. – INBI00000063	

*** M/s Mansaka Ravi & Associates, Chartered Accountants** are appointed as peer review auditors of our Company in compliance with section IX of part A of Schedule VIII of SEBI (ICDR) Regulations and holds a valid peer reviewed certificate dated 23rd day of December 2015 issued by the Institute of Chartered Accountants of India.

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Hem Securities Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not required.

SELF CERTIFIED SYNDICATE BANKS ("SCSBS")

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on www.sebi.gov.in/pmd/scsb.pdf For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

REGISTERED BROKERS

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE at www.nseindia.com, as updated from time to time.

REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at www.nseindia.com, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at www.nseindia.com, as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time

BROKERS TO THE ISSUE

All members of the recognized stock exchanges would be eligible to act as Brokers to the Offer.

CREDIT RATING

This being an Offer of Equity Shares, credit rating is not required.

IPO GRADING

Since the Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading agency.

DEBENTURE TRUSTEES

As the Offer is of Equity Shares, the appointment of Debenture trustees is not required.

TRUSTEES

As the Offer is of equity Shares, the appointment of Trustees is not mandatory.

MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50000.00 Lacs.

APPRAISING ENTITY

No appraising entity has been appointed in respect of any objects of this Offer.

EXPERTS OPINION

Except for the reports in the section "***Financial Information of the Company***" and "***Statement of Tax Benefits***" on page 177 and page 86 of this Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions. We have received written consent from the Peer Review Auditors and Statutory Auditor for inclusion of their name. However, the term "expert" shall not be construed to mean an "expert"" as defined under the U.S. Securities Act 1933.

WITHDRAWAL OF THE OFFER

Our Company and/or the Selling Shareholders, in consultation with the LM, reserve the right not to proceed with the Offer at any time before the Offer Opening Date without assigning any reason thereof.

If our Company and/or the Selling Shareholders withdraw the Offer anytime after the Offer Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Offer Closing Date, providing reasons for not proceeding with the Offer shall be issued by our Company and/or the Selling Shareholders . The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company and/or the Selling Shareholders withdraw the Offer after the Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company and/or the Selling Shareholders will have to file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

UNDERWRITING

The Company, the selling Shareholders and the Lead Manager to the Issue hereby confirm that the Offer is 100% Underwritten by the Lead Manager – Hem Securities Limited in the capacity of Underwriter to the Issue.

Pursuant to the terms of the Underwriting Agreement July 30, 2016, entered into by Company, the selling shareholders, and Underwriter – Hem Securities Limited, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
Hem Securities Limited 203, Jaipur Tower, M.I. Road, Jaipur, Rajasthan Tel: 0141- 4051000; Fax: 0141 – 5101 757 Web: www.hemonline.com Email: underwriter@hemonline.com Contact Person: Mr. Anil Bhargava SEBI Regn. No. INM000010981	57,90,000* Equity Shares of ₹ 10/- being issued at ₹ 24 each	1389.60	100%

**Includes 2,94,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker (Hem Finlease Private Limited) in its OWN account in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations, 2009, as amended.*

In the opinion of the Board of Directors of our Company, the resources of the above mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the Lead Manager has entered into Market Making Agreement July 30, 2016 with the following Market Maker, to fulfill the obligations of Market Making for this Offer:

Name	Hem Finlease Private Limited
Correspondence Address:	203, Jaipur Tower, M.I. Road, Jaipur – 302 001, Rajasthan, India
Tel No.:	+ 91 - 141 – 4051000, 5108133
Fax No.	+ 91 - 141 – 5101757
E-mail:	hem@hemonline.com
Website:	www.hemonline.com
Contact Person:	Mr. Anil Bhargava
SEBI Registration No.:	INB231110033
NSE Market Maker Registration No.	11100

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

2) The minimum depth of the quote shall be ₹ 1,00,000/- . However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

3) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Offer Size. Any Equity Shares allotted to Market Maker under this Offer over and above 25% of Offer Size would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Offer Size, the Market Maker will resume providing 2 way quotes.

4) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.

5) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

7) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

8) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.

9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final

10) The Market Maker(s) shall have the right to terminate said arrangement by giving a six months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

    In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106 V of the SEBI (ICDR) Regulations, 2009, as amended. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

11) **Risk containment measures and monitoring for Market Makers**: SME portal of NSE "NSE Emerge" will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

12) **Punitive Action in case of default by Market Makers:** NSE's SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

13) **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

14) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Offer size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹ 20 Crore	25%	24%
₹ 20 to ₹ 50 Crore	20%	19%
₹ 50 to ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

15) All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Prospectus and after giving effect to this Offer, is set forth below:

Amount (Rs. in Lacs, except share data)

Sr. No.	Particulars	Aggregate nominal Value	Aggregate Value at Offer Price
A	**Authorized Share Capital** 2,20,00,000 Equity Shares having Face Value of Rs 10/- each	2,200.00	-
B	**Issued, Subscribed & Paid-up Share Capital prior to the Offer** 2,19,06,735 Equity Shares having Face Value of Rs.10/- each fully paid up before the Offer.	2190.67	-
C	**Present Offer in terms of this Prospectus** Offer for Sale of 57,90,000 Equity Shares having Face Value of Rs.10/- each with a premium of ₹ 14 per Equity Share.	579.00	1389.60
	Which Comprises		
I.	**Reservation for Market Maker portion** 2,94,000 Equity Shares of Rs. 10/- each at a premium of ₹ 14 per Equity Share	29.40	70.56
II.	**Net Offer to the Public** 54,96,000 Equity Shares of Rs.10/- each at a premium of ₹ 14 per Equity Share	549.60	1319.04
	of which		
	27,48,000 Equity Shares of Rs.10/- each at a premium of ₹ 14 per Equity Share will be available for allocation for allotment to Retail Individual Investors applying for a value of up to Rs. 2.00 Lacs	274.80	659.52
	27,48,000 Equity Shares of Rs.10/- each at a premium of ₹ 14 per Equity Share will be available for allocation for allotment to Other Investors applying for a value of above Rs. 2.00 Lacs	274.80	659.52
D	**Issued, Subscribed and Paid up Equity Share capital after the Offer** 2,19,06,735 Equity Shares having Face Value of ₹ 10/- each	2190.67	
E	**Securities Premium Account** Before the Offer After the Offer	1686.52 1686.52	

**The offer of 57,90,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated June 04, 2016.*

**The Offer for sale by Mr. Pankaj Ostwal, Chunri Prints Pvt. Ltd., Paneri Textiles Pvt. Ltd., Season Agro Chem India Pvt. Ltd., Mrs. Shashi Jain & Mr. Dharmesh Mehta and Mrs. Shashi Jain & Mrs. Amita Mehta and Ostwal Phoschem (India) Limited ("Selling Shareholders") for 57,90,000 Equity Shares has been authorized by their respective undertakings/Board resolution dated June 01, 2016.*

Class of Shares

Our Company has only one class of share capital i.e. Equity Shares of Rs.10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of this Prospectus.

Details of changes in Authorized Share Capital of our Company:

Since the incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

Date of passing Share Holders Resolution	Particulars of Increase	Increased in no of shares	Cumulative no of Equity Shares	Cumulative no. of Preference Share	Face Value	Resolution Passed at
October 22, 1997	On Incorporation	50,000	50,000	Nil	100	----
January 21, 1999*	Increase	1,00,000	75,000	75000	100	EGM
June 01, 2009#	Conversion of Preference Shares to Equity Shares	-	1,50,000	Nil	100	EGM
August 01, 2009^	Sub-division	-	15,00,000	Nil	10	EGM
August 01,2009	Increase	1,05,00,000	1,20,00,000	Nil	10	EGM
September 20, 2010	Increase	1,00,00,000	2,20,00,000	Nil	10	AGM

**On January 21, 1999 the increase in Share Capital of ₹ 100 lakhs has been subdivided into 25000 Equity Shares of ₹ 100 and 75000 Preference Shares of ₹ 100.*
#On June 01, 2009, 75000 preference shares having nominal value of ₹100 has been converted into 75000 equity shares of ₹100.
^On August 01, 2009 the share capital of company having nominal value of ₹ 100 has been sub-divided by converting nominal value into ₹10.

Notes to Capital Structure

1. Equity Share Capital History of our Company:

(a) The history of the equity share capital and the securities premium account of our company are set out in the following table:-

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (Rs.)	Cumulative Securities Premium (Rs.)
On Incorporation^	440	100	100	Cash	Subscription to MOA(i)	440	44000	Nil
March 25,1999^	53,000	100	100	Cash	Further Allotment(ii)	53440	5344000	Nil
May 01, 1999^	1,220	100	100	Cash	Further Allotment(iii)	54660	5466000	Nil
September 15, 2000^	5,940	100	100	Cash	Further Allotment(iv)	60600	6060000	Nil
March 31, 2007	13,573	100	737	Cash	Preferential Allotment(v)	74173	7417300	8646001
July 29, 2009*	75,000*	100	-	Allotment on Conversion of preferential Shares(vi) into equity shares		149173	14917300	8646001
August 01,	Nil	10	-	Sub-division of Rs. 100/-		1491730	14917300	8646001

2009**				to Rs. 10/-				
August 20, 2009 ***	29,83,460	10	-	Bonus	Bonus in the ratio of 2:1(vii)	4475190	44751900	Nil
September 30,2009	5,30,000	10	10	Cash	Preferential Allotment(viii)	5005190	50051900	Nil
March 31, 2010	59,51,000	10	10	Cash	Preferential Allotment(ix)	10956190	109561900	Nil
September 21, 2010	1,01,900	10	100	Cash	Preferential Allotment(x)	11058090	110580900	9171000
March 31, 2014	70,48,645	10	24	Cash	Preferential Allotment(xi)	18106735	181067350	107852030
October 5, 2015	19,00,000	10	26	Cash	Preferential Allotment(xii)	20006735	200067350	138252030
Novcember 25, 2015	19,00,000	10	26	Cash	Preferential Allotment(xiii)	21906735	219067350	168652030

* Pursuant to Scheme of Conversion dated June 01, 2009 Preference Shares were converted into Equity Shares as the same was sanctioned by the said class of share holder and members of the company at Extra Ordinary General Meeting.

**Vide resolution passed at Extra Ordinary Meeting held on August 1, 2009, face value of Equity Shares of the Company was sub-divided from ₹ 100 per share to ₹ 10 per share.

***Pursuant to resolution passed at the Extra Ordinary General Meeting of the shareholders dated August 1, 2009 and Board Meeting held on August 20 2009, our company has issued 2983460 bonus shares in the ratio of Two share for every One shares held (2:1), by way of capitalization of existing share premium account and general reserve of ₹ 86.46 lakhs and ₹ 211.88 lakhs respectively. The said bonus shares are not ineligible as per regulation 33 of ICDR as the same are neither resulting from a bonus issue by utilisation of revaluation reserves nor unrealised profits of the Company.

^ These shares were issued to the Original Promoter of the company and subsequently the company was taken over in the year 2004 and these shares were transferred to existing promoter group.

All the above mentioned shares are fully paid up since the date of allotment.

Notes:

(i) ***Initial Subscribers to the Memorandum of Association subscribed 440 Equity Shares of Face Value of Rs. 100/- each, details of which are given below***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Motilal Jain	110
2.	Mr. Sukhnandan Jain	110
3.	Mr. Shailendra Kumar Jain	110
4.	Mr. Sunil Kumar Jain	110
	Total	**440**

(ii) ***Further allotment of 53,000 Equity Shares of Face Value of Rs. 100/- each fully paid***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Motilal Jain	3,000
2.	Mr. Shailendra Kumar Jain	25,000
3.	Mr. Sunil Kumar Jain	25,000
	Total	**53,000**

(iii) ***Further allotment of 1,220 Equity Shares of Face Value of Rs. 100/- each fully paid***

S. No.	Names of Person	Number of Shares Allotted
1.	Dr. Azad Kumar Jain	1,000
2.	Mrs. Nidhi Jain	110

3.	Mr. Padam Kumar Singhai	110
	Total	**1,220**

(iv) ***Further allotment of 5940 Equity Shares of Face Value of Rs. 100/- each fully paid***

S. No.	Names of Person	Number of Shares Allotted
1.	M/s. Khemchand Motilal Jain Tobbaco Products Private Limited	5,940
	Total	**5,940**

(v) ***Preferential allotment of 13573 Equity Shares of Face Value of Rs. 100/- each fully paid at Issue Price of Rs. 737 (including Securities premium of Rs. 637/- each)***

S. No.	Names of Person	Number of Shares Allotted
1.	Arjun Lal Chaplot	67
2.	Baikunt Kumar Jha	271
3.	Baikunt Kumar Jha- HUF	339
4.	Bhaga Bai Gadia	271
5.	Bharat Kumar Gokharu	135
6.	Deen Dayal Sharma	339
7.	Deen Dayal Sharma HUF	135
8.	Dilkush Shah	338
9.	Gopal Jogani	271
10.	Kamla Devi Jain	271
11.	Kanti Bhai Panchal	271
12.	Khusal N Bakhtalia	271
13.	Kamlesh Mathur & Lokesh Mathur	949
14.	Ladhu Lal Sen	271
15.	Laxman Soni	271
16.	Laxmi Lal Anchaliya	271
17.	Laxmi Lal Zaver	135
18.	Laxmi Pat Sharma	271
19.	Madhu Ben R Shah	271
20.	Mahendra Jain- HUF	284
21.	Mamta Soni & Mani Devi Soni	542
22.	Manju Devi Jain	271
23.	Usha Mathur	366
24.	Naina Devi Gokharu	203
25.	Navratan Jain- HUF	203
26.	Nirmala Devi Jain	341
27.	Nitesh Sharma	271
28.	Pushpa Soni	271
29.	Rajendra Kakrecha-HUF	135
30.	Rajendra Soni	203
31.	Rajendra Soni-HUF	339
32.	Rajendra Surana	135
33.	Rajesh Kumar Bhalu Ram Shah	271
34.	Raj Kumar Mathur	407
35.	Raj Kumar Mathur-HUF	678
36.	Ramesh Kumar Sharma & Sarla Devi Sharma	474
37.	Rajesh Picholiya	135
38.	Ravi Picholiya	135
39.	Ravi Kumar Gomango	271
40.	Satya Narayan Praeek	271
41.	Seema Laxmi Lal Zaver	135

42.	Shanbhu Lal Shah	135
43	Renu Devi Jha	678
44.	Sunita Picholia	135
45.	Sunita Vinod Jain	271
46.	Sushik Kakrecha	135
47.	Vikki Agarwal	135
48.	Vinod Jain	325
	Total	**13573**

(vi) Allotment of 75,000 Equity Shares of Face Value of Rs. 100/- each fully paid up on conversion of preference shares into equity shares

S. No.	Names of Person	Number of Shares Allotted
1.	Seasons Agrochem India Pvt. Ltd.	75,000
	Total	**75,000**

(vii) Bonus Issue of 2983460 Equity Shares in the Ratio of 2:1

S. No.	Names of Person	Number of Shares Allotted
1.	Seasons Agrochem India Pvt. Ltd.	1502200
2.	Mr. Praveen Ostwal	166600
3.	Mr. Pankaj Ostwal	246660
4.	Mrs. Ekta Jain	402200
5.	Pankaj Ostwal HUF	32480
6.	M.K.Ostwal HUF	544160
7.	Mrs. Seema Ostwal	37960
8.	Mr. Mahaveer Ostwal	51200
	Total	**2983460**

(viii) Preferential allotment of 5,30,000 Equity Shares of Face Value of Rs. 10/- each fully paid

S. No.	Names of Person	Number of Shares Allotted
1.	Rajendra Surana	20,000
2.	Suresh Textiles(Suresh Jain)	2,70,000
3.	Ashok Khoiwal	10,000
4.	Renuka Textiles(Alkesh Jain)	2,30,000
	Total	**5,30,000**

(ix) Preferential allotment of 59,51,000 Equity Shares of Face Value of Rs. 10/- each fully paid

S. No.	Names of Person	Number of Shares Allotted
1.	Navratan Jain HUF	90,000
2.	Paneri Textiles Pvt. Ltd.	2,70,000
3.	Chunri Prints Pvt. Ltd.	3,25,000
4.	Sneha Fabrics	5,000
5.	Jinesh Enterprises(Nirmal Shah HUF)	5,000
6.	Pushpa Fabric(Santosh Ben)	2,90,000
7.	M.C. Enterprises (Mahaveer Pareek)	1,31,500
8.	Jagdamba Silk Mills(Vijay R. Pareekh)	1,16,000
9.	Maya Printers, Prop. Santosh Kumar Jha	95,000
10.	Ankur Textiles (Minaxi M Pareekh)	87,500
11.	Alkesh Kumar Jain	50,000
12.	Rekha Fabric (Mahendra Garg)	1,10,000

13.	Umed Singh Chouhan	30,000
14.	Nutech Enterprises (Vikram)	2,80,000
15.	Shailesh Fabrics (Rajkumar Mathur)	1,50,000
16.	Habulal Khoiwal	5,000
17.	Ramlal Chouhan	5,000
18.	Sumit Surana	20,000
19.	Saroj Sarees (Prop. Kusum R. Jain)	1,20,000
20.	Ronak Silk Mills (Lokesh Mathur)	1,95,000
21.	Madan Lal Singhvi	20,000
22.	Vinod Prints HUF(Prop. Vinod Golecha)	50,000
23.	Mahendra Jain HUF	70,000
24.	Bhawani Singh Anoopsingh Tawar	5,000
25.	Kailashchand Dharamchand Jain	25,000
26.	Shantilal Shohanlal Shah	10,000
27.	Vimala Fashion (Vimal N. Jain)	2,10,000
28.	Kailash Chand Modiram Prajapati	2,500
29.	Madan Lal Singhvi-HUF	20,000
30.	Chunilal Chaturbhuj Rao	10,000
31.	Shyamradevi Kailashchand Shah	50,000
32.	Sohanlal Chunilal Veerwal	20,000
33.	Babulal Mohanlal Jain	7,000
34.	Gor Kanwer	20,000
35.	Liladevi Bhanwarlal Jain	23,000
36.	Bhikamchand Jethmal Jain	25,000
37.	Amitkumar Nirmal Kumar Jain	5,000
38.	Kalpesh Ramdhani Durga Sharma	40,000
39.	Shah Construction(Prp. Kalpesh Sharma)	5,000
40.	Goparam Manaram Devashi (R.R.Fabric)	52,500
41.	Dhiren Kumar Prafullchand Mehta (Krishna Textiles)	5,000
42.	Dinesh Kumar Mangalpura (Rangoli Fashion)	5,000
43	Meena Textiles	5,000
44.	Paresh Baldha HUF	5,000
45.	Pukraj Pareek	20,000
46.	Ashok Fularam Sen	1,00,000
47.	Bhanwarlal Tejmal Jain	15,000
48.	Hiralal Rodaji Patel	22,500
49.	Mansingh Javaharsingh Rajput	10,000
50.	Pintukumar Champaklal Shah	12,500
51.	Prakash Tusavda	15,000
52.	Babulal Silk Mills(Sohanlal C. Veerwal)	5,000
53.	Gulmohar Fashion-Ishtiag Faija Ahmed Anfa	1,35,000
54.	Mahaveer Enterprises (Bhanwar Lal T Jain)	1,70,000
55.	Nandkishor Pareikh	15,000
56.	Nari Collection -Chhaya Ben Hasmukhbhai Shah	2,05,000
57.	Kunjal Textile (Rajendra Pareekh)	30,000
58.	Dau Synthticks (Madanlal Pareekh)	59,000
59.	Ankit Jain	20,000
60.	Sunita Prints (Prop. Sunita Vinod Jain)	1,80,000
61.	Kaveri Textiles	30,000
62.	Manjuben Mahendra Jain (Maju Textiles)	1,32,500
63.	Bansuri Enterprise (Krishna Pareekh)	72,000
64.	Gauri Silk Mills (Navratan Jain)	2,17,500
65.	Venkatesh Sarees	32,500

66.	Dipika Silk Mills (Mahesh R. Pareekh)	1,22,500
67.	Shreeji Textiles (Anil G. Pandey)	15,000
68.	Deepak Enterprises	25,000
69.	Gangor Silk Mills (Deepika V. Pareekh)	76,000
70.	Gaurav Enterprises (Mahesh Pareekh)	1,32,000
71.	Kanhaya Synthetics (Manoj M. Pareekh)	1,00,000
72.	Narayan Enterprise (Patasidevi)	60,000
73.	Shyam Dukhi Textiles (Roopam Suvram)	12,500
74.	Rajendra Pareekh	25,000
75.	Mahadev Arts Jamana Jat	2,50,000
76.	Jai Siyaram Textiles (Rajendra Pareekh)	62,500
77.	Krishna Prints (Nandkishore Pareekh)	75,000
78.	Laxmi Silk Mills (Poonam Pareekh)	52,500
79.	Vandevi Silk Mills (Pushpa Pareekh)	85,500
80.	Radha Silk Mills (Hanuman Prajapati)	7,500
81.	Vidhan Synthetics (Sarojm Pareekh)	81,500
82.	B.K. Enterprises Pvt. Ltd.	2,00,000
	Total	**59,51,000**

(x) Preferential allotment of 1,01,900 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100 (including Securities premium of Rs. 90/- each)

S. No.	Names of Person	Number of Shares Allotted
1.	Seasons Agrochem India Pvt. Ltd.	57500
2.	Mr. Praveen Ostwal	6000
3.	Mrs. Ekta Jain	1600
4.	Pankaj Ostwal HUF	8400
5.	M.K. Ostwal HUF	8900
6.	Mahendra Kumar Ostwal	8500
7.	Nitu Jain	5000
8.	Praveen Ostwal HUF	6000
	Total	101900

(xi) Preferential allotment of 70,48,645 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 24 (including Securities premium of Rs. 14/- each)

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Pankaj Ostwal	25,000
2.	Paneri Textiles Pvt. Ltd.	75,000
3.	Chunri Prints Pvt. Ltd.	1,18,125
4.	Alovera Tradelink Private Limited	6,39,500
5.	Archid Products Pvt. Ltd.	3,06,250
6.	Destiny Exim Pvt. Ltd.	6,97,500
7.	Dove Creation Pvt. Ltd.	6,62,700
8.	Duggal Tex Pvt. Ltd.	4,66,660
9.	Kolaveri Textile Pvt. Ltd.	3,54,160
10.	Ostwal Phoschem (India) Ltd.	28,03,750
11.	Nirmala RealInfrastructure Pvt. Ltd.	9,00,000
	Total	**70,48,645**

(xii) Preferential allotment of 19,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 26 (including Securities premium of Rs. 16/- each)

S. No.	Names of Person	Number of Shares Allotted
1.	Ostwal Phoschem (India) Limited	19,00,000
	Total	19,00,000

(xiii) ***Preferential allotment of 19,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 26 (including Securities premium of Rs. 16/- each)***

S. No.	Names of Person	Number of Shares Allotted
1.	Ostwal Phoschem (India) Limited	19,00,000
	Total	19,00,000

(b) 13% Redeemable Non-cumulative Preference Share Capital

Date of Allotment/ Fully Paid Up	No. of Pref. Shares Allotted	Face Value (₹)	Issue Price (₹)	Consideration	Details of Allottees and No. of Shares allotted	Cumulative Number of Pref. Shares	Cumulative Paid up Share Capital (₹)	Cumulative Share Premium
March 25,1999 ^	29530	100	100	Cash	1) Mr. Motilal Jain- 2000 2) Mr. Shailendra Jain- 6330 3) Mr. Sunil Jain- 19200 4) Smt. Chanda devi Jain - 2000	29530	2953000	Nil
September 15, 2000^	45470	100	100	Cash	Khemchand Motilal Jain Tobacco Products co. Ltd- 45470	75000	7500000	Nil
July 29, 2009	Converted into Equity Shares*							Nil

^ These allottees belong to the original promoter group and after the company was taken over by Present Promoter in September 2004 and these preference shares were transferred to Seasons Agro Chem India Pvt Ltd in October 2004.

**Pursuant to Conversion dated 01.06.2009 Preference Shares were converted into Equity Shares as the same was sanctioned by the said class of share holder and members of the company at Extra Ordinary General Meeting.*

As on the date of this Prospectus, our Company does not have any preference share capital.

2. Issue of Equity Shares for consideration other than cash

Save and Except as set out below we have not issued any Equity Shares for consideration other than cash:

Date of the allotment	Number of Equity shares allotted	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Benefit Accrued to our Company	Allottees	No. of Shares allotted
20-August-2009	2983460*	10	NIL	Bonus Issue of equity shares in the ratio of 2:1 by way of	Expansion of Capital	Seasons Agrochem India Pvt. Ltd.	1502200
						Mr. Praveen Ostwal	166600
						Mr. Pankaj Ostwal	246660

				capitalization of Securities Premium Account and reserves and surplus of 298.34 Lkahs^		Mrs. Ekta Jain	402200
						Pankaj Ostwal HUF	32480
						M.K.Ostwal HUF	544160
						Mrs. Seema Ostwal	37960
						Mr. Mahaveer Ostwal	51200

*For details of persons to whom the aforementioned bonus shares have been allotted, please refer point no. 2(a) (vii) of ***Capital Structure*** at page no. 51 of this Prospectus.

^Above allotment of shares have been made out of free reserves available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.

3. No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.

4. We have revalued our assets since inception for details of the revaluation of assets refer chapter titled ***"History and certain Corporate Matters"*** beginning on page 141 of this Prospectus. However, we have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

5. Our Company has not issued any Equity Shares which are below the Offer Price during the preceding one year from the date of this Prospectus.

6. Capital Build up in respect of shareholding of our Promoters:

As on date of this Prospectus, our promoters Mr. Pankaj Ostwal ,Mr. Praveen Ostwal, Seasons Agro Chem India Pvt. Ltd., Ostwal Phoschem (India) Ltd. hold 1220130, 332700, 2310800 & 9730520 Equity Shares respectively of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Date of Allotment and made fully paid up /transfer of fully paid up shares	**Nature of Issue**	**No. of Equity Shares**	**Face Value Per Share (₹)**	**Issue /Acquisition/ Sale Price per Equity Share (₹)***	**Pre-Offer Shareholding %**	***Post-Offer Share holding %***	**Lock in Period**	**Source of Funds**
Mr. Pankaj Ostwal								
October 30, 2004	Acquisition of Shares by way of Transfer(i)	7050	100	5.7	0.03	0.03	1 Year	Own fund
December 24, 2008	Acquisition of Shares by way of Transfer(ii)	5283	100	10.00	0.02	0.02	1 Year	Own fund
August 1, 2009	Sub Division of Shares from Rs. 100/- to Rs. 10/-	123330	10	--	0.56	0.56	1 Year	--
August 20, 2009	Bonus Issue	52685	10	--	0.24	0.24	1 Year	--
		193975	10	--	0.89	0.89	--*	--
December 15, 2010	Acquisition of Shares by way of Transfer(iii)	825140	10	Nil	3.77	3.77	--*	--

March 31, 2014	Preferential Allotment	25,000	10	24.00	0.11	0.11	1 Year	Own fund
Total (A)		**12,20,130**						
Mr. Praveen Ostwal								
October 30, 2004	Acquisition of Shares by way of Transfer[iv]	8330	100	5.7	0.04	0.04	1 Year	Own fund
August 1, 2009	Sub Division of Shares from Rs. 100/- to Rs. 10/-	83300	10	--	0.38	0.38	1 Year	--
August 20, 2009	Bonus Issue	166600	10	--	0.76	0.76	1 Year	--
September 30, 2009	Acquisition of Shares by way of Transfer[v]	76800	10	1.00	0.35	0.35	1 Year	Own fund
September 21, 2010	Preferential Allotment	6000	10	100.00	0.03	0.03	1 Year	Own fund
Total (B)		**3,32,700**						
Seasons Agro Chem India Pvt. Ltd.								
October 30, 2004	Acquisition of Shares by way of Transfer[vi]	25110	100	5.7	0.11	0.11	1 Year	Own fund
November 5, 2004	Transfer of Shares[vii]	(20000)	100	5.7	(0.09)	(0.09)	1 Year	Own fund
March 28, 2007	Acquisition of Shares by way of Transfer[viii]	20000	100	5.7	0.09	0.09	1 Year	Own fund
July 29, 2009	Conversion of Pref. Shares to Equity Shares	75000	100	--	0.34	0.34	1 Year	Own fund
August 01, 2009	Sub Division of Shares from Rs. 100/- to Rs. 10/-	1001100	10	--	4.57	4.57	1 Year	--
August 20, 2009	Transfer of Shares[ix]	(250000)	10	0.57	(1.14)	(1.14)	1 Year	Own fund
August 20, 2009	Bonus Issue	1258190	10	--	5.74	5.74	1 Year	--
		244010			1.11	1.11	--*	--
September 21, 2010	Preferentail Allotment	57500	10	100	0.26	0.26	1 Year	Own fund
Total (C)		**23,10,800**						
Ostwal Phoschem (India) Limited								
March 31, 2014	Preferentail Allotment	19,23,750	10	24	8.78	8.78	--*	Own fund
		8,80,000			4.02	4.02	3 Year	Own fund
March 24, 2015	Acquisition of Shares by way of Transfer[x]	22,46,770	10	24	10.26	10.26	1 Year	Own fund
		8,80,000			4.02	4.02	--*	Own fund
October 5, 2015	Preferentail Allotment	19,00,000	10	26	8.67	8.67	3 Year	Own fund
October 5, 2015	Preferentail Allotment	19,00,000	10	26	8.67	8.67	3 Year	Own fund
Total (D)		**97,30,520**						
Total (A+B+C+D)		**1,35,94,150**						

** 2,44,010 Shares of Seasons Agro Chem India Pvt. Ltd, 28,03,750 shares of Ostwal Phoschem (India) Limited and 10,19,115 shares of Mr. Pamkaj Ostwal are offered in this Public Offer vide authorization letter dated June 01, 2016 .*

(i) Details of Transfer of Mr. Pankaj Ostwal dated October 30, 2004

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	30.10.2004	Dr. Azad Jain	1000	Pankaj Ostwal
2	30.10.2004	K.M. Jain Tobacco Products Co. Ltd	5940	Pankaj Ostwal
3	30.10.2004	Ms. Nidhi Jain	110	Pankaj Ostwal
		Total	**7050**	

(ii) Details of Transfer of Mr. Pankaj Ostwal dated December 24, 2008

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	24.12.2008	Narendra Kumar Jain	5283	Pankaj Ostwal
		Total	**5283**	

(iii) Details of Transfer of Mr. Pankaj Ostwal dated December 15, 2010

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	15.12.2010	M.K.Ostwal HUF	825140	Pankaj Ostwal
		Total	**825140**	

(iv) Details of Transfer of Mr. Praveen Ostwal dated October 30, 2004

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	30.10.2004	Motilal Jain	3110	Praveen Ostwal
2.	30.10.2004	Sukhnanadan Jain	110	Praveen Ostwal
3.	30.10.2004	Sunil Jain	5110	Praveen Ostwal
		Total	**8330**	

(v) Details of Transfer of Mr. Praveen Ostwal dated September 30, 2009

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	30.09.2009	Mahaveer Ostwal	76800	Praveen Ostwal
		Total	**76800**	

(vi) Details of Transfer of Seasons Agro Chem India Private Limited dated October 30, 2004

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	30.09.2004	Padam Kumar Singhai	25110	Seasons Agro Chem India Private Limited
		Total	**25110**	

(vii) Details of Transfer of Seasons Agro Chem India Private Limited dated November 5, 2004

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	05.11.2004	Seasons Agro Chem India Private Limited	5000	Hemant Ostwal
2	05.11.2004	Seasons Agro Chem India Private Limited	5000	Vinita Ostwal
3	05.11.2004	Seasons Agro Chem India Private Limited	5000	Seema Ostwal
4	05.11.2004	Seasons Agro Chem India Private Limited	5000	Arvind Kothari
		Total	**20000**	

(viii) Details of Transfer of Seasons Agro Chem India Private Limited dated March 28, 2007

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	28.03.2007	A.K.Jain	20000	Seasons Agro Chem India Private Limited
		Total	**20000**	

(ix) Details of Transfer of Seasons Agro Chem India Private Limited dated August 20, 2009

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	20.08.2009	Seasons Agro Chem India Private Limited	250000	M.K Ostwal HUF
		Total	**250000**	

(x) Details of Transfer of Ostwal Phoschem (India) Ltd. dated March 24, 2015

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	24.03.2015	Alovera Tradelink Private Limited	639500	Ostwal Phoschem (India) Ltd.
2	24.03.2015	Archid Products Pvt. Ltd.	306250	Ostwal Phoschem (India) Ltd.
3	24.03.2015	Destiny Exim Pvt. Ltd.	697500	Ostwal Phoschem (India) Ltd.
4	24.03.2015	Duggal Tex. Private Limited	466660	Ostwal Phoschem (India) Ltd.
5	24.03.2015	Dove Creation Pvt. Ltd.	662700	Ostwal Phoschem (India) Ltd.
6	24.03.2015	Kolaveri Textile Pvt. Ltd.	354160	Ostwal Phoschem (India) Ltd.
		Total	**3126770**	

7. The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
Mr. Pankaj Ostwal	1220130	0.57
Mr. Praveen Ostwal	332700	2.18
Seasons Agro Chem India Private Limited	2310800	5.73
Ostwal Phoschem (India) Ltd.	9730520	24.78

*Average cost of acquisition is calculated on the basis of face value of equity shares of Rs. 10/- each.

8. Except as provided below there are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of this Prospectus.

Date of Transaction	Number of Equity Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)*	Nature	Nature of Consideration	Name of the Allottees	Category
November 25, 2015	19,00,000	10	26	Preferential Allotment	Cash	Ostwal Phoschem (India) Ltd.	Promoter

*The maximum and minimum price at which the aforesaid transaction was made is Rs. 26/- per Equity Share

9. Details of the Pre and Post Offer Shareholding of our Promoter and Promoter Group as on the date of this Prospectus is as below:-

S .No	Names	Pre Offer		Post Offer	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoter				
1.	Pankaj Ostwal	1220130	5.57	201015	0.92
2.	Praveen Ostwal	332700	1.52	332700	1.52
3.	Seasons Agro Chem India Private Ltd.	2310800	10.55	2066790	9.43
4.	Ostwal Phoschem (India) Limited	9730520	44.42	6926770	31.62
	TOTAL (A)	**13594150**	**62.05**	**9527275**	**43.49**
	Promoter Group				
5.	Ekta Jain	661840	3.02	661840	3.02
6.	Pankaj Ostwal (HUF)	57120	0.26	57120	0.26
7.	Praveen Ostwal HUF	6000	0.03	6000	0.03
8.	Mahendra Kumar Ostwal	8500	0.04	8500	0.04
9.	Nitu Jain	5000	0.02	5000	0.02
10.	Nirmala Realinfrastructure Private Limited	900000	4.11	900000	4.11
11.	Paneri Textiles Pvt. Ltd.	1090500	4.98	1015500	4.63
12.	Chunri Prints Pvt. Ltd.	1207625	5.51	1089500	4.97
	TOTAL (B)	**3936585**	**17.97**	**3743460**	**17.09**
	GRAND TOTAL (A+B)	**17530735**	**80.02**	**13270735**	**60.58**

10. Details of Promoter's Contribution locked in for three years:

Date of Allotment / transfer of fully paid up Shares	Date when made Fully paid up	Nature of Allotment/ Acquired/Transfer	No. of shares Allotted/ Acquired Transferred	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Offer Shareholding	% of Post Offer Shareholding	Lock in Period
(A) Ostwal Phoschem (India) Limited								
31.03.2014	31.03.2014	Preferential Allotment	8,80,000	10	24	4.02	4.02	3 Years
05.10.2015	05.10.2015	Preferentail Allotment	19,00,000	10	26	8.67	8.67	3 Years
05.10.2015	05.10.2015	Preferentail Allotment	19,00,000	10	26	8.67	8.67	3 Years

TOTAL(D)	46,80,000			21.36	21.36	

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 33 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 36(a) of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Offer.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-Offer shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Offer.

Our Promoters Company Ostwal Phoschem (India) Limited have, by a written undertaking, consented to have 46,80,000 Equity Shares held by them respectively to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Offer and will not be disposed / sold / transferred by the promoters during the period starting from the date of filing this Prospectus with SME Platform of NSE till the date of commencement of lock-in period as stated in this Prospectus. The Equity Shares under the Promoters contribution will constitute 21.36 % of our post-Offer paid up share capital.

Our Promoters have also consented that the Promoters contribution under Regulation 32 of the SEBI ICDR Regulations will not be less than 20% of the post Offer paid up capital of our Company.

Details of Share Capital Locked In For One Year

In terms of Regulation 36(b) and 37 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for 3 (three) years, as specified above, the entire pre-Offer equity share capital held by promoters and entire pre-Offer capital held by persons other than promoters of our Company i.e. Promoter Group Entities and public shareholders, except the shares offered for sale through the Issue constituting 1,14,36,735 Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Offer.

The Equity Shares which are subject to lock-in shall carry inscription **'non-transferable'** along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

a) In terms of Regulation 39 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

b) In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of

the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the Issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

11. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this Prospectus:

I – Summery of Shareholding Pattern:-

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+ C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each^	Class eg: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoter & Promoter Group	12	1,75,30,735	-	-	1,75,30,735	80.02	1,75,30,735	-	1,75,30,735	80.02	-	80.02	-		-		17530735
(B)	Public	5	43,76,000	-	-	43,76,000	19.98	43,76,000	-	43,76,000	19.98	-	19.98	-		-		4376000
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C1)	Shares underlying	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Total	**17**	**2,19,06,735**	-	-	**2,19,06,735**	**100.00**	**2,19,06,735**	**-**	**2,19,06,735**	**100.0**	**-**	**100.00**	-		-		21906735

**As on date of this prospectus 1 Equity share holds 1 vote.*

^ We have only one class of Equity Shares of face value of Rs. 10/- each.

II - Shareholding pattern of the Promoter and Promoter Group

	Category & Name of the Shareholders	PAN	No. of share holders	No. of fully paid up equity share s held	No. of Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of	Number of Locked in shares		Number of Shares pledged or otherwise		Number of equity shares held in Shares dematalized form
									No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total shares held (b)	
									Class Equity Shares of Rs.10/- each	Class Y	Total								
	I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX				X	XI = VII+ X	XII		XIII		XIV
(1)	Indian																		
(a)	Individuals/ Hindu undivided Family																		
	Praveen Ostwal	AAFPO1733K	1	3,32,700	-	-	3,32,700	1.52	3,32,700	-	3,32,700	1.52	-	1.52	-		-		332700
	Pankaj Ostwal	AABPO3350Q	1	12,20,130	-	-	12,20,130	5.57	12,20,130	-	12,20,130	5.57	-	5.57	-		-		1220130
	Ekta Jain	ABZPK1608C	1	6,61,840	-	-	6,61,840	3.02	6,61,840	-	6,61,840	3.02	0	3.02	-		-		661840

	Pankaj Ostwal HUF	AAAHO6643M	1	57,120	-	-	57,120	0.26	57,120	-	57,120	0.26	0	0.26	-	-	57120
	Mahendra Kumar Ostwal	AAAPO5612L	1	8,500	-	-	8,500	0.04	8,500	-	8,500	0.04	0	0.04	-	-	8500
	Nitu Jain	AHUPJ6399Q	1	5,000	-	-	5,000	0.02	5,000	-	5,000	0.02	0	0.02	-	-	5000
	Praveen Ostwal HUF	AAIHP9488H	1	6,000			6,000	0.03	6,000		6,000	0.03		0.03			6000
(b)	Central Government/ State Government(s)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Body Corporate																
	Seasons Agro Chem India Private Limited	AAICS2340G	1	23,10,800	-	-	23,10,800	10.55	23,10,800		23,10,800	10.55	0	10.55	-	-	2310800
	Ostwal Phoschem (India) Limited	AAACT0105C	1	97,30,520	-	-	97,30,520	44.42	97,30,520		97,30,520	44.42	0	44.42	-	-	9730520
	Nirmala Realinfrastructure Private Limited	AADCN0794J	1	9,00,000	-	-	9,00,000	4.11	9,00,000		9,00,000	4.11	0	4.11	-	-	900000
	Paneri Textiles Pvt. Ltd.	AABCP4012D	1	10,90,500	-	-	10,90,500	4.98	10,90,500		10,90,500	4.98	0	4.98	-	-	1090500
	Chunri Prints Pvt. Ltd.	AAACC9478R	1	12,07,625	-	-	12,07,625	5.51	12,07,625		12,07,625	5.51	0	5.51	-	-	1207625
	Sub-Total (A)(1)	**-**	**12**	**1,75,30,735**	**-**	**-**	**1,75,30,735**	**80.02**	**1,75,30,735**	**-**	**1,75,30,735**	**80.02**	**0**	**80.02**	**-**	**-**	1753073
(2)	Foreign																

(a)	Individuals (Non- Resident Individuals/ Foreign Individuals)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	**-**	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		**12**	**1,75,30,735**	**-**	**-**	**1,75,30,735**	**80.02**	**1,75,30,735**	**0**	**1,75,30,735**	**80.02**	**-**	**80.02**	**-**	**-**	17530735

**As on date of this Prospectus 1 Equity share holds 1 vote.*

III - Shareholding pattern of the Public shareholder

	Category & Name of the Shareholders	PAN	No. of share holders	No. of fully paid up equity share s held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in Share dematalized form
									No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total 70hare s held (b)	No. (not applicable) (a)	As a % of total share s held (not applicable)(b)	
									Class Equity Shares of Rs.10/- each	Class Y	Total								
	I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX				X	XI= VII+ X	XII		XIII		XIV
(1)	**Institutions**																		
(a)	Mutual Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(b)	Venture Capital Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(c)	Alternate Investment Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(d)	Foreign Venture Capital Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(e)	Foreign Portfolio Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(f)	Financial Institutions/ Banks	-	0	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(g)	Insurance Companies	-	0	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(h)	Provident Funds/ Pension Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-		-		-

(i)	Any Other (specify)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	**-**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(2)	**Central Government/ State Government(s)/ President of India**	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(3)	**Non-institutions**																
(a)	Individuals	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	-	2	1530000	-	-	1530000	6.98	1530000	-	1530000	6.98	-	6.98	-	-	1530000
(b)	NBFCs registered with RBI	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Suswani Textiles Pvt. Ltd.	-	1	10,00,000	0	0	10,00,000	4.56	10,00,000	-	10,00,000	4.56	-	4.56	-	-	1000000
	Vesta Tex Pvt. Ltd.	-	1	10,00,000	0	0	10,00,000	4.56	10,00,000	-	10,00,000	4.56	-	4.56	-	-	10000000

	Visualize Tradecom Pvt. Ltd.	-	1	8,46,000	0	0	8,46,000	3.86	8,46,000	-	8,46,000	3.86	-	3.86	-	-	846000
	Sub-Total (B)(3)	-	**5**	**4376000**	**0**	**0**	**4376000**	**19.98**	**4376000**	**-**	**4376000**	**19.98**	**-**	**19.98**	**-**	**-**	4376000
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	-	**5**	**4376000**	**0**	**0**	**43,76,000**	**19.98**	**43,76,000**	**-**	**43,76,000**	**19.98**	**-**	**19.98**	**-**	**-**	4376000

**As on date of this prospectus 1 Equity share holds 1 vote.*

IV - Shareholding pattern of the Non Promoter- Non Public shareholder

	Category & Name of the Shareholders	PAN	No. of shareh olders	No. of fully paid up equity share s held	Partly paid-up equity shares held	Nos. of shares underlyi ng Deposito ry Receipts	Total nos. shares held	Shareh olding (calcula ted as per SCRR, 1957) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlyin g Outstandi ng convertibl e securities (including Warrants)	Total Shareholdin g , as a % assuming full conversion of convertible securities (as a percentage of diluted share	Number of Locked in shares		Number of Shares pledged or otherwise		Number of equity shares held in Share demateri alized form (Not applicable)
									No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Sha re s held	No. (not appl icab le)	As a % of total share s held (not applicab le)	
									Class Equity Shares of Rs.10/-	Cl as s Y	Tot al								
	I	II	III	IV	V	VI	VII=IV +V+VI	VIII	IX				X	XI= VII+ X	XII		XIII		XIV
(1)	Custodian/DR Holder																		
(a)	Name of DR Holder (if available)	-	0	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Sub Total (c) (1)	**-**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	0	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Sub Total (C) (2)	**-**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**
	Total Non-Promoter Non-Public shareholding (C)=	**-**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity Shares.Our Company has signed a tripartite agreement with both the depositories i.e. CDSL and NSDL. As on date of this Prospectus the entire equity shares of our Company are held in Dematerialized Form.

12. The Top Ten Shareholders of our Company and their Shareholding is set forth below:-

As on the date of the Prospectus, our Company has 17 (Seventeen) shareholders.

a) Our top ten shareholders as on the date of filing of this Prospectus are as follow:

S. No.	Names	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Offer paid up Capital)
1.	Ostwal Phoschem (India) Limited	9730520	44.42
2.	Seasons Agro Chem India Pvt. Ltd.	2310800	10.55
3.	Pankaj Ostwal	1220130	5.57
4.	Chunri Prints Pvt. Ltd.	1207625	5.51
5.	Paneri Textiles Pvt. Ltd.	1090500	4.98
6.	Shashi Jain & Amita Mehta	1030000	4.70
7.	Suswani Textiles Pvt. Ltd.	1000000	4.56
8.	Vesta Tex Pvt. Ltd.	1000000	4.56
9.	Nirmala Realinfrastructure Pvt. Ltd.	900000	4.11
10.	Visualize Tradecom Pvt. Ltd.	846000	3.86
	Total	**20335575**	**92.83**

b) Our top ten shareholders 10 days prior filing of this Prospectus are as follows:

S. No.	Names	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Offer paid up Capital)
1.	Ostwal Phoschem (India) Limited	9730520	44.42
2.	Seasons Agro Chem India Pvt. Ltd.	2310800	10.55
3.	Pankaj Ostwal	1220130	5.57
4.	Chunri Prints Pvt. Ltd.	1207625	5.51
5.	Paneri Textiles Pvt. Ltd.	1090500	4.98
6.	Shashi Jain & Amita Mehta	1030000	4.70
7.	Suswani Textiles Pvt. Ltd.	1000000	4.56
8.	Vesta Tex Pvt. Ltd.	1000000	4.56
9.	Nirmala Realinfrastructure Pvt. Ltd.	900000	4.11
10.	Visualize Tradecom Pvt. Ltd.	846000	3.86
	Total	**20335575**	**92.83**

c) Details of top ten shareholders of our Company two years prior to the date of filing of this Prospectus are as follows:

S. No.	Names	Shares Held (Face Value of Rs. 10 each)	% of Paid Up Equity Shares as on 2 years prior to the date of filing of the Prospectus
1.	Ostwal Phoschem (India) Ltd.	2803750	15.48
2.	Seasons Agrochem India Pvt. Ltd.	2310800	12.76
3.	Pankaj Ostwal	1220130	6.74
4.	Chunri Prints Pvt. Ltd.	1207625	6.67
5.	Paneri Textiles Pvt. Ltd.	1090500	6.02
6.	Shashi Jain & Amita Mehta	1030000	5.69
7.	Suswani Textiles Pvt. Ltd.	1000000	5.52
8.	Vesta Tex Pvt. Ltd.	1000000	5.52
9.	Nirmala RealInfrastructure Pvt. Ltd.	900000	4.97
10.	Visualize Tradecom Pvt. Ltd.	846000	4.67
	Total	**13408805**	**74.04**

13. Except as provided below, none of our public shareholders are holding more than 1% of the pre – Offer share capital of our company.

S. No.	Names	Shares Held (Face Value of ₹ 10/ each)	% shares held
1.	Shashi Jain & Amita Mehta	1030000	4.70
2.	Suswani Textiles Pvt. Ltd.	1000000	4.56
3.	Vesta Tex Pvt. Ltd.	1000000	4.56
4.	Visualize Tradecom Pvt. Ltd.	846000	3.86
5.	Shashi Jain & Dharmesh Mehta	500000	2.28

14. Except as provided below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of this Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- Offer share capital of our Company.

S. No.	Name of Shareholder	Date of Transaction	Promoter/Promoter Group/Director	Number of Equity Shares subscribed to/Acquired	Number of Equity Shares Sold	Subscribed/Acquired/Transfered
1.	Ostwal Phoschem (India) Ltd.	31.03.2014	Promoter	28,03,750	--	Subscribed
2.	Ostwal Phoschem (India) Ltd.	24.03.2015	Promoter	31,26,770	--	Acquired
3.	Ostwal Phoschem (India) Ltd.	05.10.2015	Promoter	19,00,000	--	Subscribed
4.	Ostwal Phoschem (India) Ltd.	25.11.2015	Promoter	19,00,000	--	Subscribed
5.	Alovera Tradelink Private Limited	24.03.2015	Promoter Group	--	639500	Transfer
6.	Archid Products Pvt. Ltd.	24.03.2015	Promoter Group	--	306250	Transfer
7.	Destiny Exim Pvt. Ltd.	24.03.2015	Promoter Group	--	697500	Transfer
8.	Dove Creation Pvt. Ltd.	24.03.2015	Promoter Group	--	662700	Transfer
9.	Duggal Tex Pvt. Ltd.	24.03.2015	Promoter Group	--	466660	Transfer
10.	Kolaveri Textile Pvt. Ltd.	24.03.2015	Promoter Group	--	354160	Transfer
11.	Nirmala RealInfrastructure Pvt. Ltd.	31.03.2014	Promoter Group	900000	--	Subscribed
12.	Alovera Tradelink Private Limited	31.03.2014	Promoter Group	639500	--	Subscribed
13.	Archid Products Pvt. Ltd.	31.03.2014	Promoter Group	306250	--	Subscribed
14.	Destiny Exim Pvt. Ltd.	31.03.2014	Promoter Group	697500	--	Subscribed
15.	Dove Creation Pvt. Ltd.	31.03.2014	Promoter Group	662700	--	Subscribed
16.	Duggal Tex Pvt. Ltd.	31.03.2014	Promoter Group	466660	--	Subscribed
17.	Kolaveri Textile Pvt. Ltd.	31.03.2014	Promoter Group	354160	--	Subscribed

15. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Mr. Praveen Ostwal	Non- Executive Director	3,32,700
Mr. Pankaj Ostwal	Chairman and Managing Director	12,20,130

16. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Prospectus.

17. Neither, we nor our Promoters, Directors, Selling Shareholders and the Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.

18. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.

19. As on the date of this Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.

20. Our Company has not raised any bridge loan against the proceeds of the Offer.

21. Since the entire Offer price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.

22. As on the date of this Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.

23. The Lead Manager i.e. Hem Securities Ltd. and their associates do not hold any Equity Shares in our Company as on the date of filing of Prospectus.

24. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares offered have been listed or application moneys refunded on account of failure of Offer.

25. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments

26. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.

27. An over-subscription to the extent of 5% of the Total Offer can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 5% of the Offer. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.

28. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

29. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.

30. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.

31. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.

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

33. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
34. As on the date of this Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.

35. There are no Equity Shares against which depository receipts have been issued.

36. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of this Prospectus.

37. We have 17 (Seventeen) Shareholders as on the date of filing of this Prospectus.

38. There are no safety net arrangements for this public Offer.

39. Till date our Company has not made any allotment of Equity Shares pursuant to any scheme approved under section 391- 394 of the Companies Act, 1956 or under the corresponding provisions of the Companies Act, 2013.

40. Our Promoters and Promoter Group will not participate in this Offer except for the sale of Equity Shares offered by them for sale in the Issue.

41. This Offer is being made through Fixed Price method.

42. Except as disclosed in this Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of this Prospectus.

43. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

44. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering this Prospectus with the RoC and the Offer Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed. The Selling Shareholders shall not transfer their Equity Shares during the period commencing from submission of the Prospectus with Stock Exchange until the final approval on Basis of Allotment has been obtained from the Stock Exchange for the Equity Shares Allotted/ to be Allotted pursuant to the Offer except for transfer the Equity Shares held by them to demat escrow account at least seven working days prior to Offer Opening Date or as mutually agreed between our Company, Selling Shareholder and the Lead Manager.

45. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. Further, this Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Offer Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

47. The details of equity shares being offered for sale are as follows:

Sr. No.	Name of Selling Shareholder	No. of Equity Shares
1.	Chunri Prints Pvt Ltd	1,18,125
2.	Paneri Textiles Pvt Ltd.	75,000
3.	Smt Shashi Jain & Shri Dharmesh Mehta	5,00,000

4.	Ostwal Phoschem (India) Limited	28,03,750
5.	Smt Shashi Jain & Smt. Amita Mehta	10,30,000
6.	Season Agro Chem India Pvt. Ltd.	2,44,010
7.	Pankaj Ostwal	10,19,115
	Total	**57,90,000**

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchange and to carry out the sale of 57,90,000 Equity Shares of our Company by the Selling Shareholders at an Offer Price of ₹ 24.00 per Equity Share

Offer for Sale

Each of the Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale. We will not receive any proceeds from the Offer for Sale. All expenses in relation to the Offer will be shared amongst the Selling Shareholders in accordance with applicable law.

We confirm that the activities we have been carrying out until now are in accordance with the objects clause of our Memorandum of Association.

The listing of the Equity Shares will enhance our brand name enabling us to avail future growth opportunities. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

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.

1. Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ 30 lacs. The estimated Issue related expenses include, among others, Issue management fees, underwriting and selling commissions, printing and distribution expenses, legal fees, advertisement expenses, registrar's fees, depository fees and listing fees and Advisory fee. All expenses in relation to the Issue will be paid and shared between the Selling shareholders except listing fees and Advisory fee which will be paid by the Company.

In accordance with Section 28(3) of the Companies Act, 2013, the Selling Shareholders have authorized our Company to take all actions in respect of offer of sale for and on their behalf and they will reimburse our Company all expenses incurred by the Company on this matter. The break-up for the estimated Issue expenses are as follows:

(Amount ₹ in Lakhs)

Particulars	Expenses	As a % of total expenses	As a % of Issue
Payment to Merchant Banker including, underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors etc. and other out of pocket expenses.	23.50	78.33	1.69
Printing & Stationery, Distribution, Postage Advertising and Marketing Expenses etc.	3.50	11.67	0.25
Stautory & Regulatory Fees and other expenses	3.00	10.00	0.22
Total estimated Issue Expenses*	30.00	100.00	2.16

** All expenses in relation to the Issue will be shared amongst Selling Shareholders in accordance with applicable law.*

**Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA's and CDPs*

Monitoring Utilization of Funds

Since the Issue is being made through an offer for sale our Company will not receive any proceeds from the Offer. Therefore our Company is not required to appoint a monitoring agency for the Offer.

BASIC TERMS OF THE OFFER

Authority for the Offer

The Offer for sale has been authorized by a resolution of the Board of Directors of the Company passed at their meeting held on June 04, 2016. The Selling Shareholders have authorized the sale of their Equity Shares pursuant to the Offer as set out below:

S.No.	Name of Selling Shareholder	Date of Authorization Letter	Number of Equity Shares offered for sale
1.	Chunri Prints Pvt Ltd	June 01, 2016	1,18,125
2.	Paneri Textiles Pvt Ltd.	June 01, 2016	75,000
3.	Smt Shashi Jain & Shri Dharmesh Mehta	June 01, 2016	5,00,000
4.	Pankaj Ostwal	June 01, 2016	10,19,115
5.	Ostwal Phoschem (India) Limited	June 01, 2016	28,03,750
6.	Smt Shashi Jain & Smt. Amita Mehta	June 01, 2016	10,30,000
7.	Season Agro Chem India Pvt. Ltd.	June 01, 2016	2,44,010
		Total	**57,90,000**

Terms of the Offer

The Equity Shares, now being offered, are subject to the terms and conditions of the Draft Prospectus, Prospectus, Application form, Confirmation of Allocation Note ("***CAN***"), the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, the Depositories Act, Stock Exchanges, RBI, ROC and/or other authorities as in force on the date of the Offer and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009, notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

Face Value	Each Equity Share shall have the face value of ₹ 10.00 each.
Offer Price	Each Equity Share is being offered at a price of ₹ 24 each and is 2.4 times of Face Value.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 6000 and the multiple of 6000; subject to a minimum allotment of 6000 Equity Shares to the successful Applicant.
Terms of Payment	100% of the Offer price of ₹ 24 per share shall be payable on Application. For more details please refer to page no. 264 of the Prospectus.
Ranking of the Equity Shares	The Equity Shares being offered pursuant to this Offer shall be subject to the provisions of Companies Act, Memorandum and Articles of Association of the Company and shall rank pari passu in all respects including dividends with the existing Equity Shares of the Company. The Allottees in receipt of Allotment of Equity Shares under this Offer will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see ***"Main Provisions of the Articles of Association"*** on page 306 of the Prospectus.

Minimum Subscription

In accordance with Regulation [106P] (1) of SEBI ICDR Regulations, this Offer is 100% underwritten. Also, in accordance with explanation to Regulation [106P] (1) of SEBI ICDR Regulations the underwriting shall not be restricted up to the minimum subscription level.
If our Company does not receive subscription of 100% of the Offer including devolvement of Underwriters within 60 (Sixty) days from the date of closure of the Offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 (eight) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under the Companies Act.

Further, In accordance with Regulation [106R] of SEBI ICDR Regulations, No allotment shall be made pursuant to the Offer, if the number of prospective allottees is less than 50 (fifty).

For further details, please refer to section titled ***"Terms of the Offer"*** beginning on page 256 of the Prospectus.

BASIS FOR OFFER PRICE

*Investors should read the following summary with the section titled **Risk Factors**, details about our Company under the section **"Our Business"** and its financial statements under the section titled **"Financial Information of the Company"** beginning on page no. 15, page no. 112 and page no. 177 respectively of the Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.*

The Offer Price has been determined by the Company and the Selling Shareholders in consultation with the LM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Offer Price is 2.4 times of the face value.

QUALITATIVE FACTORS

- Cost Effective sourcing and Strategic Location of Manufacturing Unit
- Management Expertise
- Cost effective production and timely fulfillment of orders
- Backward integration
- Existing relationship with suppliers

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled ***"Our Business"*** beginning on page no. 112 of the Prospectus.

QUANTITATIVE FACTORS

Information presented in this section is derived from our Company's restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic & Diluted Earnings per share (EPS), as restated:

S. No	Period	Basic & Diluted (₹)	Weights
1.	FY 2013-14	3.31	1
2.	FY 2014-15	2.23	2
3.	FY 2015-16	4.79	3
	Weighted Average	**3.69**	

Notes:

i. The figures disclosed above are based on the restated financial statements of the Company.
ii. The face value of each Equity Share is ₹ 10.00.
*iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – "Earnings per Share"** issued by the Institute of Chartered Accountants of India.*
iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.

2. Price Earning (P/E) Ratio in relation to the Offer Price of ₹ 24 per share:

S. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2015-16	5.01
2	P/E ratio based on the Weighted Average EPS, as restated for FY 2015-16	6.50

Peer Group P/ E*

S. No	Particulars	P/E**

1	Highest (Khaitan Chemicals & Fertilizers Ltd.)	25.77
2	Lowest (Shiva Global Agro Industries Ltd.)	6.82
	Industry Composite	15.68

**Source: AceEquity dated May 20, 2016*
***Excluding companies with negative or Zero P/E Ratio.*

Return on Net worth (RoNW)*

S. No	Period	RONW (%)	Weights
1.	FY 2013-14	8.48	1
2.	FY 2014-15	8.60	2
3.	FY 2015-16	14.25	3
	Weighted Average	**11.41**	

*Restated Profit after tax/Net Worth

4. Minimum Return on Net Worth after Offer to maintain Pre- Offer EPS

(a) Based on Basic and Diluted EPS, as restated of FY 2015-16 of ₹ 4.79 at the Offer Price of ₹ 24 per share:

- 15.82% on the restated financial statements.

(b) Based on Weighted Average Basic and Diluted EPS, as adjusted of ₹ 3.69 at the Offer Price of ₹ 24 per share:

- 12.19% on the restated financial statements.

5. Net Asset Value (NAV) per Equity Share :

Sr. No.	As at	NAV Standalone (₹)
1.	March 31, 2014	23.92
2.	March 31, 2015	25.96
3.	March 31, 2016	30.27
4.	NAV after Offer	30.27
	Offer Price	24.00

6. Comparison of Accounting Ratios with Industry Peers[1]

S. No.	Name of Company	Results Type	Face Value (₹)	EPS (₹)[3]	PE[4]	RoNW (%)	NAV per Share (₹)
1.	Rama Phosphates Limited	Standalone	10.00	(5.52)	-	(8.05)	68.97
2.	Khaitan Chemicals & Fertilizers Limited	Standalone	1.00	0.36	25.77	2.79	13.08
3.	Shree Pushkar Chemicals & Fertilizers Limited[5]	Standalone	10.00	9.01	-	21.15	42.57
4.	Madhya Bharat Agro Products Limited[2]	Standalone	10.00	4.79	5.01	14.25	30.27

[1] **Source: AceEquity dated May 20, 2016*
[2] *Based on March 31, 2016 restated financial statements*
[3] *Basic & Diluted Earnings per share (EPS), as adjusted*
[4] *Price Earning (P/E) Ratio in relation to the Offer Price of ₹ 24 per* share.

[5] *Shree Pushkar Chemicals & Fertilizers Limited was not listed dated March 31, 2015*
Note: -Details of the peer group are updated for year ended March 31, 2015.

7. The face value of our shares is ₹ 10.00 per share and the Offer Price is of ₹ 24 per share is 2.4 times of the face value.

8. Our Company and Selling Shareholders in consultation with the Lead Manager believe that the Offer Price of ₹ 24 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.

Investors should read the above mentioned information along with section titled ***"Our Business"***, ***"Risk Factors"*** and ***"Financial Information of the Company"*** beginning on page 112, 15 and 177 respectively including important profitability and return ratios, as set out in "***Annexure Q"*** *to* the Financial Information of the Company on page 202 of the Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO MADHYA BHARAT AGRO PRODUCTS LIMITED AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,
The Board of Directors,
Madhya Bharat Agro Products Limited,
5-O-21, Basement R.C. Vyas Colony
Bhilwara – 311001, Rajasthan

Dear Sirs,

Subject: Statement of possible tax benefits ('the Statement') available to Madhya Bharat Agro Products Limited ("the Company") and its shareholders prepared in accordance with the requirement in SCHEDULE VIII – CLAUSE (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ('the Regulations')

We Ashok Kanther & Associates, the statutory auditors of the Company have been requested by the management of the Company having its registered office at the above mentioned address to certify the statement of tax benefits to the Company and its Shareholders under the provisions of the Income Tax Act, 1961, presently in force in India, subject to the fact that several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which is based on the business imperative, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company. This statement is only intended to provide general information and to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ their own tax consultant with respect to the tax implications of an investment in the equity 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 on the benefits, which an investor can avail. Further, we have also incorporated the amendments brought out by the Finance Act, 2015 where applicable. We do not express any opinion or provide any assurance as to whether:

i. The Company or its shareholders will continue to obtain these benefits in future; or

ii. The conditions prescribed for availing of these benefits have been/ would be met with.

The contents of this Annexure are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and interpretations of the current tax laws. Our views are based on the existing provisions of law and its interpretations, which are subject to change from time to time. We do not assume responsibility to up-date the views of such changes.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed

Initial Public Offering of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For M/s Ashok Kanther & Associates
Chartered Accountants
Firm Registration No. 050014C

CA Ashok Kanther
Partner
Membership No. 043571

Date: June 06, 2016
Place: Bhilwara

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

Outlined below are the possible tax benefits available to the Company and its shareholders under the direct tax laws in force in India (*i.e.* applicable for the Financial Year 2015-16 relevant to the Assessment Year 2016-17). These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the possible tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfill.

I. Benefits available to the Company under the Income Tax Act, 1961

(i) Special Tax Benefits

There are no special tax benefits available to the Company

(ii) General Tax Benefits

The Income Tax Act, 1961 presently in force in India, make available the following general tax benefits to companies and to their shareholders. Several of these benefits are dependent on the companies or their shareholders fulfilling the conditions prescribed under the relevant provisions of the statute.

The Company will be entitled to deduction under the sections mentioned hereunder from its total income chargeable to Income Tax.

(a) Business Income

1. The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Income Tax Act, 1961.

2. Business losses, if any, for an assessment year can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

3. As per the provisions of section 32(1)(iia) of the Act, The company is entitled to claim additional depreciation of 20% of the actual cost of any new machinery or plant which has been acquired and installed after 31st March, 2005 subject to fulfilment of conditions prescribed therein.

4. As per provisions of Section 35 (1) (ii) and (iii) of the Act, in respect of any sum paid to a scientific research association which has as its object the undertaking of scientific research, or to any approved university, College or other institution to be used for scientific research or for research in social sciences or statistical scientific research to the extent of a sum equal to one and one fourth times the sum so paid. Under Section 35 (1) (iia) of the Act, any sum paid to a company, which is registered in India and which has as its main object the scientific research and development, and being approved by the prescribed authority and such other conditions as may be prescribed, shall also qualify for a deduction of one and three fourth times the amount so paid.

5. As per provisions of Section 35(2AA) of the Act, any contribution made Notified Institutions i.e. National Laboratory, University, Indian Institute of Technology, specified persons as approved by the prescribed authority, is available to the extent of two times of such payment made.

6. As per the provisions of Section 35D of the Act, any specified preliminary expenditure incurred, after 31 March 1998 by an Indian company before the commencement of its business or after commencement of its business, in connection with the extension of an undertaking or setting up a new unit, shall be allowed a deduction of an amount equivalent to one-fifth of such expenditure for each of the five successive financial years beginning with the financial year in which the extension of the undertaking is completed or the new unit commences production or operation. However, any expenditure in excess of 5% of the cost of the project or the capital employed in the business of the Company, shall be ignored for the purpose of computing the deduction allowable under section 35D of the Act.

7. As per the provisions of Section 35DD of the Act, any expenditure incurred by an Indian Company, on or after 1 April 1999, wholly and exclusively for the purpose of amalgamation or demerger of an undertaking, shall be allowed a deduction of an amount equal to one-fifth of such expenditure for each of five successive financial years beginning with the financial year in which the amalgamation or demerger takes place.

8. As per the provisions of Section 35DDA of the Act, if a Company incurs any expenditure in any financial year by way of payment of any sum to an employee in connection with his voluntary retirement, in accordance with any scheme or schemes of voluntary retirement, the Company would be eligible to claim a deduction for one-fifth of the amount so paid in computing the profits and gains of the business for that financial year, and the balance shall be deducted in equal installments for each of the four immediately succeeding financial years.

9. As per the provisions of Section 35CCD of the Act, if a Company incurs any expenditure (not being in the nature of cost of any land or building) on any skill development project notified by the Central Board of Direct Taxes in this behalf in accordance with the guidelines as may be prescribed, then, the Company shall be allowed a deduction of sum equal to one and one-half times of such expenditure.

10. As per the newly inserted explanation to Section 37 of the Act, any expenditure incurred by the Company on the activities relating to corporate social responsibility ('CSR') referred to in section 135 of the Companies Act, 2013 shall not be deemed to be an expenditure incurred by the Company for the purpose of the business or profession. However, CSR expenditure which is of the nature described in provisions of section 30 to section 36 of the Act shall be allowed as deduction under respective sections, subject to fulfilment of conditions, if any, specified therein.

11. As per the provisions of Section 72(1) of the Act, if the net result of the computation of income from business is a loss to the Company, not being a loss sustained in a speculation business, such loss can be set off against any other income and the balance loss, if any, can be carried forward for eight consecutive assessment years immediately succeeding the assessment year for which the loss was first computed and shall be set off against business income.

12. As per the provisions of Section 72A of the Act, pursuant to business re-organizations, such as amalgamation, demerger, etc., the successor company shall be allowed to carry forward any accumulated tax losses/ unabsorbed depreciation of the predecessor company subject to fulfilment of prescribed conditions.

(b) MAT Credit

1. The amount of tax paid under section 115JB by the Company for any assessment year beginning on or after 1st April, 2006 will be available as credit to the extent specified in section 115JAA against normal income-tax payable in subsequent assessment years.

   Minimum Alternative Tax as follows:-

Book Profit	A.Y. 2016-17

	Tax	Surcharge	Cess
If Book Profits are less than or equal to 1 Cr	18.5%	--	3%
If Book Profits are Greater than 1 Crore but do not exceed 10 Crore	18.5%	7%	3%
If Book Profits are Greater than to 10 Crore	18.5%	12%	3%

2. In accordance with the provisions of Section 115JAA, from Assessment Year 2010-11 the MAT credit is available for ten years succeeding the Assessment Year in which MAT credit becomes allowable.

3. MAT credit shall be allowed for any Assessment Year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year.

(c) Capital Gains

(i) Computation of Capital Gains

1. Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as long – term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets and twenty four months in case of capital assets being shares of an unlisted company.

2. Short Term Capital Gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.

3. In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less and twenty four months in case of capital assets being shares of an unlisted company.

4. Capital assets, being security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short–term capital asset. In respect of any other capital assets, the holding period should not exceed twenty four months to be considered as short– term capital assets.

5. Therefore, capital asset being unlisted share or unit of mutual fund (other than an equity oriented mutual fund) shall be short-term capital asset if it is held for not more than twenty four months.

6. LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of business trust as defined in section 2(13A), is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.

7. Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.

8. As per the provisions of Section 48 of the Act, Long term Capital Gain arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

9. As per the provisions of section 111A, short term capital gains arising from the transfer of equity shares in any company or units of an equity oriented mutual fund transacted through a recognized stock exchange shall be subject to tax @ 15% provided such a transaction is entered in after the 1st day of Oct, 2004 and transaction is subject to security transaction tax. Further, short term capital gains as computed above that are not liable to STT would be subject to tax at a rate of 30% (plus applicable surcharge plus education cess plus higher education cess) in case of a company. No deduction under Chapter VIA is allowed from such income.

10. As per the provisions of section 112 of the Act, long-term capital gains to the extent not exempt under Section 10(38) of the Act would be subject to tax at the rate of 20% (plus applicable surcharge plus education cess plus higher education cess with indexation benefits. However, as per the proviso to Section 112 of the Act, if the tax on long-term capital gains is resulting from transfer of listed securities or units or zero coupon bonds, then long term capital gain will be chargeable to tax at the rate lower of the following: - a. 20% (plus applicable surcharge plus education cess plus higher education cess of the capital gains as computed after indexation of the cost; or b. 10% (plus applicable surcharge plus education cess plus higher education cess) of the capital gains as computed without indexation. However, Finance Act, 2014 has amended the provisions of section 112 allowing the concessional rate of tax of ten per cent on long term capital gain to listed securities (other than unit) and zero coupon bonds.

11. The tax rates mentioned above stands increased by applicable surcharge, education cess and higher education cess on the total income.

12. As per Section 50 of the Act, where a capital asset is forming part of a block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:

a. where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short term capital gains and taxed accordingly.

b. where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short term capital gains/ (losses) and taxed accordingly.

13. As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.

14. As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income-tax

1. As per the provisions of section 54D of the Act and subject to the conditions to the extent specified therein, capital gains arising on compulsory acquisition of land & building or any right therein used by an industrial undertaking, will be

exempt from tax if the capital gains are invested in ―land, building, or any right therein within 3 years from the date of compulsory acquisition for the purpose of shifting / re-establishing/ setting up another industrial undertaking‖ subject to lower of Capital Gain or the Cost of acquisition of new land and building.

2. In accordance with and subject to the conditions and to the extent specified in section 54EC of the Act, the company would be entitled to exemption from tax on gains arising from transfer of the long term capital asset (not covered by section 10(36) and 10(38)) if such capital gain is invested within a period of six months from the date of transfer in bonds redeemable after three years and issued by:-

a. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and

b. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.

The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 during any financial year as well as capital gain arising from transfer of one or more original assets.

Where the long term specified assets is transferred or converted into money at any time with in a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the long term specified assets is transferred or converted into money.

(d) Securities Transaction Tax (STT)

As per the provisions of Section 36 (1) (xv) of the Act, the amount of Securities Transaction Tax paid by an assessee in respect of taxable securities transactions offered to tax as "Profits and gains of Business or profession" shall be allowable as a deduction against such Business Income. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

(e) Dividends

1. U/s 10(34) read with section 115-O of the Act, dividend income (whether interim or final) in the hands of the company as distributed or paid by any other domestic on or after April 1, 2004 is completely exempt from tax in the hands of the company.

2. The domestic company distributing dividends will be liable to pay dividend distribution tax at the applicable rate on net basis on the amount of dividend payable applicable surcharge and education cess and secondary and higher education cess on the amount of dividend distribution tax and surcharge thereon)

3. Further w.e.f 1st October 2014, Finance Act 2014, has amended section 115-O in order to provide that for the purpose of determining the tax on distributed profits payable in accordance with the section 115-O, any amount which is declared, distributed or paid by any domestic Company out of current or accumulated profit on or after 1 April 2003 is to be reduced by any amount of dividend as received by the company from its subsidiary or from foreign companies during the financial year, shall be increased to such amount as would, after reduction of the tax on such increased amount at the rate of 15%, be equal to the net distributed profits.

4. Therefore, the amount of distributable income and the dividends which are actually received by the unit holder of mutual fund or shareholders of the domestic company need to be grossed up for the purpose of computing the additional tax.

5. Further, if the company being a holding company, has received any dividend from its subsidiary on which dividend distribution tax has been paid by such subsidiary, then company will not be required to pay dividend distribution tax to the extent the same has been paid by such subsidiary company.

6. As per section 10(35) of the Act, the following income will be exempt from tax in the hands of the Company:

(i) Income received in respect of the units of a Mutual Fund specified under section 10(23D) (other than income arising from transfer of such units); or
(ii) Income received in respect of units from the Administrator of the specified undertaking; or
(iii) Income received in respect of units from the specified company:

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified company or of a mutual fund, as the case may be.

For this purpose (i) ―Administrator‖ means the Administrator as referred to in section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) ―Specified Company‖ means a company as referred to in section 2(h) of the said Act.

7. As per the provisions of section 115BBD of the Act, dividend Received by an Indian company from a Specified Foreign Company (in which it has shareholding of 26% or more) would be taxable at the Concessional rate of 15% on gross basis (excluding surcharge and Education cess).

8. For removing the cascading effect of dividend distribution tax, while computing the amount of dividend distribution tax payable. By a domestic company, the dividend received from a foreign Subsidiary on which income-tax has been paid by the Domestic Company under section 115BBD of the Act shall be reduced.
9. As per Section 80JJAA, where the gross total income of an assessee includes any profit and gain derived from manufacture of goods in a factory, there shall, subject to the condition specified in subsection (2), be allowed a deduction of an amount equal to thirty per cent of additional wages paid to the new regular workmen employed by the assessee in such factory, in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment in provided.

(f) Tax Treaty Benefits

As per the provisions of section 90, for taxes on income paid in Foreign Countries with which India has entered into Double Taxation Avoidance Agreements (Tax Treaties from projects/activities undertaken thereat), the Company will be entitled to the deduction from the India Income-tax of a sum calculated on such doubly taxed income to the extent of taxes paid in Foreign Countries. Further, the company as a tax resident of India would be entitled to the benefits of such Tax Treaties in respect of income derived by it in foreign countries. In such cases the provisions of the Income tax Act shall apply to the extent they are more beneficial to the company. Section 91 provides for unilateral relief in respect of taxes paid in foreign countries

(g) Buy Back of Shares

As per section 115QA of the Act, an Indian unlisted company will have to pay 20% tax on distributed income on buyback of shares. Distributed income has been defined to mean consideration paid by the Indian unlisted company for purchase of its own shares as reduced by the amount which was received by the Indian unlisted company at the time of issue of such shares. The said provision has come into effect from 1 June 2013.

(h) Other Provisions

1. As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of a specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.

2. As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

II. Benefits available to Resident Shareholders under the Income Tax Act, 1961

(i) Special Tax Benefits

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

(ii) General Tax Benefits

- **Business Income**

As per the provisions of Section 36 (1) (xv) of the Act, the amount of Securities Transaction Tax paid by an assessee in respect of taxable securities transactions offered to tax as "Profits and gains of Business or profession" shall be allowable as a deduction against such Business Income.

- **Dividends**

As per the provisions of section 10(34) read with section 115-O of the Act, dividend (whether interim or final) declared, distributed or paid by the domestic company on or after 1st April, 2004 is completely exempt from tax. However, as per Section 94(7) of the Act, losses arising from purchase and sale of securities or units, where such securities or units are bought or acquired within a period of three months prior to the record date and such securities or units are sold or transferred within three or nine months respectively from the record date, will be disallowed to the extent of the amount of dividend claimed as exempt.

- **Capital Gains**

(i) Computation of Capital Gains

1. Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as long – term capital gains (_LTCG‘). In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets and twenty four months in case of capital assets being shares of an unlisted company.

2. Short Term Capital Gains (_STCG‘) means capital gains arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.

3. In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less and twenty four months in case of capital assets being shares of an unlisted company..

4. Finance Act, 2014 has amended section 2(42A) of the Act whereby capital assets, being security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short–term capital asset. In respect of any other capital assets, the holding period should not exceed thirty – six months to be considered as short–term capital assets and twenty four months in case of capital assets being shares of an unlisted company.

5. Therefore, capital asset being unlisted share or unit of mutual fund (other than an equity oriented mutual fund) shall be short-term capital asset if it is held for not more than Twenty four months.

6. LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of business trust as defined in section 2(13A), is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.

7. The Finance Act 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, the same would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an intial public offer and the LTCG arising on transfer of such shares would be exempt from tax as per provisions of Section 10(38) of the Act. However, in case the shareholder is a Company, income by way of long term capital gain shall not be reduced in computing the book profits for the purposes of computation of minimum alternate tax ("MAT") under section 115JB of the I.T. Act.

8. As per the provisions of Section 48 of the Act, Long term Capital Gain arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

9. As per the provisions of section 111A, short term capital gains arising from the transfer of equity shares in any company or units of an equity oriented mutual fund transacted through a recognized stock exchange shall be subject to tax @ 15% provided such a transaction is entered in after the 1st day of Oct, 2004 and transaction is subject to security transaction tax. Further, short term capital gains as computed above that are not liable to STT would be subject to tax at a rate applicable to the assessee (plus applicable surcharge plus education cess plus higher education cess). No deduction under Chapter VIA is allowed from such income.

10. As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.

11. The tax rates mentioned above stands increased by applicable surcharge, education cess and higher education cess on the total income.

12. As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.

13. As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income-tax

1. In accordance with and subject to the conditions and to the extent specified in section 54EC of the act, the company would be entitled to exemption from tax on gains arising from transfer of the long term capital asset (not covered by section 10(36) and 10(38)) if such capital gain is invested within a period of six months from the date of transfer in bonds redeemable after three years and issued by:-

(a) National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and

(b) Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.

The maximum investment in the specified long term asset cannot exceed Rs 5,000,000 during any financial year as well as capital gain arising from transfer of one or more original assets. Where the long term specified assets is transferred or converted into money at any time with in a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the long term specified assets is transferred or converted into money.

2. In addition to the same, some benefits are also available to a resident shareholder being an individual or HUF.

3. As per the provisions of section 54F of the Act and subject to the conditions specified therein, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family will be exempt from tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years from the date of transfer.

4. As per provisions of Section 56(2)(vii) of the Income Tax Act and subject to exception provided in second proviso therein, where an individual or a HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value (as defined) of the shares and securities by an amount exceeding Rs. 50,000, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head ―income from other sources‖. However, the said section is not applicable in case the shares and securities are received from the specified persons referred in the proviso to said section.

5. No income tax is deductible at source from income by way of capital gains under the present provisions of the Act in case of residents.

- **Buy Back of Shares**

As per the Finance Act 2013, any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

- **Other Provisions**

1. As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

2. The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
3. Under Section 10(32) of the Act, any income of minor children clubbed in the total income of the parent under section 64(1A) of the Act will be exempted from tax to the extent of Rs.1,500/- per minor child.

III. Tax Benefits available to the Non-Resident Indian Shareholders

1. Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961. Income, if any, received on units of a Mutual Funds specified under Section 10(23D) of the Income Tax Act, 1961 will also be exempt from tax under Section 10(35) of the Income Tax Act, 1961, received on the shares of the Company is exempt from tax.

2. As per section 10(38) of the Act, long-term capital gains arising to the shareholders from the transfer of a long-term capital asset being an equity share in the Company, where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the shareholder.

3. Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.

4. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long-term specified asset" within a period of 6 months after the date of such transfer. If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. Provided that the investment made in the long-term specified asset during any financial year does not exceed Fifty Lac rupees. Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

   A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April

   2006:

   a. by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or

   b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, and notified by the Central Government in the Official Gazette for the purposes of this section.

5. Under Section 54F of the Income Tax Act, 1961 and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the Income Tax Act, 1961) arising to an individual or a Hindu Undivided Family („HUF") on transfer of shares of the Company will be exempt from capital gains tax subject to

certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of a residential house property within a period of 3 years after the date of such transfer.

6. Under Section 111A of the Income Tax Act, 1961 and other relevant provisions of the Income Tax Act, 1961, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge plus education cess plus secondary and higher education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT. Short-term capital gains arising from transfer of shares in a company, other than those covered by Section 111A of the Income Tax Act, 1961, would be subject to tax as calculated under the normal provisions of the Income Tax Act, 1961.

7. Under section 115-C (e) of the Act, the Non-Resident Indian shareholder has an option to be governed by the provisions of Chapter XIIA of the Act viz. "Special Provisions Relating to Certain Incomes of Non-Residents" which are as follows:

   i) As per provisions of section 115D read with section 115E of the Act, where shares in the Company are acquired or subscribed to in convertible foreign exchange by a Non-Resident Indian, capital gains arising to the nonresident on transfer of shares held for a period exceeding 12 months, shall (in cases not covered under section 10(38) of the Act) be concessionally taxed at the flat rate of 10% (plus applicable surcharge plus education cess plus secondary and higher education cess) (without indexation benefit but with protection against foreign exchange fluctuation).

   ii) As per section 115F of the Act, long-term capital gains (in cases not covered under section 10(38) of the Act) arising to a Non-Resident Indian from the transfer of shares of the company subscribed to in convertible foreign exchange shall be exempt from income tax, if the net consideration is reinvested in specified assets within six months from the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

   iii) As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long-term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

   iv) As per section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for the assessment year in which he is first assessable as a Resident, under section 139 of the Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

   v) As per section 115-I of the Act, a Non-Resident Indian may elect not to be governed by the provision of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XIIA shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance the other provisions of the Act.

8. The tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they

are more beneficial to the non-resident.

IV. Tax Benefits available to the Foreign Institutional Investors ("FIIs")

1. Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961. Income, if any, received on units of a Mutual Funds specified under Section 10(23D) of the Income Tax Act, 1961 will also be exempt from tax under Section 10(35) of the Income Tax Act, 1961 received on the shares of the Company is exempt from tax.

2. As per section 10(38) of the Act, long-term capital gains arising to the FIIs from the transfer of a long-term capital asset being an equity share in the Company or a unit of equity oriented fund where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the FIIs.

3. As per section 115AD of the Act, FIIs will be taxed on the capital gains that are not exempt under the section 10(38) of the Act at the following rates:

Nature of Income	Rate of Tax (%)
Long-Term Capital Gain	10
Short-Term Capital Gain (Referred to Section 111A)	15
Short-Term Capital Gain (other than under section 111A)	30

The above tax rates have to be increased by the applicable surcharge, education cess, and secondary and higher education cess.

4. In case of long-term capital gains, (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.

5. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long-term specified asset" within a period of 6 months after the date of such transfer. If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. Provided that the investment made in the long-term specified asset during any financial year does not exceed Fifty Lac rupees. Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

   A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

   a. by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or

   b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, and notified by the Central Government in the Official Gazette for the purposes of this section.

6. The tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.

7. However, where the equity shares form a part of its stock-in-trade, any income realized in the disposition of such equity shares may be treated as business profits, taxable in accordance with the DTAA between India and the country of tax residence of the FII. The nature of the equity shares held by the FII is usually determined on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases, sales and the ratio between purchases and sales and the holding etc. If the income realized from the disposition of equity shares is chargeable to tax in India as business income, FII‟s could claim, STT paid on purchase/sale of equity shares as allowable business expenditure. Business profits may be subject to applicable Tax Laws.

V. Tax Benefits Available To Mutual Funds

As per Section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India would be exempt from income tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

VI. Tax Benefits Available To Venture Capital Companies/Funds

Under Section 10(23FB) of the Income Tax Act, 1961, any income of Venture Capital company / funds (set up to raise funds for investment in venture capital undertaking notified in this behalf) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. As per Section 115U of the Income Tax Act, 1961, any income derived by a person from his investment in venture capital companies / funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.

Benefits available under the Gift Tax Act: Gift tax is not leviable in respect of any gifts made on or after 1st October 1998. Therefore, any gift of shares of the Company will not attract gift tax in the hands of the donor.

Tax Treaty Benefits

An investor has an option to be governed by the provisions of the Income Tax Act, 1961 or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial.

NOTES:

1. All the above possible benefits are as per the current tax laws as amended by the Finance Act, 2015.
2. All the above possible benefits are as per the current tax laws and will be available only to the sole / first named holder in case the shares are held by joint holder.
3. In respect of non-residents, tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the double taxation avoidance agreements, if any, between India and the country in which the non-residential has fiscal domicile.
4. In the above statement only basic tax rates have been enumerated and the same is subject to applicable surcharge plus education cess plus higher education cess, wherever applicable.

5. The above Statement of Possible Direct Tax Benefits sets out the provisions of law 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 equity shares.
6. In view of the individual nature of tax consequence, each investor is advised to consult his/her /its own tax advisor with respect of specific tax consequence of his / her / its participation in the scheme. The share holder is also advised to consider in his / her / its own case, the tax implication of an investment in equity Shares, particularly in view of the fact that certain recently enacted legislation may not have direct legal precedent or may have a different interpretation on the benefits which investor can avail.

SECTION IV – ABOUT THE ISSUER COMPANY

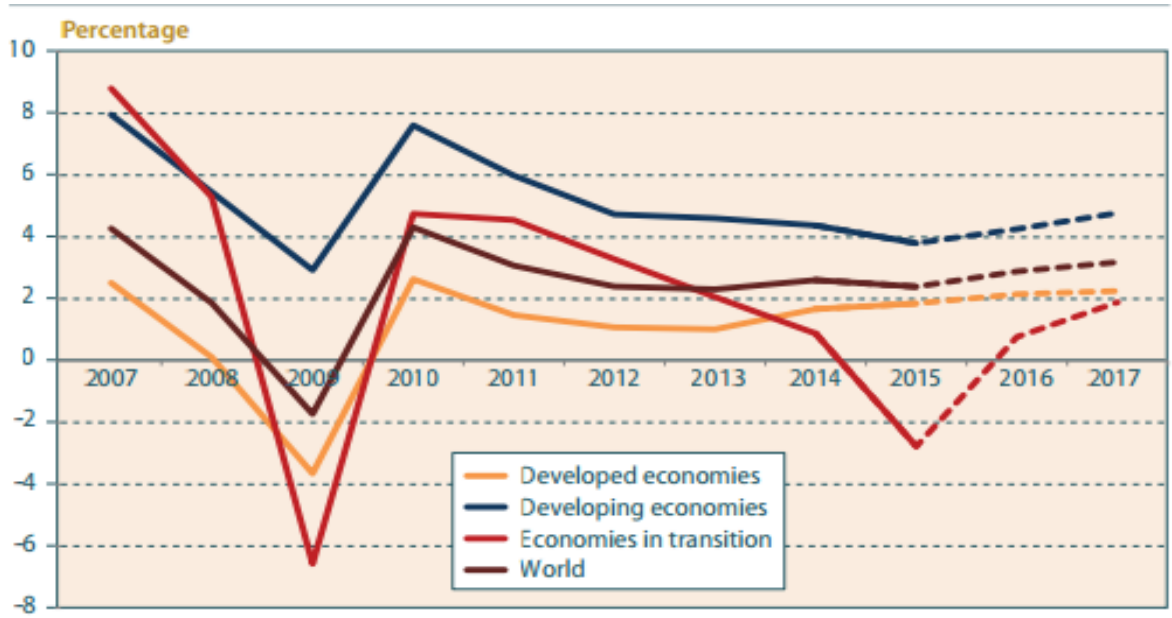
INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. None of the Company and any other person connected with the Offer have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on this information.

Global economic outlook

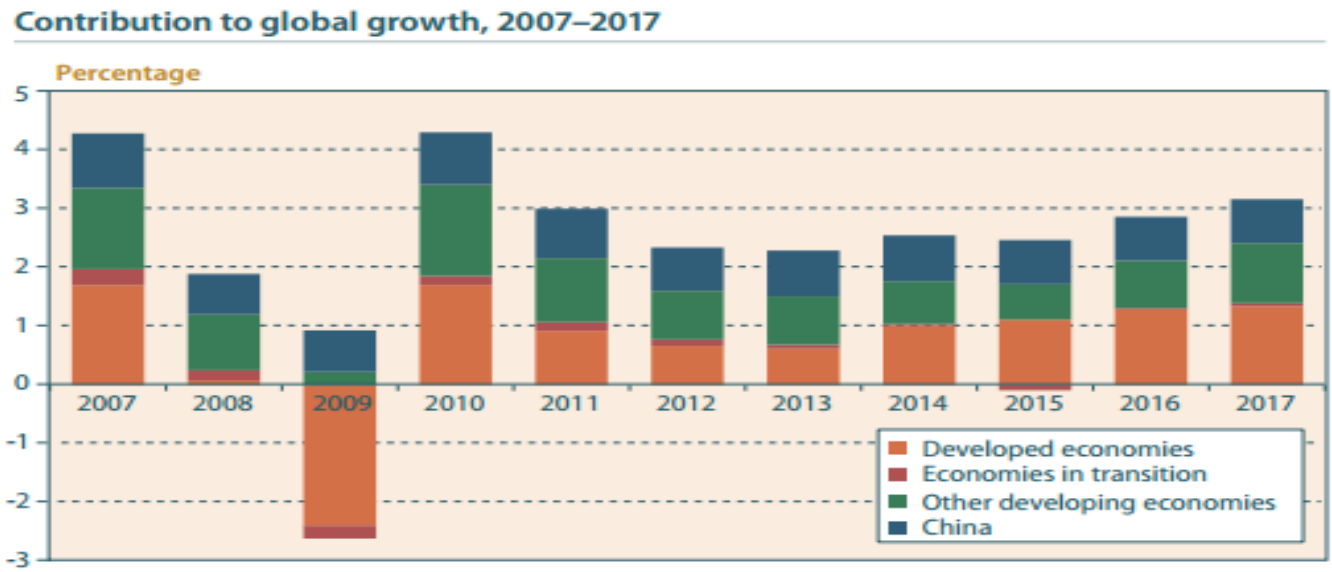
The world economy stumbled in 2015, amid weak aggregate demand, falling commodity prices and increasing financial market volatility in major economies. The world gross product is projected to grow by a mere 2.4 per cent in 2015, marking a downward revision from the 2.8 per cent forecast in the World Economic Situation and Prospects as of mid-2015. The growth rates of gross fixed capital formation and aggregate demand continue to remain subdued. The world economy is projected to grow by 2.9 per cent in 2016 and 3.2 per cent in 2017, supported by generally less restrictive fiscal and still accommodative monetary stances worldwide. The anticipated timing and pace of normalization of the United States monetary policy stance is expected to reduce policy uncertainties, while preventing excessive volatility in exchange rates and asset prices. While the normalization will eventually lead to higher borrowing costs, rising interest rates should encourage firms to front-load investments in the short run. The improvement in global growth is also predicated on easing of downward pressures on commodity prices, which should encourage new investments and lift growth, particularly in commodity dependent economies.

Growth of world gross product and gross domestic product by country grouping, 2007–2017



Since the onset of the global financial crisis, developing countries generated much of the global output growth as per below chart. China, in particular, became the locomotive of global growth, contributing nearly one third of world output growth during 2011-2012. As the largest trading nation, China sustained the global growth momentum during the post-crisis period, maintaining strong demand for commodities and boosting export growth in the rest of the world. With a much anticipated slowdown in China and persistently weak economic performances in other large developing and transition economies—

notably Brazil and the Russian Federation—the developed economies are expected to contribute more to global growth in the near term, provided they manage to mitigate deflationary risks and stimulate investment and aggregate demand. On the other hand, bottoming-out of the commodity price decline, which will contribute to reducing volatility in capital flows and exchange rates, will help reduce macroeconomic uncertainties and stimulate growth in a number of developing and emerging economies, including in the least developed countries (LDCs). Developing countries are expected to grow by 4.3 per cent and 4.8 per cent in 2016 and 2017, respectively.



(Source - http://www.un.org/en/development/desa/policy/wesp/wesp_current/2016wesp_ch1_en.pdf)

Recent Developments:-

In 2015, global economic activity remained subdued. Growth in emerging market and developing economies—while still accounting for over 70 percent of global growth—declined for the fifth consecutive year, while a modest recovery continued in advanced economies. Three key transitions continue to influence the global outlook: (1) the gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing toward consumption and services, (2) lower prices for energy and other commodities, and (3) a gradual tightening in monetary policy in the United States in the context of a resilient U.S. recovery as several other major advanced economy central banks continue to ease monetary policy.

Overall growth in China is evolving broadly as envisaged, but with a faster-than-expected slowdown in imports and exports, in part reflecting weaker investment and manufacturing activity. These developments, together with market concerns about the future performance of the Chinese economy, are having spillovers to other economies through trade channels and weaker commodity prices, as well as through diminishing confidence and increasing volatility in financial markets. Manufacturing activity and trade remain weak globally, reflecting not only developments in China, but also subdued global demand and investment more broadly—notably a decline in investment in extractive industries. In addition, the dramatic decline in imports in a number of emerging market and developing economies in economic distress is also weighing heavily on global trade.

Oil prices have declined markedly since September 2015, reflecting expectations of sustained increases in production by Organization of the Petroleum Exporting Countries (OPEC) members amid continued global oil production in excess of oil consumption.[1] Futures markets are currently suggesting only modest increases in prices in 2016 and 2017. Prices of other commodities, especially metals, have fallen as well.

Lower oil prices strain the fiscal positions of fuel exporters and weigh on their growth prospects, while supporting household demand and lowering business energy costs in importers, especially in advanced economies, where price declines are fully passed on to end users. Though a decline in oil prices driven by higher oil supply should support global demand given a higher propensity to spend in oil importers relative to oil exporters, in current circumstances several factors have dampened

the positive impact of lower oil prices. First and foremost, financial strains in many oil exporters reduce their ability to smooth the shock, entailing a sizable reduction in their domestic demand. The oil price decline has had a notable impact on investment in oil and gas extraction, also subtracting from global aggregate demand. Finally, the pickup in consumption in oil importers has so far been somewhat weaker than evidence from past episodes of oil price declines would have suggested, possibly reflecting continued deleveraging in some of these economies. Limited pass-through of price declines to consumers may also have been a factor in several emerging market and developing economies.

Monetary easing in the euro area and Japan is proceeding broadly as previously envisaged, while in December 2015 the U.S. Federal Reserve lifted the federal funds rate from the zero lower bound. Overall, financial conditions within advanced economies remain very accommodative. Prospects of a gradual increase in policy interest rates in the United States as well as bouts of financial volatility amid concerns about emerging market growth prospects have contributed to tighter external financial conditions, declining capital flows, and further currency depreciations in many emerging market economies.

Headline inflation has broadly moved sideways in most countries, but with renewed declines in commodity prices and weakness in global manufacturing weighing on traded goods' prices it is likely to soften again. Core inflation rates remain well below inflation objectives in advanced economies. Mixed inflation developments in emerging market economies reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

(Source - http://www.imf.org/external/pubs/ft/weo/2016/update/01/)

Indian Economy Overview

Introduction:-

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

Market size:-

According to IMF World Economic Outlook Update (January 2016), Indian economy is expected to grow at 7-7.75 per cent during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will growing by more than seven per cent for the third successive year 2016-17 and can start growing at eight per cent or more in next two years.

Foreign direct investment (FDI) in India have increased by 29 per cent during October 2014-December 2015 period post the launch of Make in India campaign, compared to the 15-month period before the launch.

The Nikkei/Markit Manufacturing Purchasing Managers' Index (PMI) for February 2016 was reported at 51.1, indicating expansion in Indian manufacturing activity for a second month in a row, as both domestic and foreign demand increased due to lower prices.

The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices 2015-16 is Rs 113.5 trillion (US$ 1.668 trillion), as against Rs 105.5 trillion (US$ 1.55 trillion) in 2014-15, registering a growth rate of 7.6 per cent. The economic activities which witnessed significant growth were 'financing, insurance, real estate and business services' at 11.5 per cent and 'trade, hotels, transport, communication services' at 10.7 per cent.

According to a Goldman Sachs report released in September 2015, India could grow at a potential 8 per cent on average during from fiscal 2016 to 2020 powered by greater access to banking, technology adoption, urbanisation and other structural reforms.

Recent Developments:-

With the improvement in the economic scenario, there have been various investments leading to increased M&A activity. Some of them are as follows:

India has emerged as one of the strongest performers with respect to deals across the world in terms of Aergers and Acquisitions (M&A). The total transaction value of M&A involving Indian companies stood at US$ 26.3 billion with 930 deals in 2015 as against US$ 29.4 billion involving 870 deals in 2014.In the M&A space, Telecom was the dominant sector, amounting to 40 per cent of the total transaction value. Also, Private equity (PE) investments increased 86 per cent y-o-y to US$ 1.43 billion.

Total private equity (PE) investments in India for 2015 reached a record high of US$ 19.5 billion through 159 deals, according to the PwC MoneyTree India report.

According to The World Bank, India's per capita income is expected to cross Rs 100,000 (US$ 1,505.4) in FY 2017 from Rs 93,231 (US$ 1,403.5) in FY 2016.

Government Initiatives:-

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy. This initiative is expected to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy. Finance Minister MrArunJaitley stated that the government is looking at a number of reforms and resolution of pending tax disputes to attract investments.

Currently, the manufacturing sector in India contributes over 15 per cent of the GDP. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP. Following the government's initiatives several plans for investment have been undertaken which are as follows:

- The Union Cabinet has approved the introduction of several short term (within one year) and medium term measures (within two years) to be implemented by government ministries, departments and organisations for promotion of payments through cards and digital means, and to reduce cash transactions.

- Government of India has prioritised sustainability as the key aspect of India's development. To achieve this, the government aims to encourage education, skill development, digital connectivity and entrepreneurship in a sustainable manner.

- Prime Minister Mr Narendra Modi announced at the International Monetary Fund (IMF) conference on 'Advancing Asia: Investing for the Future' in New Delhi that the government will continue to bring in new reforms for transforming economy without resorting to undervaluing its exchange rate to boost trade.

- The Government of India plans to build five new railway links with Nepal, which will boost India's economic links with its neighbouring country and promote growth, employment and prosperity in the region.

- India has signed a loan agreement worth US$ 35 million with the World Bank for Madhya Pradesh Citizen Access to Responsive Services Project which aims to improve access and quality of public services in Madhya Pradesh through implementation of the 2010 Public Service Delivery Guarantee Act.

- The Cabinet Committee of Economic Affairs (CCEA) has approved the allocation of coal linkages for non-regulated sectors such as cement, steel, sponge iron, aluminium and others, through the route of e-auction to be conducted in April 2016, which is expected to bring in transparency in allotment process and ensure all market participants have a fair opportunity to secure coal for their operations.

- Government of India plans to create a National Investment Grid to map business opportunities across the country which will make it easier for investors, especially domestic investors, to access and explore investment opportunities.

- Prime Minister, Mr Narendra Modi, launched the Start-up India initiative and unveiled the Start-up Action Plan which includes creation of a dedicated Start-up fund worth Rs 10,000 crore (US$ 1.47 billion) apart from other incentives like no tax on profits for first three years and relaxed labour laws.

- British telecom giant Vodafone, India's second largest telecom operator, plans to invest over Rs 13,000 crore (US$ 1.91 billion) in India, to upgrade and expand its network and also for its payments bank operations.

- Chinese smartphone handset maker, Vivo, has set up an assembly unit in India at Greater Noida which will initially manufacture 150,000 smartphone units a month, to produce three smartphone models, namely Y11, Y21 and Y15S.

- Foxconn Technology group, Taiwan's electronics manufacturer, is planning to manufacture Apple iPhones in India. Besides, Foxconn aims to establish 10-12 facilities in India including data centers and factories by 2020.

- US-based First Solar Inc and China's Trina Solar have plans to set up manufacturing facilities in India. Clean energy investments in India increased to US$ 7.9 billion in 2014, helping the country maintain its position as the seventh largest clean energy investor in the world.

- Hyderabad is set to become the mobile phone manufacturing hub in India and is expected to create 150,000 – 200,000 jobs. Besides, the Telangana Government aims to double IT exports to Rs 1.2 trillion (US$ 17.61 billion) by 2019.

- General Motors plans to invest US$1 billion in India by 2020, mainly to increase the capacity at the Talegaon plant in Maharashtra from 130,000 units a year to 220,000 by 2025.

- Hyundai Heavy Industries (HHI) and Hindustan Shipyard Ltd have joined hands to build warships in India. Besides, Samsung Heavy Industries and Kochi Shipyard will be making Liquefied Natural Gas (LNG) tankers.

Under the Digital India initiative numerous steps have been taken by the Government of India. Some of them are as follows:

- The Government of India has launched a digital employment exchange which will allow the industrial enterprises to find suitable workers and the job-seekers to find employment. The core purpose of the initiative is to strengthen the communication between the stakeholders and to improve the efficiencies in service delivery in the MSME ministry. According to officials at the MSME ministry over 200,000 people have so far registered on the website.

- The Ministry of Human Resource Development recently launched KendriyaVidyalayaSangthan's (KVS) e-initiative 'KV ShaalaDarpan' aimed at providing information about students electronically on a single platform. The program is a step towards realising Digital India and will depict good governance.
- The Government of India announced that all the major tourist spots like Sarnath, Bodhgaya and Taj Mahal will have a Wi-Fi facility as part of digital India initiative. Besides, the Government has started providing free Wi-Fi service at Varanasi ghats.

Based on the recommendations of the Foreign Investment Promotion Board (FIPB), FDI inflows have increased 40 per cent during April-December 2015 to reach US$ 29.44 billion.

The Government of India has launched an initiative to create 100 smart cities as well as Atal Mission for Rejuvenation and Urban Transformation (AMRUT) for 500 cities with an outlay of Rs 48,000 crore (US$ 7.47 billion) and Rs 50,000 crore

(US$ 7.34 billion) crore respectively. Smart cities are satellite towns of larger cities which will consist of modern infrastructure and will be digitally connected. The program was formally launched on June 25, 2015. The Phase I for Smart City Kochi (SCK) will be built on a total area of 650,000 sq. ft., having a floor space greater than 100,000 sq. ft. Besides, it will also generate a total of 6,000 direct jobs in the IT sector.

Road Ahead

The International Monetary Fund (IMF) and the Moody's Investors Service have forecasted that India will witness a GDP growth rate of 7.5 per cent in 2016, due to improved investor confidence, lower food prices and better policy reforms. Besides, according to mid-year update of United Nations World Economic Situation and Prospects, India is expected to grow at 7.6 per cent in 2015 and at 7.7 per cent in 2016.

As per the latest Global Economic Prospects (GEP) report by World Bank, India is leading The World Bank's growth chart for major economies. The Bank believes India to become the fastest growing major economy by 2015, growing at 7.5 per cent.

According to Mr. Jayant Sinha, Minister of State for Finance, Indian economy would continue to grow at 7 to 9 per cent and would double in size to US$ 4–5 trillion in a decade, becoming the third largest economy in absolute terms. Furthermore, initiatives like Make in India and Digital India will play a vital role in the driving the Indian economy.

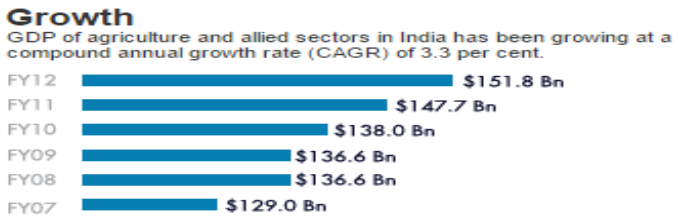
(Source - http://www.ibef.org/economy/indian-economy-overview)

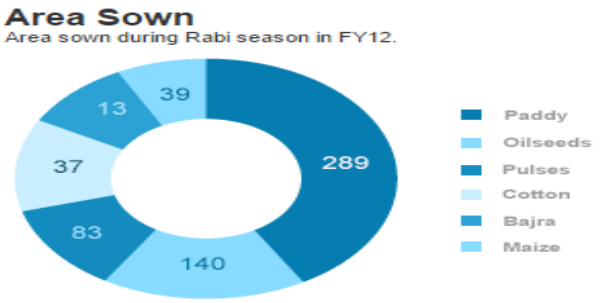
INDIAN AGRICULTURE INDUSTRY

Agriculture plays a vital role in India's economy. Over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, is one of the largest contributors to the Gross Domestic Product (GDP). As per estimates by the Central Statistics Office (CSO), the share of agriculture and allied sectors (including agriculture, livestock, forestry and fishery) was 15.35 per cent of the Gross Value Added (GVA) during 2015–16 at 2011–12 prices.

India is the largest producer, consumer and exporter of spices and spice products. India's fruit production has grown faster than vegetables making it the second largest fruit producer in the world. India's horticulture output, comprising fruits, vegetables and spices, -year in 2014-15 to a record high of 283.5 million tonnes (MT) It ranks third in farm and agriculture outputs. Agricultural export constitutes 10 per cent of the country's exports and is the fourth-largest exported principal commodity. The agro industry in India is divided into several sub segments such as canned, dairy, processed, frozen food to fisheries, meat, poultry, and food grains.

The Department of Agriculture and Cooperation under the Ministry of Agriculture is responsible for the development of the agriculture sector in India. It manages several other bodies, such as the National Dairy Development Board (NDDB), to develop other allied agricultural sectors.





Market Size

Over the recent past, multiple factors have worked together to facilitate growth in the agriculture sector in India. These include growth in household income and consumption, expansion in the food processing sector and increase in agricultural exports. Rising private participation in Indian agriculture, growing organic farming and use of information technology are some of the key trends in the agriculture industry.

As per the 4th Advance Estimates, food grain production is estimated at 253.16 million tonnes (MT) for 2015-16. Production of pulses estimated at 17.33 million tonnes. With an annual output of 146.3 MT, India is the largest producer of milk, accounting for 18.5 per cent of the total world production. It also has the largest bovine population. India, the second-largest producer of sugar, accounts for 14 per cent of the global output. It is the sixth-largest exporter of sugar, accounting for 2.76 per cent of the global exports.

Spice exports from India are expected to reach US$ 3 billion by 2016–7 due to creative marketing strategies, innovative packaging, strength in quality and strong distribution networks. The spices market in India is valued at Rs 40,000 crore (US$ 5.87 billion) annually, of which the branded segment accounts for 15 per cent. The procurement target for rice during marketing season (MS) 2015–16 has been finalised as 30 MT.

Government Initiatives

Given the importance of the agriculture sector, the Government of India, in its Budget 2016–17, planned several steps for the sustainable development of agriculture.

Budget 2016-17 proposed a slew of measures to improve agriculture and increase farmers' welfare such as 2.85 million hectares to be brought under irrigation, Rs 287,000 crore (US$ 42.11 billion) grant in aid to be given to gram panchayats and municipalities and 100 per cent village electrification targeted by May 01, 2018.

The government has already taken steps to address two major factors (soil and water) critical to improve agriculture production. Steps have been taken to improve soil fertility on a sustainable basis through the soil health card scheme and to support the organic farming scheme 'Paramparagat Krishi Vikas Yojana'. Other steps include improved access to irrigation through 'Pradhanmantri Gram Sinchai Yojana'; enhanced water efficiency through ₹Per Drop More Crop'; continued support to Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and the creation of a unified national agriculture market to boost the incomes of farmers.

The Government of India recognises the importance of microirrigation, watershed development and 'Pradhan Mantri Krishi Sinchai Yojana'; thus, it allocated a sum of Rs 5,300 crore (US$ 777.6 million) for it. It urged the states to focus on this key sector. The state governments are compelled to allocate adequate funds to develop the agriculture sector, take measures to achieve the targeted agricultural growth rate and address the problems of farmers.
The Department of Agriculture and Cooperation under the Ministry of Agriculture has inked MOUs/agreements with 52 countries including the US. In addition, the Department of Agriculture Research & Education (DARE) and the Department of Animal Husbandry, Dairying & Fisheries (DAHD&F) under the Ministry of Agriculture have signed MOUs/agreements with other countries, taking the number of partnerships with other countries to 63. These agreements would provide better agricultural facilities in areas such as research and development, capacity building, germ-plasm exchange, post-harvest management, value addition/food processing, plant protection, animal husbandry, dairy and fisheries. The agreements could help enhance bilateral trade as well.

(Source - http://www.ibef.org/industry/agriculture-india.aspx)

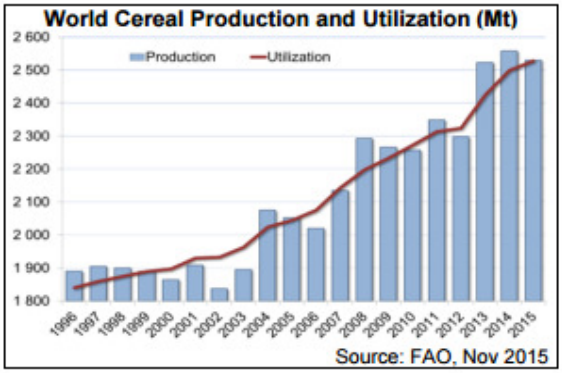
WORLD AGRICULTURE

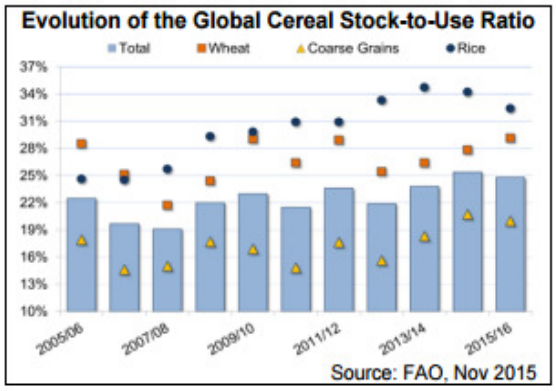
The 2014 world cereal harvest established a new record, driven by larger wheat and maize crops. Influenced by declining and low international prices for most agricultural commodities, and short rainfall in some important cereal production areas, the 2015 global cereal crop is forecast to slightly contract, by approximately 1%. The larger wheat harvest would not offset the anticipated drop in maize and rice production. A record soybean crop is also anticipated in 2015/16.

The winter crop area for the 2016 harvest is projected to slightly contract in response to low wheat prices and dry conditions at planting in some of the key growing areas. At the same time, maize plantings in the southern hemisphere are affected by

irregular or below average rains. Following two consecutive years of strong growth, world cereal uses are seen as rising more moderately in 2015/16, by about 1%. The increase in wheat and rice utilization is driven by food uses. Coarse grain utilization would remain almost unchanged. The 2015/16 campaign is expected to be balanced, with a marginal surplus or deficit. Changes in world cereal inventories are seen as negligible in 2015/16, with a small increase in wheat stocks offsetting a drop in those of rice while coarse grain inventories would remain almost unchanged. At the end of 2015/16 China is projected to store 250 million metric tonnes (Mt) of cereals, accounting for 44% of world stocks.

By the end of the 2015/16 campaign, the stock to-use ratio is forecast to increase for the third consecutive year for wheat, to slightly retreat for maize, and to contract for the second year in a row for rice. While the stock-to-use ratios for the three cereal groups are seen as remaining at comfortable levels, the stock-to-disappearance ratios for the major exporters indicate slightly tightening market conditions for coarse grains and rice. With ample availabilities, international prices of cereals, oilseeds, sugar and cotton declined or remained low over the past 12 months. Prices are anticipated to stay depressed in the coming months unless unfavorable weather affects some of the major exporters.





FERTILIZER DEMAND

Low crop prices affect world fertilizer demand in 2015/16

The 2015/16 campaign is impacted by low international agricultural commodity prices and by weakening economic activity in emerging economies. Global fertilizer demand in 2015/16 is forecast to retreat by 0.1%, to 183.1 Mt. The 0.1% increase in N demand (110.4 Mt) would not fully counterbalance demand contractions of 0.9% for P (40.8 Mt) and 0.2% for potassium (K) (31.9 Mt).
Regionally, demand is seen as dropping in Latin America and Oceania, following strong expansion in previous years, as well as in West Asia due to geopolitical tensions. Demand would stagnate in East Asia. Increases in the rest of the world would not offset the declining regions. The largest year-on-year changes in volume are seen in Latin America (contraction) and South Asia (expansion).

World fertilizer demand is seen as rebounding in 2016/17

Demand in 2016/17 is expected to be influenced by persisting low (but probably no longer declining) crop prices and rebounding economic growth in emerging economies. Global fertilizer demand is forecast to expand by 1.9% in 2016/17, to 186.6 Mt, assuming no major changes to agricultural market fundamentals; a progressive change in fertilizer subsidy rates in India that would support balanced fertilization; and continuous improvement of N and P use efficiency in China. Driven by increased supply in China, K demand is seen as growing firmly (+3.3%, to 33.0 Mt). Demand for N and P is seen as expanding more modestly, by 1.4% to 112.0 Mt for N, and by 2.1% to 41.6 Mt for P. Fertilizer demand is forecast to contract in Oceania, supposing that El Niño will have a negative impact on regional agriculture. It is seen as stable in Western & Central Europe, and it would rise elsewhere. Assuming easing economic conditions in Brazil and Argentina, demand would strongly rebound in Latin America. Demand would also rebound firmly in West Asia, presuming average weather conditions and reduced sanctions against Iran. Growth would remain modest in North America and East Asia, as the outlook is influenced by improvement in fertilizer use efficiency. Firm expansion is forecast in Eastern Europe & Central Asia, South Asia and Africa. The largest changes in volume are seen in Latin America and South Asia, followed by East Asia. Between

2013/14 and 2016/17, global demand is expected to increase by only 3.3% (i.e. about 1% per year), with much stronger growth for K (+8.7%) than for N (+2.0%) and P (+2.8%). Over the same period, North America would be the only region recording negative growth. South Asia would witness the strongest expansion, in both absolute and relative terms.

FERTILIZER SUPPLY

2015 was characterized by near-stagnant demand and few trade opportunities. Meanwhile, capacity and supply availability are increasing on account of investment decisions taken four to five years ago during the post-2008 era. The fertilizer industry nowadays is faced with over-capacity issues. Rationalization and consolidation activities have emerged in key producing countries.

World nutrient sales in 2015 were estimated at 241 Mt nutrients, representing a moderate increase of 2% over 2014. Fertilizer sales, which accounted for 78% of total sales, were estimated at 183 Mt nutrients, showing no growth over 2014. Net industrial uses and non-allocated tonnages reached 58 Mt nutrients.

Global sales of primary nutrients were essentially driven by firm domestic deliveries. Home deliveries rose by 3%, to 189 Mt nutrients, and contributed 78% of total primary nutrient sales.

Global nutrient demand in 2015 was adequately supplied from existing production capacity and from newly-commissioned operations. However, feedstock issues and political tensions have continued to impact production and global trade.

In 2015 global production of the main fertilizers marked a pause; there was little or no variation in the output of most products, with the exception of increasing DAP volumes. Potash production declined, while other products registered modest increases. Globally, the fertilizer industry operated at 78% of installed capacity.

PHOSPHATE OUTLOOK

A large supply of phosphate rock emerging in Africa, East Asia and West Asia

Global phosphate rock supply in 2016 is projected to expand by 6% over 2014, to 232 Mt. Large expansions are projected in only three countries: Morocco, Jordan and China. These increases are partially offset by reductions in the United States and by the situation in Syria. The bulk of the incremental supply would be mostly dedicated to captive downstream processing.
Growing phosphoric acid capacity in Morocco in 2015 and 2016

Global phosphoric acid capacity is projected at 56.4 Mt P2O5 in 2015 and 58 Mt P2O5 in 2016. No new merchant grade phosphoric acid (MGA) supply will emerge in the short term. Global phosphoric acid capacity remained virtually unchanged in 2015, but would grow by 3% to 58 Mt P2O5. This 2 Mt increase would mostly occur in Morocco. No new MGA supply is projected in the short term.

Moderate demand growth and new supply, leading to a gradual rise in potential surplus

The global supply/demand balance for phosphoric acid showed a small increase in potential surplus in 2015. However, the imbalance is projected to expand further in 2016 despite growing phosphate demand. Rising exportable supply will mostly emerge in Morocco and West Asia. China will remain in a large surplus position for the next few years. Regional deficits are projected to be stable in Europe and Oceania, and slightly lower in South East Asia. Regional deficits would expand in Latin America and South Asia, signalling sustained import demand for 2016.

Large expansion of export-oriented capacity in Morocco in 2015/16

Very few capacity projects are slated for completion in 2015, with little development outside China and Morocco. Global processed phosphates capacity would grow by 3% over 2015, to 97 Mt products in 2016. DAP would account for 95% of the capacity increment between 2014 and 2016. Morocco would contribute 66% of the total increase in capacity in 2015/16, and China would be responsible for 17%.The world phosphate (H3 PO4 based P2 O5) supply is expected to increase by 2.7 percent per annum between 2014 and 2018, whereas demand is projected to increase by 2.3 percent in the same period. The potential balance of phosphate is expected to rise from 2 700 000 tonnes in 2014 to 3 700 000 tonnes in 2018. The ratio

of potential phosphate balance (H3 PO4 based) to global phosphate demand (H3 PO4 based P2 O5) is likely to grow from about 6.4 percent in 2014 to 8.5 percent during the remaining period of the forecast period.

(Source - http://www.fertilizer.org/ - Short term Fertilizer Outlook 2015-16)
(Source - http://www.fao.org/3/a-i4324e.pdf)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year.

In this section, a reference to the "Company" or "we", "us" or "our" means Madhya Bharat Agro Products Limited.
All financial information included herein is based on our ***"Financial information of the Company"*** *included on page 177 of this Prospectus.*

OVERVIEW

We are manufacturing Beneficiated Rock Phosphate (BRP), Single Super Phosphate (SSP) and Sulphuric Acid which is used in large quantities for replenishing "P" (Phosphorus) in the soil and act as a fertilizer for the crop. Our Company has entered into the backward integration by manufacturing of Beneficiated Rock Phosphate (BRP) and Sulphuric Acid which is used as a raw material for manufacturing of SSP. We are also engaged in business of Purchase and Sale (Trading) of Textiles and agricultural commodity.

Our Company was incorporated in the 1997 and promoted by Mr. Shailendra Kumar Jain, Mr. Motilal Jain, Mr. Sukhnandan Jain and Mr. Sunil Kumar Jain with an object to implement an SSP Plant and has successfully implemented the SSP plant at Unit I in the year 1999 and than the company was taken-over by Mr. Pankaj Ostwal, Praveen Ostwal and Seasons Agro Chem India Pvt. Ltd. in the 2004.We have set up unit II of Beneficiated Rock Phosphate ("BRP") with an installed capacity of 99000 MT (TPA) which will process the low grade rock phosphate into high grade rock phosphate and its commercial processing started in March 2012.Our manufacturing plant is situated at Sagar, Madhya Pradesh with total installed capacity of 180000 MT of SSP, 99000 MT of BRP and 36000 MT of Sulphuric Acid.

We have entered into the marketing arrangement by signing an agreement dated March 20, 2015 for our products SSP with DCM Shriram Limited (through its unit Shriram Fertilizers & Chemicals) for supply of minimum 40000 Mt per annum. Additionally Rock phosphate and Sulphuric acid are captively consumed to manufacture SSP fertilizer which are procured from Rajasthan State Minerals and Mining Corporation Limitedand Hindustan Zinc Limited, Birla Corporation Limited respectively and low grade rock is procured from Madhya Pradesh State Mining Corporation, Sagar and private mines.

The basic raw materials required for manufacturing SSP is Beneficiated Rock Phosphate (BRP), Sulphuric Acid and water. We have quality control checks before any consignment of Raw material is accepted since it has a direct impact on the quality of Finished Product.

Our Company has established a quality control laboratory for analyzing samples of SSP and ore for every batch manufactured and received from mine and regular samples from the process of various streams, reagents and effluents. Rock phosphate samples are analyzed by volumetric/gravimetric methods and use of Instruments like P-H meter, Spectroscope, Electronic weigh Balance, Oven, Muffle furnace etc. Also we have Research and development department which concentrates on experiment to enhance the productivity of the fertilizer to be manufactured.

For the year ended March 31, 2016, our Company's Total Income and Restated Profit after Tax was Rs. 6478 Lacs and Rs. 945 Lacs, respectively. For the year ended March 31, 2015, our Company's Total Income and Restated Profit After Tax was Rs. 6843 Lacs and Rs. 404 Lakhs respectively, compared to our Company's Total Income and Restated Profit After Tax of Rs. 5896 Lacs and Rs. 367 Lacs respectively, over previous year ended i.e. March 31, 2014.

Certifications & Recognitions:

The high quality and consistency of our products has won the confidence of our customers. Our customers have been rating us as the one of the best suppliers.

Our Company has received following certifications:

- **ISO 9001:2008** certification for manufacturing & Supply of Beneficiated Rock Phosphate (BRP), Single Super Phosphate (SSP) for its Unit I and Unit II. The certificate is in recognition of the Company's Quality Management System and is valid till Januray 17, 2017

OUR BUSINESS STRENGTH:-

1. Cost Effective sourcing and Strategic Location of Manufacturing Unit:-

We believe that our cost efficient manufacturing and supply chain management results in a significant reduction in our operational costs. With our experience, we are able to gauge our procurement of raw materials in timely manner. Further, our manufacturing unit situated within the state of Madhya Pradesh is ensured with sufficient raw material which is locally procured. The location of our current manufacturing facilities gives us a significant competitive cost advantage in terms of raw material sourcing manufacturing and labour costs and enables us to address the western markets efficiently.

2. Our Management Expertise:-

Our Promoters are engaged in Mineral beneficiation plant and Fertilizer Industries, which also form part of Board of Directors of our Company. Also, our Company is managed by a team of professional & experienced personnel. The team comprises of personnel having operational and business development experience. We believe that our management team's experience and their understanding of the industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition and the global economic crisis.

3. Cost effective production and timely fulfillment of orders:-

Our Company has taken various steps in order to ensure adherence to timely fulfillment and also to achieve greater cost efficiency as timely fulfillment of the orders. Also our Company is signed a Supply & Purchase agreement with DCM Shriram Limited for frequent supply of our Products. Our Company constantly endeavors to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

4. Backward integration:-

As a step towards backward integration our Company has set up a Unit II-BRP with an installed processing capacity of 99000 (TPA) and its commercial processing started in March, 2012, at Khasra no. 166/1, Village: Sorai, Tehsil: Banda, Distt. Sagar, Madhya Pradesh and A-2, Sourai, The. Banda, Sagar, Madhya Pradesh. BRP is used as raw material for manufacturing SSP. Also our Company has set Sulphuric acid plant with an installed capacity of 36000 MT, both BRP & Sulphuric acid are used as raw material to manufacturing SSP

5. Existing relationship with suppliers:-

We buy low grade rock from MPSMC and sulphur from Bharat Oman Refineries Limited. Also we have acquired other raw materials from several suppliers and have maintained relationship with them for a long time. Due to our relationships with our suppliers, we get quality and timely supplies of raw materials. This enables us to manage our inventories and supply quality products.

OUR BUSINESS STRATEGIES:-

1. Optimal Utilization of Resources:-

Our Company constantly endeavors to improve our manufacturing process, and will increase service activities to optimize the utilization of resources. We have invested significant resources, and intend to further invest in our activities to develop customized systems and processes to ensure effective management control. We regularly analyze our existing policies to be

carried out for our manufacturing process which enables us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

2. To build-up a professional organization:-

As an organization, we believe in transparency and commitment in our work and with our customers. We have an experienced team for taking care of our day to day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business. We will consistently put efforts among its group of experienced employees to transform them into an outstanding team of empowered professionals which helps in further accelerating the wheels of development of the Organization.

3. Research and Development:-

We have a well qualified team with wide experience in fertilizer industry that is constantly focusing on innovations. Our products confirm to various test requirements conducted independent bodies to meet industry standards. Our Research and Development team constantly studies different industry verticals to identify product inefficiencies and innovate strategies in areas in which we could add value.

4. Focus on Cordial relations with our Suppliers, Customers and employees:-

We believe that developing and maintaining long term sustainable relationships with our suppliers, Customer and employees will help us in achieving the goals set, increasing sales and penetering in to new markets. We offer our products at competitive prices, which will help us achieve consumer satisfaction and build long term relationships, which will translate into repeated sales.

5. Increase geographical presence

We intend to further expand the scale of our operations, explore new distribution channels and increase our reach and customers base domestically. As the Indian market is filled with various opportunities in this industry will accordingly help to increase customer's base.

SWOT ANALYSIS:

Strengths	**Weakness**
➢ Well Established Manufacturing facility ➢ Quality assurance and Standard ➢ Experience Management Team. ➢ Long term Trade	➢ Working Capital Intensive Business ➢ Low bargaining power with customers
Opportunities	**Threats**
➢ High Growth Potential ➢ Government Initiatives for fertilizer Industry	➢ Industry is prone to change in government policies

Our Manufacturing facilities:-

Unit I

Unit II

Our Products:-

S.No.	Products	Description	
1	**Single Super Phosphate (SSP)**		Single Super Phosphate (SSP) is used by farmers to improve the productivity levels of their soil which get eroded each year. SSP is used in large quantities for replenishing "P" (Phosphorus) in the soil which gets depleted steadily with each crop. This is preferred phosphate fertilizer by the farmers as it provides much needed nutrients "S" along with "P" unlike other fertilizer.
2	**Beneficiated Rock Phosphate (BRP)**		Beneficiated Rock Phosphate (BRP) is Industrial product in nature as the same is used as raw material by Manufacturing Units producing SSP (Single Super phosphate). The basic raw material used is Rock Phosphate since beneficiation is a process done on Rock Phosphate to remove its impurities. Beneficiation is a process by which valuable constituents of an ore are concentrated by means of a physical separation.
3.	**Sulphuric Acid**		Sulphuric acid is a chemical product in nature & used as raw material by manufacturing units producing SSP.

Features of our Products

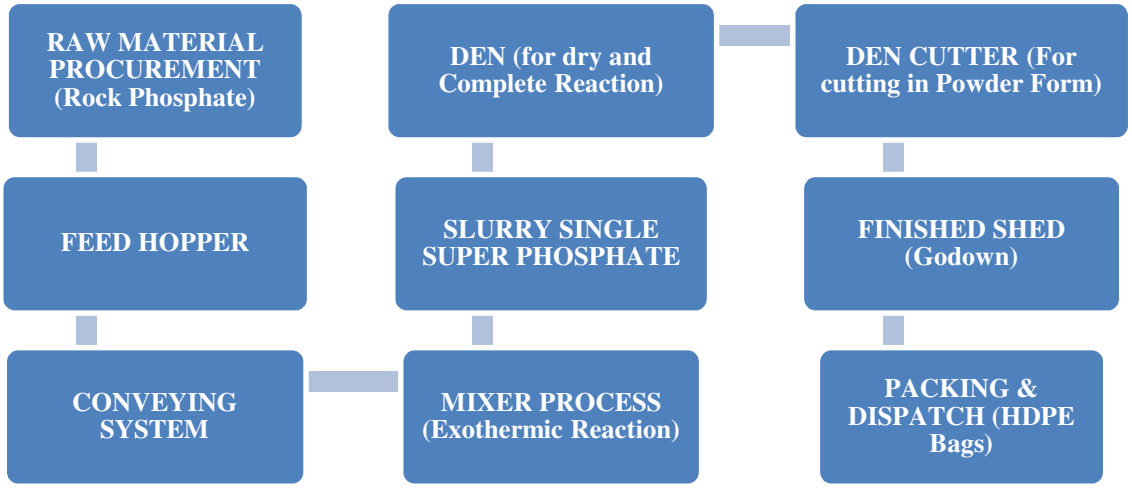
- Lowest price per kg preferred by small and marginal farmers
- Multi-nutrient fertilizer containing P2O5 as primary nutrient and Sulphur and Calcium as secondary nutrients
- It is the cheapest source of Sulphur for the Soil
- Only Phosphatic fertilizer which can utilize Indian rock phosphate deposits

OUR LOCATION:-

Registered Office & Head Office	5-O-21, Basement R.C. Vyas Colony, Bhilwara- 311001, Rajasthan
Factory	**Unit I –**Khasra No. 28,36,37,120/1 & 121/1, Village Rajova, Thasil & District – Sagar, Madhya Pradesh.
	Unit II - Khasra no. 166/1, Village: Sorai, Tehsil: Banda, Distt. Sagar, Madhya Pradesh, Plot No A-2, Sourai, Teh. Banda, Sagar, Madhya Pradesh

MANUFACTURING PROCESS FLOW CHARTS:-

- **Single Super Phosphate (SSP):-**

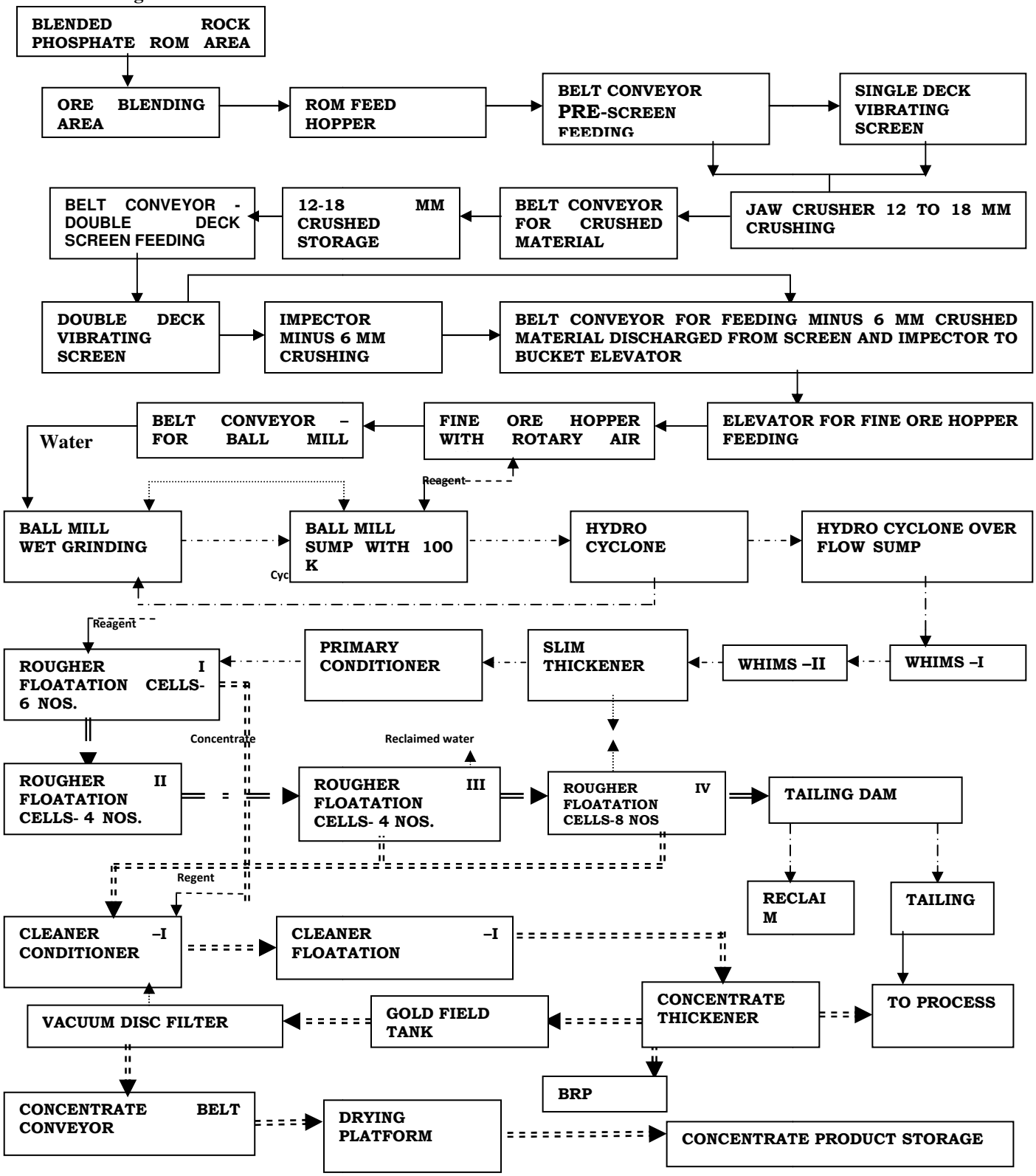


STEPS INVOLVED:-

1. **Raw Material Procurement** - There are two basic raw materials, namely Rock Phosphate and Sulphuric Acid which are used for manufacturing of SSP. The Rock Phosphate used in manufacturing of SSP is basically benefited Rock Phosphate (BRP) which is manufactured by us in Unit II.
2. **Feed Hopper -** Rock Phosphate is stored in yard and Sulphuric Acid in MS fabricated tanks. Rock is fed into rock hopper with the help of EOT crane.
3. **Conveying Systems** - Rock from rock hopper is conveyed to mixer through conveyors belts.
4. **Mixing Process** - In mixer, acid and rock are mixed together with the help of Paddles. About 65% reactions take place in the mixer.
5. **Slurry Single Super Phosphate** – After mixing the Slurry Single super Phosphate is then moved to den for completion of reaction by acid.
6. **Den** - Den is a slow rotating machine where reaction completed upto 90% and noxious gases go to scrubber section where gases are scrubbed in presence of water and finally pollution free gases go to the atmosphere with the help of ID fan and chimney.
7. **Den Cutter** - In this process, slurry gets hard and cut in powder form. This powder is known as Single Super Phosphate (SSP)
8. **Finished Shed** – The Single Super Phosphate is stored at finished shed for 5-6 days in piles to the reaction of Sulphuric Acid.
9. **Packing & Dispatch** – In this Stage the final product of Single Super Phosphate is ready for packaging into Bag and dispatched to our Customers.

➢ **Beneficiated Rock Phosphate**

Manufacturing Process:-



LG FEED ROCK	GROUND SLURRY	TAILING	CONCENTRATE	WATER	REGENT

Steps Involved:-

The process for rock phosphate ore beneficiation entails following unit operations:-

a) Crushing and Screening
b) Wet Grinding and Classification
c) Froth Flotation
d) Solid-Liquid Separation
e) Tailing disposal and water reclaimation.
f) Reagent Preparation and distribution
g) Quality Control
h) Support Facilities

Crushing and Screening

ROM Ore (200 mm) is received in the plant through trucks/dumpers and is weighed in the company's weigh bridge before getting unloaded in ore stock pile. The crushed ore is dumped into ore hopper with the help of JCB.

Ore from the hopper is fed to a belt conveyor by the help of ore feeder/apron feeder. The ore is crushed in a Jaw Crusher. The ore is fed to a D.D.Vibrating screen. Oversize material of +50 mm size is fed to Roll Crusher/Hammer crusher and the under size (-10 mm) l gravitates on the belt conveyor. The Belt conveyor takes the material to the 300 tons capacity Fine ore bin. A Tramp iron magnet installed on the conveyor removes any iron material.

All the transfer points of the conveyor belts and vibrating screen/Roll crusher shall be provided with dust extraction ducting. Whereas, ore stock yard shall have an adequate water spray arrangement to suppress dust.

Wet Grinding and Classification

Ore is fed to belt conveyor with the help of ore feeders/table feeders. The belt conveyor feeds the material into grate discharge Ball Mill (size-2400 mm diax 3600 mm length) driven by 300 KW 3.3 KV Motor. Electronic Belt Weigh Scale mounted on the belt conveyor records the ore feed rate and totalize the quantity on shift/daily/monthly basis.

Water is added in the feed chute and Mill Discharge sump to regulate the pulp density for the efficient grinding and classification ahead. Feed belt conveyor is driven by variable A.C frequency drive motor.
Wet ground slurry is pumped to Hydro cyclones (1Op+1Sb)) with the help of special slurry pumps (100 K Wilfley) (1Op+1Sb). Ore is normally ground to < 75 microns.

Over flow from the Hydro cyclones is fed to the Magnetic Separator for the removal iron oxide. Non-Magnetics are taken to thickener and non-magnetics gravitate to MS Tank.

Non magnetic slurry thickened to 35-40% solids is fed to 2400mm dia x 2400mm ht HDO MSRL conditioner. The conditioned pulp is floated in series of 100 cft Denver Flotation Cells. The phosphate concentrate produced from Denver Flot., cells is called as 'Rougher' concentrate (RHC). RHC is cleaned in 60 cft Galigher Flot., cells (called Cleaner and Re-cleaner cells) twice to yield final phosphate product having + 32% P2O5. Tailings from Cleaner cells and Re-cleaner cells are recirculated in reverse order. Tailing (P2O5-<6%) from Rougher cells constitute final Tails which are pumped to Settling ponds.

Adequate number of slurry pumps, Concentrate pumps and Air Blowers/Fans are installed for transferring slurry/pulp from one stage to other for efficient processing. All operating pumps have stand by pumps to ensure trouble free operation

Solid-Liquid Separation

Final Phosphate concentrate and Tailings are pumped to respective 12m dia x 3 m SWH Thickeners for the concentration of solids. Over flow water from both the thickeners and other settling tanks are pumped to 'Reclaimed water' storage tanks for the use in the process. Fresh make-up water from the company's bore wells and other sources/AKVN are stored in the Ground storage tank and Over Head storage tanks.

Phosphate concentrate thickened to +50% solids is pumped to Over Head Storage agitated tank. Phosphate concentrate is fed to Belt Press Filter for filtering the concentrate. Filtrate from the filter is recycled.

The product is conveyed to storage shed through belt conveyor. Belt weigh scale is installed on the belt to record weight of the product.

Tailing disposal and water reclaimation

Water is reclaimed from the thickeners and tailing dam which is re-used in the process plant. The reclaimed water quality is monitored for suspended solids and P-H. Alum is used as flocculent to facilitate fast settling of solids.

Reagent Preparation and distribution

Flotation process requires some flotation reagents/chemicals which help to selectively float the phosphate and depress waste/gangue minerals like silica, iron, aluminium oxide and carbonates. The reagents are: - a) Sodium oleate, b) sodium silicate) Starch.

All these reagents are added in dilute solution form (5 to 10% solution) at different pre-selected locations with the help of reagent feeders.

Plant has adequate facility to store reagents, prepare solutions and distribution system.

- **Sulphuric acid (SA):-**

H2SO4(98%),

Chemical equation :-

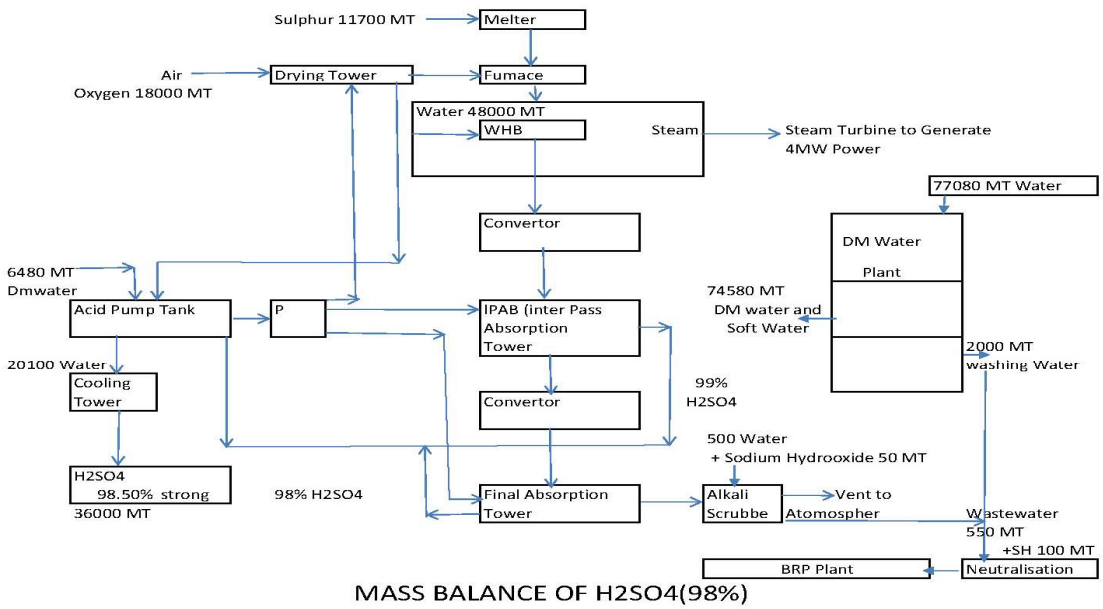
$S + O_2 = SO_2$

$S + 1/2O_2 = SO_3$

$SO_3 + H_2SO_4 = H_2S_2O_7$

$H_2S_2O_7 + H_2O = 2H_2SO_4$

Process Flowchart



MASS BALANCE OF H2SO4(98%)

Steps Inv

Solid Sulphur after weighment is fed to sulphur melter which is provided with steam coils. The ash content of the molten sulphur settles in the melter cum settler and molten sulphur free of impurities is pumped to the sulphur burner where it is burnt with air. Sulphur is converted in to SO2 in the sulphur burner as per the following reaction

S +O2 = SO2

SO2 is further converted to SO3 in presence of Vanadium Pentoxide catalyst in the converter as per the following reaction:

SO2 + ½O2 =SO3

The conversion of SO2 to SO3 is carried out in stages in all the five pass of the convertor. The conversion is optimized by intermediate cooling of gases between the different stages and also by inters pass absorption of SO3 after 3rd pass of the convertor.

The gas from the 3rd & 5th pass of the convertor containing SO3 is cooled & then fed to the inter pass & final absorption tower where SO3 is removed by circulating Sulphuric Acid in the absorption towers. The concentration of sulphuric acid is controlled by addition of water in the pump tank.

Air for sulphur burner is routed through Air Filter to drying tower and further to suction side of Centrifugal Air Blower. 98.5% acid is circulated through drying tower at 70°C, thus heating to 125°C before entering sulfur burner. This system helps to increase generation of steam and hence power generation.

SO2 emission during start up of the plant is controlled by a Venturi Scrubber using alkali as scrubbing medium. The plant therefore does not cause any pollution either during start up or during normal operation.

The process as described above has been divided into four main sections described as follows:

1. Sulphur Circuit:-The weighed quantity of sulphur of about 99.5% purity is fed to the first compartment of sulphur melter. The heat for melting sulphur is provided through steam coils. The optimum pressure to be maintained for melting sulphur in the first compartment is upto 7 kg/cm2 G.

   The molten sulphur flows from compartment no. 1 to pumping compartment through underflows/overflows. The sulphur pumps for feeding sulphur are fitted in pumping compartment. The total time of retention in the compartments corresponds to more than 72 hrs at normal rated production capacity of the plant. In order to achieve optimum results, it is necessary that the feeding of sulphur to the melter should be maintained at specified temperature of 135 °C. All compartments are fitted with steam coil to provide the necessary heat for maintaining the temperature of molten sulphur at the desired level. Molten sulphur from the pumping compartment is pumped to the sulphur burner through one of the submersible type sulphur pumps through specially designed sulphur feeding gun. The rate of feed of sulphur to the sulphur burner is controlled by operation of sulphur feed control valve.

   Drain lines have been provided in the molten sulphur discharge line at two different points.

   The optimum steam pressure for coils located in 2nd, 3rd , 4th through pumping compartments of the sulphur melter is around 4 kg/cm2 G. This regulated steam pressure is achieved through pressure reducing valve. Molten sulphur line starting from the discharge flange of the sulphur pump to the inlet of the sulphur burner is suitably steam jacketed to maintain correct temperature of molten sulphur fed to the sulphur burner.

2. SO2Scrubber:-It is very important that SO2 emission during plant startup is controlled within permissible limits. This is achieved by use of a alkali scrubber located after the final absorption tower where gas is scrubbed with circulating alkali solution.

3. DM and Water Softening Plants:-For generation of steam of high quality DM water is required for this purpose RO plant and DM plant will be installed.
4. The plant is provided with data logging system through DCS control circuits for control of parameters like Acid concentration control, pump tank level control, Boiler feed water level control, boiler feed water from deaerator temperature control. All the output signals are fed to a computer and output data is collected based on reports to be

prepared including log sheets.

CAPACITY UTILISATION:-

Particulars	Existing			Proposed		
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Unit I - G – Mauja No 245, Halka No. 76, and Kh. No. 28,37,120/1 & 121/1, Village Rajova, Thasil& District – Sagar, Madhya Pradesh (SSP Unit)						
Super Single Phosphate (SSP)						
Total Production Capacity (Metric tonnes)	60000	60000	60000	60000	60000	60000
Capacity Utilization (in %)	91.53%	69.88%	89.59%	90 %	90 %	90 %
Unit II - Halka No: 19/86 Kahsra no. 166/1, Village: Sorai, Tehsil: Banda, Distt. Sagar, Madhya Pradesh and A-2, Sourai, The. Banda, Sagar, Madhya Pradesh						
Beneficiated Rock Phosphate (BRP)						
Total Production Capacity (Metric tonnes)	99000	99000	99000	99000	99000	99000
Capacity Utilization (in %)	61.11 %	44.70%	70.60 %	95%	95%	95%
Super SinglePhosphate (SSP)						
Total Production Capacity (Metric tonnes)	--	--	120000	120000	120000	120000
Capacity Utilization (in %)	--	--	0.0508%	70%	70%	70%
Sulphuric Acid						
Total Production Capacity (Metric tonnes)	0	0	36000	36000	36000	36000
Capacity Utilization (in %)	0	0	1.28%	70%	75%	75%

PLANT & MACHINERY:-

We have installed sufficient Plant and Machinery in Unit I and Unit II for manufacturing of Single Super Phosphate, Benefited Rock Phosphate and Sulphuric Acid. Brief details of major Plant and Machinery installed for each Product are as follows:-

Single Super Phosphate (SSP):- Mixer, Cables, Electric installation, Motor, Conveyor, Feeder, Foundation, Hopper, chain mill, stiching machine, blower, chimney, HF analyser, pipelines, scrubber.

Benefited Rock Phosphate (BRP):- Reciprocating Ore Feeder, Tramp Magnet, Crushing Equipments, horizontal Shaft Inspector, Electromagnetic Vibratary feeder, Ball Mill Discharge Pump, Geligher Sump Pump, Ball Mill Cooling Pump, thickener macanism & thickener Structural body, reclaim water pump, Flotation cell, fabricated Storage tanks and hoppers, Belts Press Filters, Electric motors and transformers, pollution control equipments and water pollution Equipments.

Sulphuric Acid (SA):- Acid cooler, acid tank, DT tower, Product cooler, Cables, Earthing, Buner, CHE, Convertor, Hot gas filter, Hot heat exchanger, control value, Instrumentation, PH meter, SO2 analyser, Chimney, boiler, cooling tower, DM plant, Economizer.

COLLABORATIONS/TIE UPS/ JOINT VENTURES:-

Except as disclosed in this Prospectus, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date.

EXPORT OBLIGATION: Our Company does not have any export obligation as on date

SALES AND MARKETING:-

Marketing is an important function of our organization. Our success lies in the strength of our relationship with our customers who have been associated with our Group for a long period. Also Our Company has entered to a Memorandum of understanding with DCM Shriram Limited (its Unit M/s Shriram Fertilizers & Chemicals) to source and market the Single Super Phosphates (SSP) for the period of five years from April 01, 2015 and Beneficiated Rock Phosphate (BRP) &Sulphuric acid (SA) are captively consumed by the SSP plant and if any surplus will be sold out in the market and considering same no marketing arrangements are required for BRP.

Marketing Strategy:

We intend to focus on following marketing strategies:

1. Focus on existing markets.
2. Continuously holding markets Trends.
3. Supply of Quality Products.
4. Fulfillment of Order Quantity.

COMPETITION:-

SSP is one of the fertilizers which are in bulk demand in India and there are few dedicated players in this line of activity. There are certain few peer companies whose one of the products manufactured is SSP; they are manufacturing other complex fertilizers along with manufacturing SSP. We face substantial competition for our products from other manufacturers in domestic market. Our competition varies for our products and regions. Some of our major competitors are:-

- Rama Phosphates Limited
- Khaitan Chemicals & Fertilizers Limited
- Shree Pushkar Chemicals & Fertilizers Limited

INFRASTRUCTURE & UTILITIES:-

Raw Materials:-

Single Super Phosphates (SSP):-

The basic raw materials required for manufacturing SSP is Beneficiated Rock Phosphate (BRP), Sulphuric Acid and water. We had an established supplier base with whom we have being dealing for years. We have quality control checks before any consignment of Raw material is accepted since it has a direct impact on the quality of Finished Product.

Beneficiated Rock Phosphate (BRP):-

In Beneficiated Rock Phosphate (BRP) Plant, the main raw material required is “Rock” and along with it Sodium Silicate, Sodium Oleate etc is mixed so as to convert this low grade rock phosphate into high grade rock phosphate and this low grade rock phosphate is abundantly available from Mines which are under control of Madhya Pradesh State Mining Corporation (MPSMC). Further we have entered into a Memorandum of Understanding with Madhya Pradesh State Mining Corporation for purchase of low-grade rock.

Sulphuric Acid:-

The basic raw material for Sulphuric acid is Solid Sulphur which is majorly procured from Hindustan Zinc Limited, Birla Corporation Limited and Other parties.

Power:-

The requirement of power for our operations, like power for lighting and operating the machinery/equipment is met through MPPKVV (M.P. Poor Kshetra Vidyut Vitaran Co. Ltd) for both the Units.

Water:-

Our water requirement is for production process and for general purpose also. Water requirement is fulfilled through open well at factory site and through boring.

Human Resource:-

We have experienced Promoter and management whom we rely on to anticipate industry trends and capitalize on new business opportunities that may emerge. We believe that a combination of our reputation in the market, our working environment and competitive compensation programs allow us to attract and retain these talented people. Our senior management team consists of experienced individuals with diverse skills in manufacturing, engineering, and finance. We believe that our employees are the key to the success of our business. We focus on hiring and retaining employees and workers who have prior experience in the Fertilizer industry. We view this process as a necessary tool to maximize the performance of our employees.

As on March 31, 2016 we have the total strength of 69 permanent employees (including workmen) in various departments. The details of which is given below:

Sr. No.	Particular	Employees
1.	Administrative Office	6
2.	Unit - I	25
3.	Unit - II	38
	Total	**69**

PROPERTY:-

Intellectual Property:-

Our Company does not own any trademark on its own name but our company has signed a memorandum of understanding dated April 15, 2011 with our Group Company "Ostwal Phoschem (India) Limited (formerly known as Tedco Granite Limited) " for use of trademark. Below are the details of trademarks use by our Company:-

S.No.	Logo/Trademark	Class	Nature of Trademark	Owner	Application No. & Date	Valid Upto
1.	Trademark	Class - 1	OGI OSTWAL	Ostwal Phoschem (India) Limited (Formerly known as Tedco Granite Limited)	Application No.:- 1927451 Date of Application - 25/02/2010	25/02/2020

The Details of Domain Name registered on the name of the Company is:-

S.No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Creation Date	Registration Expiry Date
1.	www.mbapl.com Registry Domain ID: 1591657823_DOMAIN_COM-VRSN	Registrar: PDR Ltd. d/b/a PublicDomainRegistry.com Registrar IANA ID: 303	April 06, 2010	April 06, 2017

IMMOVABLE PROPERTY:-

Details of our properties are as follows: -

Registered Office and Units:-

S.No.	Details of the Property	Use	Owned/Leased /License	Lessor/Seller	Consideration/ Lease Rental/ License Fees
1.	5-O-21, Basement, R.C. Vyas Colony, Bhilwara- 311 001, Rajasthan	Registered Office	Leased	**Lessor:** Ostwal Phoschem (India) Limited (CIN: U26933RJ1989PLC032188)	Lease Agreement dated May 1, 2015 for a period of 15 years for annual rent of Rs. 5,000/-.
2.	Khasra No. 28, 120, 37, 121, Rajoa, Sagar, Madhya Pradesh	Unit I	Owned	Mr. Ramkishan, Mr. Ramadhar and Mr. Shravan Kumar	Sale Deed dated 20/11/1997 for area admeasuring 1.22 Hectare for consideration of Rs. 1, 24, 000/-
3.	Khasra No. 36, Rajoa, Sagar, Madhya Pradesh	Unit I	Owned	Mr. Harkai	Sale Deed dated 28/12/2005 for area admeasuring 0.14 Hectare for consideration of Rs. 43, 000/-
4.	Khasra. No. 166/1 Sourai, Teh. Banda, Sagar, Madhya Pradesh	Unit II	Leased for a period of 30 years commencing from 18/03/2010 and amended lease Deed dated 27/04/2013	District trade and Industries Centre, Sagar, Madhya Pradesh	Lease Deed dated 18/03/2010 and further amended lease deed dated 27/04/2013 for a period of 30 years for area admeasuring 92700 sq mtrs., in lease rentals of Rs. 16, 496/- p.a.
5.	Plot No A-2, Sourai, Teh. Banda, Sagar, Madhya Pradesh	Unit II	Leased for a period of 30 years commencing from 09/04/2013	District trade and Industries Centre, Sagar, Madhya Pradesh	Lease Deed dated 09/04/2013 for a period of 30 years for area admeasuring 233704 sq mtrs., in ground rent of Rs. 90, 308/- p.a. and Annual maintenance charges of Rs. 180616/- p.a.

Others:-

S.No.	Details of the Property	Owned/Leased/ License	Lessor/Seller	Consideration/ Lease Rental/ License Fees
1.	Khasra. No. -468/1, 2, 4, 5, 6, & 469/1, 3 Banda, Sagar, Madhya Pradesh	Owned	Mr. Surendra Yadav , Mr Ramavtar and Mr. Krishna Kumar	Sale Deed dated 29/06/2010 for area admeasuring 2.36 Hectare for consideration of Rs. 12, 37, 100/-
2.	Khasra No. 1258, Shahgarh, Sagar, Madhya Pradesh	Owned	Mr. Raju	Sale Deed dated 9/9/2011 for area admeasuring 1.74 Hectare for consideration of Rs. 4, 00, 000/-
3.	Khasra No. 34 & 35/ 2, 3, 46/1, 2, 3, 48 Banda, Sagar, Madhya Pradesh	Owned	Mr. Abhay Singh, Mr. Ranveer, Mr. Rajendra, Mr. Bhagwan Singh, Mr. Rajkumar, Mr. Pawan, Mr. Roop Singh and Mr. Ram	Sale Deed dated 18/05/2011 for area admeasuring 1.35 Hectare for consideration of Rs.8, 23, 000/-
4.	Khasra No. 718/1, Banda, Sagar, Madhya Pradesh	Owned	Mr. Santosh Kumar	Sale Deed dated 26/4/2011between Madhya Bharat Agro Products Limited and Mr. Santosh Kumar for area admeasuring 0.44 Hectare for

				consideration of Rs. 17, 08, 000/-

INSURANCE:-

We believe and we maintain adequate insurance policies for our moveable and immoveable properties. We have obtained Standard Fire & Special Perils Insurance Policy and Burglary Insurance Policy for our units and Private Car Package Insurance Policy for our immoveable vehicles. We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate. The details of all the insurance policies maintained by us are as follows:

The insurers of the Company are:

1. The Oriental Insurance Company Limited
2. National Insurance Company Limited
3. Life Insurance Corporation of India

The Company has insurance policies of the following nature:
1. Fire Insurance Policy
2. Employer liability and Group Personal Accident Insurance
3. Keyman Insurance Policy
3. Vehicle Insurance
4. Cash Insurance
5. Goods– Sulphuric Acid.

The details of the Insurance Policies taken by the company are as follows:

A. <u>For Registered Office located at 5-O-21, Basement R.C. Vyas Colony Bhilwara - 311001, Rajasthan.</u>

S. No.	Policy No.	Insurance Co.	Particulars	Sum Insured (in Rs.)	Premium (in Rs.)	Period From	Period To
1.	242400/48/2016/3884	The Oriental Insurance Company Ltd.	Public Liability Insurance	15,00,00,000/-	1,43,709/-	24-02-2016	23-02-2017
2.	186750501/OSTWAL PK/03098198	Life Insurance Corporation of India	Keyman Insurance Policy	5,00,00,000/-	1,33,000/-	18-03-2016	17-03-2017

B. <u>For Unit I located at Khasra No. 28, 36, 37, 120 & 121, Village Rajoua, Tehsil & District – Sagar, Madhya Pradesh.</u>

S. No.	Policy No.	Insurance Co.	Particulars	Sum Insured (in Rs.)	Premium (in Rs.)	Period From	Period To
1.	242400/48/2016/3489	The Oriental Insurance Company Ltd.	Employer Liability (WC Policy)	33,26,904/-	26,614/-	20-01-2016	19-01-2017
2.	242400/48/2016/3488	The Oriental Insurance Company Ltd.	Cash Insurance	15,00,000/-	20,899/-	25-01-2016	24-01-2017
3.	242400/48/2016/3547	The Oriental Insurance Company Ltd.	Group Personal Accident	2,18,00,000/-	41,197/-	27-01-2016	26-01-2017
4.	242400/11	The Oriental	Standard Fire	15,80,00,00	1,37,682/-	09-07-2016	08-07-2017

	/2017/249	Insurance Company Ltd.	& Special Perils Policy	0/-			

VEHICLE INSURANCES

S. No.	Policy No.	Insurance Co.	Particulars	Vehicle No.	Sum Insured (in Rs.)	Premium (in Rs.)	Period From	Period To
5.	242400/31/2017/3346	The Oriental Insurance Company Ltd.	Hero Honda Glamour	RJ 06 SK 1711	20,250/-	856/-	30-07-2016	29-07-2017
6.	242400/31/2017/3884	The Oriental Insurance Company Ltd.	Yamaha crux	MP 15 MM 1801	26,150/-	976/-	12-08-2016	11-08-2017
7.	242400/31/2016/4440	The Oriental Insurance Company Ltd.	HMT Tractor & Bull Loader	MP15A A 3404	3,15,000/-	19009	29-08-2015	28-08-2016
8.	242400/31/2016/5494	The Oriental Insurance Company Ltd.	Hero Honda Shine	MP15M B 8043	16,350/-	797	10-09-2015	09-09-2016
9.	242400/31/2016/8767	The Oriental Insurance Company Ltd.	M&M Camper	MP 15 G 2352	2,77,200/-	18571	12-11-2015	11-11-2016

C. <u>For Unit II located at Khasra no. 166/1, Village: Sorai, Tehsil: Banda, District – Sagar, Madhya Pradesh</u>

S. No.	Policy No.	Insurance Co.	Particulars	Sum Insured (in Rs.)	Premium (in Rs.)	Period From	Period To
1.	242400/48/2016/3549	The Oriental Insurance Company Ltd.	Group Personal Accident	76,00,000/-	14,363/-	02-02-2016	01-02-2017
2.	242400/11/2016/965	The Oriental Insurance Company Ltd.	Std Fire Sulphuric Acid	25,50,00,000/-	1,54,811/-	23-03-2016	22-03-2017
3.	242400/11/2016/966	The Oriental Insurance Company Ltd.	Std Fire SSP	28,10,00,000/-	1,70,922/-	23-03-2016	22-03-2017
4.	380401/11/15/3300000400	National Insurance Company Ltd.	Standard Fire & Special Perils Policy	45,20,00,000/-	246690	24-08-2015	23-08-2016
5.	242400/48/2016/2860	The Oriental Insurance Company Ltd.	Money Insurance policy	50,00,000/-	2505	01-12-2015	30-11-2016

VEHICLE INSURANCES

S. No.	Policy No.	Insurance Co.	Particulars	Vehicle No.	Sum Insured (in Rs.)	Premium (in Rs.)	Period From	Period To
6.	242400/31/2016/12782	The Oriental Insurance Company Ltd.	JCB-II (Excavator)	MP 15 DA 0270	8,71,200/-	9,103/-	26-02-2016	25-02-2017
7.	242400/3	The Oriental	JCB-III	MP 15 DA	9,26,400/-	9,986/-	21-03-2016	20-03-2017

	1/2016/13348	Insurance Company Ltd.	(Excavator)	0268				
8.	242400/31/2017/307	The Oriental Insurance Company Ltd.	TVS Star City	MP 15 MF 6367	18,200/-	837/-	09-04-2016	08-04-2017
9.	242400/31/2017/308	The Oriental Insurance Company Ltd.	JCB-I	MP 15 DA 0225	8,73,000/-	9,592/-	15-04-2016	14-04-2017
10.	242400/31/2017/3344	The Oriental Insurance Company Ltd.	Bolero Camper	MP 04 GA 3343	2,28,700/-	18,211/-	25-07-2016	24-07-2017
11.	242400/31/2017/3883	The Oriental Insurance Company Ltd.	Tata Indigo ECS	MP 15 CA 5778	3,66,100/-	8,972/-	11-08-2016	10-08-2017
12.	242400/31/2016/5651	The Oriental Insurance Company Ltd.	Maruti Estilo	RJ 06 CA 7263	1,54,500/-	3812	22-09-2015	21-09-2016
13.	242400/31/2016/5495	The Oriental Insurance Company Ltd.	JCB-IV (Hydraulic Excavator)	MP 15 DA 0294	11,52,000/-	10493	23-09-2015	22-09-2016
14.	242400/31/2016/7115	The Oriental Insurance Company Ltd.	Mahindra Bolero	MP 15 CA 5970	4,37,500/-	16262	16-10-2015	15-10-2016

KEY INDUSTRY REGULATIONS AND POLICIES

INDUSTRIAL LAWS

Essential Commodities Act, 1955

The Essential Commodities Act, 1955 gives powers to control production, supply, and distribution etc. of essential commodities, for maintaining or increasing supplies and for securing their equitable distribution and availability to the Central Government. Various Ministers / Departments of the Central Government and Government/UT Administrations have issued Control Orders for regulating production / distribution / quality aspects / movement etc. pertaining to the commodities which are essential and administered by them under the Act.

The state government/UT Administrators have issued various control orders to regulate various aspects trading in Essential Commodities such as food grains, edible oils, pulses, sugar etc. The Central Government regularly monitors the action taken by the State Government /UT Administrators to implement the provisions of the Essential Commodities Act, 1955.

Fertilizers Control Order 1985

Govt. of India to promote the fertilizer industries in India & to control the quality & prices of fertilizer has issued such order. The major clauses of the said order applicable to our Company are as below:

1. Fixation of prices of fertilizers –

a. The Central Government may, with a view to regulating equitable distribution of fertilisers and making fertilisers available at fair prices, by notification in the Official Gazette, fix the maximum prices or rates at which any fertilizer may be sold by a dealer, manufacturer, importer or a pool handling agency.
b. The Central Government may having regard to the local conditions of any area, the period of storage of fertilisers and other relevant circumstances, fix different prices or rates for fertilisers having different periods of storage or for different areas or for different classes of consumers.
c. No dealer, manufacturer, importer or pool handling agency shall sell or offer for sale any fertiliser at a price exceeding the maximum price or rate fixed under this clause. Our products are not falling under price controls.

2. Allocation of fertilizers to various States

The Central Government may, with a view to securing equitable distribution and availability of fertilisers to the farmers in time, by notification in the Official Gazette, direct any manufacturer/importer to sell the fertilisers produced by him in such quantities and in such State or States and within such period as may be specified in the said notification.

3. Application for intimation or registration

a. Every person intending to sell or offer for sale or carrying on the business of selling of fertilizer as Industrial Dealer shall obtain a certificate of registration from the controller by making an application in Form A together with the fee prescribed under clause 36 and a Certificate of source in Form O.
b. Every person including a manufacturer, an importer, a pool handling agency, wholesaler and a retail dealer intending to sell or offer for sale or carrying on the business of selling of fertilizer shall make a Memorandum of Intimation to the Notified Authority, in Form A1 duly filled in, in duplicate, together with the fee prescribed under clause 36 and certificate of source in Form O.
c. On receipt of a Memorandum of Intimation, complete in all respects, the Notified Authority shall issue an acknowledgement of receipt in Form A2 and it shall be deemed to be an authorization letter granted and the concerned person as authorised dealer for the purposes of this Order.

4. Period of validity of certificate of registration and letter of authorization

Every certificate of registration granted under clause 9 and every authorization letter issued under clause 8 shall, unless renewed, suspended or cancelled, be valid for a period of three years from the date of its issue.

5. Renewal of certificates of registration and authorization letters

If an application for renewal of a certificate of registration or authorization letter is not made within one month from the date of expiry of their period of validity, the same shall be deemed to have lapsed on the 119 date on which its validity expired and any business carried on after that date shall be deemed to have been carried on in contravention of clause 7."

Manufacture of Mixtures and Fertilizers

6. Restriction on preparation of mixtures of fertilizer

No person shall carry on the business of preparing any mixture of fertilisers or special mixture of fertilizers except under and in accordance with the terms and conditions of a certificate of manufacture granted to him under clauses 15 or 16.

7. Standards of mixtures of Fertilisers

a. Subject to the other provisions of the order, no person shall manufacture any *mixture of fertilisers whether of solid or liquid fertilisers unless such mixture conforms to the standards set out in the notification to be issued by the Central Government in the Official Gazette;
b. Subject to the other provisions of this order, no person shall manufacture any "mixture of fertilisers unless such mixture conforms to the standards set out in the notification to be issued by the State Government in the Official Gazette; Explanation- For the purposes of this sub-clause, mixture of fertilizers shall not include liquid fertilizers and 100% water soluble fertilizers, containing N, P, K.
c. No Certificate of manufacture shall be granted in respect of any fertiliser which does not conform to the standards set out in the notification referred in sub- clause (1) or (2);
d. Nothing in this clause shall apply to special mixtures of fertilisers 9. Application for certificate of manufacture of mixtures of fertilisers Every person desiring to obtain a certificate of manufacture for preparation of any mixture of fertilisers or special mixture of fertilisers shall possess such mixture, and possess the minimum laboratory facility as specified in clause 21A of this Order.

8. Period of validity of a certificate of manufacture for preparation of mixtures of fertilisers

Every certificate of manufacture granted under clause 15 for preparation of a mixture of fertilisers shall, unless suspended or cancelled, be valid for a period of three years from the date of issue.

Electricity Act, 2003

The Electricity Act, 2003 has been recently introduced with a view to rationalize electricity tariff, and to bring about transparent policies in the sector. The Act provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatization of the state electricity boards. The related Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory Commissions the responsibility of regulating this sector.

The Companies Act, 1956

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections 110 have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has

inter-alia amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Trademarks Act, 1999 ("Trademarks Act")

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

The Competition Act, 2002

The Competition Act, 2002 "prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the "CCI") as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as „Individuals and „Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, implement provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them. Each contract creates some right and duties upon the contracting parties. Indian contract deals with the enforcement of these rights and duties upon the parties. The Indian Contract Act also lays down provisions of indemnity, guarantee, bailment and agency. Provisions relating to sale of goods and partnership which were originally in the act are now subject matter of separate enactments viz., the Sale of Goods Act and the Indian Partnership Act.

Standards of Weights and Measures Act, 1976

This Legislation and the rules made there under apply to any packaged commodity that is sold or distributed. It provides for standardization of packages in specified quantities or numbers, in which the manufacturer, packer or distributor shall sell, distribute or deliver some specified commodity to avoid undue proliferation of weights, measures or number in which such commodities may be packed. The Act regulates interstate trade and commerce in weights and measures and commodities sold, distributed or supplied by weights or measures, pre-packed commodities sold or intended to be sold in the course of inter-state and commerce, inspection of weighing and measuring instruments during their use to prevent fraudulent practices.

It also empowers the inspectors appointed under the provision of this Act to search, seize and forfeit non-standard weight or measure and to file case in the court for prosecution. Any person intending to pre-pack or import any commodity for sale, distribution or delivery has to make an application to the Director of Legal Metrology for registration.

Legal Metrology Act, 2009

The Legal Metrology Act replaces the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act inter-alia requires any person who manufactures, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, to obtain a license issued by the Controller of Legal Metrology. It has been clarified that no license to repair is required by a manufacturer for repair of his own weight or measure in a State other than the State of manufacture of the same. The Legal Metrology Act inter-alia provides that any person who is required to obtain a license under the Legal Metrology Act or the rules made thereunder, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, without being in possession of a valid license, will be punished in the first instance with fine and for a subsequent offence, with imprisonment and/or fine.

LAWS AND REGULATIONS REGULATING FOREIGN TRADE AND INVESTMENT

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications thereunder, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

Foreign Trade (Development and Regulation) Act, 1992

This statute seeks to increase foreign trade by regulating the imports and exports to and from India. This legislation read with the Indian Foreign Trade Policy provides that no export or import can be made by a person or company without an importer exporter code number unless such person or company is specifically exempt. An application for an importer exporter code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

POLLUTION LAWS

Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 was enacted as a general legislation to safeguard the environment from all sources of pollution and prevention of hazards to human beings, other living creatures, plants and property to enable creation of an authority with powers for environmental protection, regulation of discharge of environmental pollutants etc. The purpose of the Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws, such as Water Act & Air Act. It includes water, air and land and the inter-relationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act was enacted in 1974 in order to provide for the prevention and control of water pollution by factories and manufacturing industries and for maintaining or restoring the wholesomeness of water. "Pollution" means such

contamination of water or such alteration of the physical, chemical or biological properties of water or such discharge of any sewage or trade effluent or of any other liquid, gaseous or solid substance into water (whether directly or indirectly) as may, or is likely to , create a nuisance or render such water harmful or injurious to public health or safety, or to domestic, commercial, industrial, agricultural or other legitimate uses, or to the life and health of animals or plants or of aquatic organisms. In respect to an Industrial Undertaking it applies to the (i) Occupier (the owner and management of the undertaking) (ii) outlet (iii) Pollution and (iv) Trade effluents. The Act requires that approvals be obtained from the corresponding pollution control Boards in the state

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. 'Air Pollution' means the presence in the atmosphere of any 'air pollutant', which means any solid, liquid or gaseous substance (including noise) present in the atmosphere in such concentration as may be or tend to be injurious to human beings or other living creatures or plants or property or environment. The statute was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the Limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the corresponding Pollution Control Boards in the state.

Environment Impact Assessment Notifications

The Environment Impact Assessment Notification S.O.60(E), issued on January 27, 1994 ("1994 Notification") under the provisions of the Environment Act, as amended, prescribes that for the construction of certain power projects specified in the 1994 Notification, in the case of new projects, if the investment is more than ₹1,000 million and in the case of expansion or modernization projects, if the investment is more than ₹500 million the prior environmental clearance of the Ministry of Environment and Forest ("MoEF") is required. The environmental clearance must be obtained from the MoEF according to the procedure specified in the 1994 Notification. No construction work, preliminary or other, relating to the setting up of a project can be undertaken until such clearance is obtained.

The application to the MoEF is required to be accompanied by a project report which should include, *inter alia*, an Environmental Impact Assessment Report and an Environment Management Plan. The Impact Assessment Authority evaluates the report and plan submitted. Such assessment is required to be completed within a period of 90 days from receipt of the requisite documents from the project developer / manager. Thereafter, a public hearing has to be completed and a decision conveyed within thirty days.

The clearance granted is valid for a period of five years from the commencement of the construction or operation of the project. The project developer / manager concerned are required to submit a half yearly report to the Impact Assessment Authority to enable it to effectively monitor the implementation of the recommendations and conditions subject to which the environmental clearance has been given. If no comments from the Impact Assessment Authority are received within the time limits specified above, the project will be deemed to have been approved by the project developer / manager.

On September 14, 2006, the Environmental Impact Assessment Notification S.O. 1533 ("2006 Notification") superseded the 1994 Notification. Under the 2006 Notification, the environmental clearance process for new projects consists of four stages – screening, scoping, public consultation and appraisal. After completion of public consultation, the applicant is required to make appropriate changes in the draft Environment Impact Assessment Report and the Environment Management Plan. The final Environment Impact Assessment Report has to be submitted to the concerned regulatory authority for appraisal. The regulatory authority is required to give its decision within 105 days of the receipt of the final Environment Impact Assessment Report.

The Hazardous wastes (Management and Handling) Rules, 1989

The Hazardous Wastes (Management, Handling and Tran boundary Movement) Rules, 2008, as amended (the "Hazardous Wastes Rules"), which superseded the Hazardous Wastes (Management and Handling) Rules, 1989, state that the occupier will be responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment. The hazardous wastes generated in the establishment of the occupier should be sent or sold to a recycler or re-processor or re-user registered or authorized under the Hazardous Wastes Rules or should be disposed of in an authorized disposal facility. The

MOEF has been empowered to deal with the trans-boundary movement of hazardous wastes and to grant permission for transit of hazardous wastes through any part of India. No import of hazardous waste is permitted in India. The State Government, occupier, operator of a facility or any association of the occupier will be individually or jointly or severally responsible for, and identify sites for, establishing the facility for treatment, storage and disposal of hazardous wastes for the State.

Public Liability Insurance Act, 1991 ("Public Liability Act")

The Public Liability Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the Environment Relief Fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

LABOUR LAWS

Factories Act, 1948

The Factories Act, 1948 ("Factories Act") defines a 'factory' to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and covers any premises where there are at least 20 workers who may or may not be engaged in an electrically aided manufacturing process. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories.

The Factories Act provides that the occupier of a factory, *i.e.* the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions. Persons who design, manufacture, import or supply articles for use in a factory must ensure the safety of the workers in the factory where the articles are used. If the safety standards of the country where the articles are manufactured are above Indian safety standards, the articles must conform to the relevant foreign standards. There is a prohibition on employing children below the age of fourteen years in a factory. If there is violation of any provisions of the Factories Act or rules framed there under, the occupier and manager of the factory may be punished with imprisonment for a term up to two years and/or with a fine up to ₹ 1 lakhs or both, and in case of such violation continuing after conviction, with a fine of up to ₹1,000 per day of violation. In case of a contravention which results in death or serious bodily injury, the fine shall not be less than ₹ 0.25 lakhs in the case of an accident causing death, and ₹5,000 in the case of an accident causing serious bodily injury. In case of contravention after a prior conviction, the term of imprisonment increases up to three years and the fine would be ₹3 lakhs and in case such contravention results in death or serious bodily injury the fine would be a minimum of ₹ 0.35 lakhs and ₹0.10 Lakhs, respectively.

The ambit of operation of this Act includes the approval of Factory Building Plans before construction/extension, investigation of complaints with regard to health, safety, welfare and working conditions of the workers employed in a factory, the maintenance of registers and the submission of yearly and half-yearly returns.

Minimum Wages Act, 1948

The State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages generally consist of a basic rate of wages, cash value of supplies of essential commodities at concession rates and a special allowance, the aggregate of which reflects the cost of living index as notified in the Official Gazette. Workers are to be paid for overtime at overtime rates stipulated by the appropriate State Government. Any contravention may result in imprisonment of up to six months or a fine of up to ₹ 500.

Employees's Compensation Act, 1923

The Employee's Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Act makes every employer liable to pay compensation in accordance with the Act if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the Act within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Payment of Wages Act 1936

The Payment of Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments where the monthly wages payable to such persons is less than ₹ 10,000/-. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

Industrial (Development and Regulation) Act, 1955

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector.

An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

The Employees State Insurance Act, 1948

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department.

Payment of Gratuity Act, 1972

Gratuity is a lump sum payment made by an employer as the retrial reward for his past service when his employment is terminated. The provisions of the Act are applicable on all the establishments in which ten or more employees were employed on any day of the preceding twelve months and as notified by the government from time to time. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A thereafter whenever there is any change it the name, address or in the change in the nature of the business of the establishment a notice in Form B has to be filed with authority. An employee who has been in continuous service for a period of five years will eligible for gratuity upon his retirement, superannuation, death or disablement. The maximum amount of gratuity payable shall not exceed ₹ 3.50 Lakhs. Further, every employer has to obtain insurance for his liability towards gratuity payment to be made under payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. Under the said Act an employee in a factory who has worked for at least 30 working days in a year is eligible to be paid bonus. The minimum bonus to be paid to each employee is 8.33% of the salary or wage or ₹ 100, whichever is higher, and must be paid irrespective of the existence of any allocable surplus. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to a maximum of 20% of such salary or wage. Contravention of the Act by a company will be punishable by proceedings for imprisonment up to six months or a fine up to ₹ 1,000 or both against those individuals in charge at the time of contravention of the Payment of

Bonus Act. It further requires for the maintenance of certain books and registers and submission of Annual Return in the prescribed form (FORM D) within 30 days of payment of the bonus to the Inspector.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

The Act is applicable to factories employing more than 20 employees and may also apply to such establishments and industrial undertakings as notified by the Government from time to time. All the establishments under the Act are required to be registered with the Provident Fund Commissioners of the State. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 provides for the institution of compulsory provident fund, pension fund and deposit linked insurance fund for the benefit of employees in factories and other establishments. This act was introduced with the object to institute provident fund for the benefit of employees in factories and other establishments. It empowers the Central Government to frame the 'Employee's Provident Fund Scheme', 'Employee's Deposit linked Insurance Scheme' and the 'Employees' Family Pension Scheme' for the establishment of provident funds under the EPFA for the employees. A liability is placed both on the employer and the employee to make contributions to the funds mentioned above. A monthly return in Form 12 A is required to be submitted to the commissioner in addition to the maintenance of registers by the employers.

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("Act") and the schemes formulated there under ("Schemes")

This Act provides for the institution of provident funds, family pension funds and deposit linked insurance fund for the employees in the factories and other establishments. Accordingly, the following schemes are formulated for the benefit of such employees:

i. *The Employees Provident Fund Scheme*: as per this Scheme, a provident fund is constituted and both the employees and employer contribute to the fund at the rate of 12% (or 10% in certain cases) of the basic wages, dearness allowance and retaining allowance, if any, payable to employees per month.
ii. *The Employees Pension Scheme*: Employees' Pension Scheme is Pension Scheme for survivors, old aged and disabled persons. This Scheme derives its financial resource by partial diversion from the Provident Fund contribution, the rate being 8.33%. Thus, a part of contribution representing 8.33 per cent of the employee's pay shall be remitted by the employer to the Employees' Pension fund within 15 days of the close of every month by a separate bank draft or cheque on account of the Employees' Pension Fund contribution in such manner as may be specified in this behalf by the appropriate authority constituted under the Act. The Central Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees' Pension Scheme and credit the contribution to the Employees' Pension Fund.
iii. *The Employees Deposit Linked Insurance Scheme:* As per this Scheme, the contribution by the employer shall be remitted by him together with administrative charges at such rate as the Central Government may fix from time to time under Section 6C (4) of the Act, to the Insurance Fund within 15 days of the close of every month by a separate bank draft or cheque or by remittance in cash in such manner as may be specified in this behalf by the appropriate authority constituted under the Act.

Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 ("Industrial Disputes Act") provides for mechanism and procedure to secure industrial peace and harmony by investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act. The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure or lay off or retrenchment. (b) the procedure for prior permission of appropriate Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labour practices on part of an employer or a trade union or workers.

Industrial Employment (Standing Orders) Act, 1946

The Industrial Employment (standing orders) Act requires employers in industrial establishments to formally define conditions of employment under them. It applies to every industrial establishment wherein 100 (reduced to 50 by the Central Government in respect of the establishments for which it is the Appropriate Government) or more workmen are employed. The Act calls for the submission of such conditions of work to the relevant authorities for their approval.

The Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

The Maternity Benefit Act, 1961

The purpose of Maternity Act 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides inter-alia for payment of maternity benefits, medical bonus and enacts prohibition on dismissal, reduction of wages paid to pregnant women etc. It applies in the first instance, to every establishment being a factory, mine or plantation [including any such establishment belonging to Government and to every establishment wherein persons are employed for the exhibition of equestrian, acrobatic and other performances

Child Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

The Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act regulates the employment, and protects the interests, of workers hired on the basis of individual contracts in certain establishments. In the event any activity is outsourced, and is carried out by labourers hired on contractual basis, compliance with the Act including registration will be necessary and the principal employer will be held liable in the event of default by the contractor to make requisite payments towards provident fund. The Act regulates the employment of contract labour in certain establishments provides for its abolition in certain circumstances. It applies:

• To every establishment which does not carry on intermittent / casual work in which twenty or more workmen are / were employed on any day of the preceding 12 months as contract labour
("Establishment");

• To every contractor who employs, or who employed on any day of the preceding 12 months, twenty or more workmen.

Every Establishment must, within the specified period, apply to the registering officer for registration of the Establishment and obtain a certificate of registration containing such particulars as may be prescribed.
Further, a contractor can only undertake or execute any work through contract labour under and in accordance with a licence issued in that behalf by the licensing officer. The license may contain conditions including, in particular, conditions as to hours or work, fixation of wages and other essential amenities in respect of contract labour. The license will be valid for the period specified therein.

Every contractor is duty-bound to provide and maintain supply of drinking water, canteens, rest-rooms latrines and urinals, washing facilities, first- aid box in the prescribed manner for contract labour employed in connection with the work of an Establishment to which the Act applies. If such amenities are not provided by the contractor within the prescribed time, such amenities shall be provided by the principal employer of the Establishment. Contractor shall be responsible for payment of wages to each worker employed by him as contract labour within the prescribed period and in case he fails to do so, the principal employer of the Establishment will be so responsible. Every principal employer and contractor is required to maintain the prescribed records in respect of the contract labour employed.

The Contract Labour (Regulation and Abolition) Central Rules, 1971

The Contract Labour Rules were formulated to carry out the purposes of the Contract Labour (Regulation and Abolition) Act, 1970 ("Act") has not been captured. As per the Contract Labour Rules, the application for registration of establishments to which the Act applies shall be made in Form I in triplicate and shall be accompanied by a treasury receipt showing payment of fees. A certificate of registration in Form II containing particulars of the name of the establishment, type of work carried on therein, number of contract labourers employed and other particulars is then issued. Any change in these particulars must

be intimated by the principal employer at the establishment within thirty days of such change along with details of such change. Every application for license by the Contractor, made in Form IV, shall be accompanied by a certificate by the principal employer in Form V to the effect that the applicant has been employed by him as a contractor in relation to his establishment. Security as prescribed must also be deposited. Every license granted to the contractor in Form VI i– non - transferable and shall contain particulars such as the maximum number of contract labourers employed.
Further, the employer is required to maintain records and submit periodic returns with regard to the implementation of the Act and Schemes.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for the protection of women at work place and prevention of sexual harassment at work place. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to N 50,000/- (Rupees Fifty Thousand Only).

TAX LAWS

Income Tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

Value Added Tax ("VAT")

VAT is a system of multi-point levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

Service Tax

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, (as amended from time to time) which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service tax Rules the assesses is required to pay Service tax in TR 6 challan by fifth of the month immediately following the month to which it relates. Further under Rule 7(1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half year to which the return relates.

Central Excise Act, 1944 and Excise Regulations

The Central Excise Act, 1944 seeks to impose an excise duty on excisable goods which are produced or manufactured in India. Excise duty is levied on production of goods but the Liability of excise duty arises only on removal of goods from the place of storage, i.e., factory or warehouse. Unless specifically exempted, excise duty is levied even if the duty was paid on the raw material used in production. The rate at which such a duty is imposed is contained in the Central Excise Tariff Act, 1985. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification.

Customs Regulations

All imports into India are subject to duties under the Customs Act, 1962 at the rates specified under the Customs Tariff Act, 1975. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification.

Shops & Commercial Establishments Acts of the respective States in which Our Company has an established place of business/ office ("Shops Act")

The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn functions under the supervision of Labour Commissioner.

Motor Vehicles Act, 1988 and Central Motor Vehicle Rules, 1989

The purpose of Motor Vehicles Act, 1988 is to regulate the activities associated with the driving licences, vehicle registration, vehicles safety etc. The Central Motor Vehicle Rules, 1989 framed under the above Act also prescribe various road safety measures. The Motor Vehicles Act, 1988 and the Central Motor Vehicle Rules, 1989 (Chapter- II) prescribes stringent procedure for grant of Driving Licences. Changes in the said Act and related rules have a bearing on the business of the Company

The Transfer of Property Act, 1882

The Transfer of Property Act, 1882 establishes the general principles relating to the transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction for the sale of land.

The Specific Relief Act, 1963 ("Specific Relief Act")

The Specific Relief Act is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Specific Relief Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. 'Specific performance' means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

Registration Act, 1908

The Registration Act, 1908 details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, inter alia, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in the present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of ₹ 100 or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. The Registration Act also stipulates the time for registration, the place for registration and the persons who may present documents for registration. Any document which is required to be compulsorily registered but is not registered will not affect the subject property, nor be received as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance of a contract under the Transfer of Property Act or as evidence of any collateral transaction not required to be effected by registered instrument), unless it has been registered.

Indian Stamp Act, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

Indian Easements Act, 1882

The law relating to easements and licenses in property is governed by the Easements Act, 1882. The right of easement has been defined under the Easements Act to mean a right which the owner or occupier of any land possesses over the land of another for beneficial enjoyment of his land. Such right may allow the owner of the land to do and continue to do something or to prevent and continue to prevent something being done, in or upon any parcel of land which is not his own. Easemetary rights may be acquired or created by (a) an express grant; or (b) a grant or reservation implied from a certain transfer of property; or (c) by prescription, on account of long use, for a period of twenty years without interruption; or (d) local custom.

Negotiable Instruments Act, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

HISTORY AND CERTAIN CORPORATE MATTERS

Our History and Background

Our Company was originally incorporated on October 22, 1997 as "Madhya Bharat Agro Products Private Limited" vide Registration no. 10-12401 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh, Gwalior. Our Company was converted into a Public Limited Company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting of the Company held on May 1, 1999 and the name of our company was changed to "Madhya Bharat Agro Products Limited" vide a fresh Certificate of incorporation dated June 11, 1999, issued by the Registrar of Companies, Madhya Pradesh, Gwalior having CIN U24121MP1997PLC012401. Further the registered Office of the Company was changed to Bhilwara; Rajasthan from Indore, Madhya Pradesh and fresh certificate for change in registered office was issued by Registrar of Companies, Rajasthan, Jaipur dated May 05, 2009 having CIN U24121RJ1997PLC029126.

Our Company was originally promoted by Mr. Shailendra Jain, Mr. Motilal Jain, Mr. Sukhnandan Jain and Mr. Sunil Jain who were the original/initial subscribers to the Company's Memorandum and Articles of Association in the year 1997.

In the year 2002-03 the operations of the company was closed and it was referred to BIFR to register as a Sick Company, During the pendency of the approval, the said company was taken over by Pankaj Ostwal, Praveen Ostwal and Seasons Agro Chem India Private Limited in September 2004. MBAPL production was restarted after takeover in January 2005. Further, as per the BIFR order dated May 17, 2007, Company's operation was improved and the new promoters inducted funds for revival of the Company, and declared as not a sick industrial Company within the meaning of Section 3 (1) (o) of Sick Industries Companies Act, 1985.

Presently Mr. Pankaj Ostwal, Praveen Ostwal, Ostwal Phoschem (India) Limited and Seasons Agro Chem India Private Limited are Promoters of the Company.

Changes in Registered Office of the Company since incorporation

The Registered Office of the Company is situated at 5-O-21, Basement R.C. Vyas Colony Bhilwara, Rajasthan – 311001

Following change has been made in our registered office since incorporation till date of this Prospectus:

From	To	Date of Change	Reason for Change
1454 Rajkiran Building, Wright Town, Jabalpur, Madhya Pradesh, India	-	-	Since Incorporation
1454 Rajkiran Building, Wright Town, Jabalpur, Madhya Pradesh,India	376, Clerk Colony, Pardesi Pura, Indore, Madhya Pradesh,India	October 30, 2004	Since the company was taken over by new management
376, Clerk Colony, PardesiPura, Indore, Madhya Pradesh,India	5-O-1,Basement, R.C. Vyas Colony, Bhilwara-311001, Rajasthan,India	May 5, 2009	For the better operational efficiency as the new management and existing promoters are permanent resident of Bhilwara.
5-O-1,Basement, R.C. Vyas Colony, Bhilwara-311001, Rajasthan,India	5-O-21, Basement,R. C. Vyas Colony,Bhilwara-311001,Rajasthan,India	May 1, 2015	To increase operational efficiency

Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
1997-98	Incorporation of the Company in the name and style of "Madhya Bharat Agro Products Private Limited"
1998-99	Starting commercial production for manufacturing of SSP at Unit - I
1999-00	Conversion of Company from Private Limited to Public Limited.
2002-03	Operations of the Company was closed and referred to BIFR for registration as Sick Company

Year	Key Events / Milestone / Achievements
2004-05	Company was taken over by Existing Promoters
2007-08	Revive from Board for Industrial and financial Reconstruction
2009-10	Change in Registered office from Indore , Madhya Pradesh to Bhilwara, Rajasthan
2011-12	Starting commercial production for manufacturing of BRP at Unit - II
2014-15	Started Production for manufacturing of SSP at Unit - II

Detail about business of our Company

For details on the description of our Company's activities, products, marketing strategy, competition of our Company, please see "***Our Business***", "***Management's Discussion and Analysis of Financial Conditions and Results of Operations***" and "***Basis for Offer Price***" on pages 112, 210 and 83 respectively of the Prospectus.

Our Main Object

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on in India or elsewhere the business to manufacture, process, produce, refine, convert, commercialize, control, formulate, mix or prepare, enrich mine, disinfect, clean, wash, dilute, concentrate, compound, develop, segregate, pack, repack, add, remove, heat, grade, freeze, fermentate, reduce, improve, buy, sell, resell, e-commerce, exchange, barter, transport, store, forward, distribute, assign, transfer, turn to account or to act as agent, broker, concessionaires, representative consultant, collaborator, job worker or otherwise to deal in all description, characteristics and application, derive, discover, dispose of, trade, handle, release, manipulate prepare, promote, market, procure, supply, treat, import or otherwise acquire, own, hold, use, mortgage, pledge, export, adatia, stockiest, liasioner, deal in and deal with, import and export any and all classes and all kinds and all types and all short of agriculture products, gas based, natural or manmade fertilizers and chemicals, their bye-products, mixtures, formulations, intermediates, derivatives and compounds, whether nitrogenous, phosphatic, potash or otherwise such as single super phosphate, triple super phosphate, zincated single super phosphate, boronated single super phosphate, granule single super phosphate, phosphate rock, sodium silica fluoride, lime, rock phosphate, urea, sulphur, gypsum, silicon fluoride, vanadium pent oxide, oleum, liquid SO_3, di-calcium phosphate, alum, sulphonic acid, LABSA, chloro sulphonic acid, sulphur bentonite, thionyl chloride, sodium bisulphite, sulphur monochloride, sulphuryl chloride, copper sulphate, maganese sulphate, ferrous sulphate, sulphuric acid, zinc sulphate, silicon dioxide, phosphoric acid, nitric acid, hydrochloric acid, soda ash, caustic soda, chlorine based chemicals, di ammonium phosphate, mono ammonium phosphate, Muriate of Potash, calcium chloride and other organic salts, by products derivatives, compounds, residues, waste, whether straight, complex or mixed and whether granulated or otherwise and insecticides, pesticides, germicides, and its various intermediates, seeds, agro commodities, bio-fuel etc. and agriculture machinery and equipments and to develop the new manufacturing technology, to have foreign collaboration for technology and transfer/sale the same at some value.

2. To carry on the business as manufacturer, exporter, importer, buyer, purchase, seller, trader, distributor, stockiest, franchise, commission agents, e-commerce for all type of marketing and services, broker, make marketable and otherwise deal in agriculture, horticulture, food stuffs, jute, cotton, woolen, and their items, fibers of textile materials whether agriculture or animal or natural products of manmade, packing materials, carpet, floor covering, furnishing, fabrics, durries, all kind of wood and wooden items, rice, wheat, spices and other food grains and processed and preserved food, fresh food, plant seed, dry fruits, eatable, all kind of edible and non-edible oils, oil seeds and their products, vegetables, vegetable products, dairy products, brewer, horticultural products, flowers, marine products and sea foods, tea, tobacco and tobacco products.

Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	The initial authorised share capital increased from Rs. 50,00,000 (Fifty Lakhs) divided into 50,000 equity Shares of Rs. 100 each to Rs.1,50,00,000	January 21, 1999	EGM

	(One Crore fifty Lakhs) divided into 75000 Equity shares of Rs. 100 each and 75000 13% redeemable non-cumulative Preference Shares of Rs.100 each.		
2.	The name of the company being changed to Madhya Bharat Agro Products Limited from Madhya Bharat Agro Products Private Limited.	May 1, 1999	EGM
3.	Amendment in Clause II of the Memorandum of Association of the Company i.e. substituting the words 'STATE OF MADHYA PRADESH' by the words 'STATE OF RAJASTHAN."due to change in Registered office of the company.	February 23, 2009	EGM
4.	The Capital Clause amended on conversion of Preference Share Capital into Equity Share Capital	June 1, 2009	EGM
5.	Alteration in Clause V of Memorandum of Association to include the Sub division the Existing Equity Shares of Nominal Value of Rs. 100 each into nominal value of Rs.10 each	August 1, 2009	EGM
6.	Increase in authorized share capital from Rs. 1,50,00,000 (One Crore Fifty Lakhs) divided into 15,00,000 (Fifteen Lkah) Equity Shares to Rs. 12,00,00,000 (Twelve Crores) divided into 1,20,00,000(One Crore Twenty Lakhs) Equity shares of Rs. 10 each.	August 1, 2009	EGM
7.	Increase in authorized share capital from Rs. 12,00,00,000 (Twelve Crores) divided into 1,20,00,000 (One Crore twenty Lakhs) to Rs. 22,00,00,000 (Twenty Two Crores) divided into 2,20,00,000(Two Crores twenty Lakhs) equity shares of Rs.. 10 each.	September 20, 2010	AGM
8.	Alteration in Object Clause by way of replacing the existing main objects and inserting the new objects.	December 13, 2014	EGM
9.	To Adopt New Set Of Memorandum Of Association Containing Regulation in Conformity with The Companies Act, 2013	September 17, 2015	AGM

Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the General Meeting of the Company dated June 11, 2016.

Capital raising (Debt / Equity)

For details in relation to our capital raising activities through equity, please refer to the chapter titled "***Capital Structure"*** beginning on page 51 of the Prospectus.

For a description of our Company's debt facilities, see "***Statement of Financial Indebtedness***" on page 208 of the Prospectus

Defaults or Rescheduling of borrowings with financial institutions/banks

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Prospectus. Furthermore, none of the Company's loans have been converted into equity in the past.

Time and Cost overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company.

Revaluation of Assets

Our Company has not revalued its assets since incorporation except as below:-

S.No.	Particulars	Date of Revaluation	Amount (in Lacs)
1.	Revaluation of Fixed Assets	March 17, 2009	278.90
2.	Revaluation of Land	March 31, 2014	2303.40

Lock-out or strikes

There have been no lock-outs or strikes in our Company since inception.

Changes in activities of our Company during the last five (5) years

Our Company has not changed its line of activities in the last five (5) years.

Holding Company

As on the date of the Prospectus, our Company is not a subsidiary of any company.

Subsidiary of our Company

Our Company does not have any Subsidiary within the meaning of Section 2 (87) of the Companies Act 2013, as on the date of this Prospectus.

Injunction or restraining order

Our Company is not operating under any injunction or restraining order.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets etc.

In the year 2002-03 the operations of the company was closed and it was referred to BIFR to register as a Sick Company, During the pendency of the approval, the said company was brought out by Mr. Pankaj Ostwal, Mr. Praveen Ostwal and Seasons Agro Chem India Pvt. Ltd. in year 2004.

Number of Shareholders of our Company:

Our Company has Seventeen (17) shareholders as on the date of this Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled ***"Capital Structure"*** beginning on page 51 of the Prospectus.

Changes in the Management

For details of change in Management, please see chapter titled "***Our Management***" on page no 146 of the Prospectus.

Shareholders Agreements

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Prospectus.

Other Agreements

Our Company has not entered into any other material agreements, other than disclosed in the Prospectus. For further details please refer to the chapter titled "***Outstanding Litigation and Material Developments"*** and "***Material Contracts and Documents for Inspection*"** beginning on page 222 and 336 respectively of the Prospectus.

Strategic Partners

Except as mentioned in this Prospectus, Our Company does not have any strategic partners as on the date of this Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of this Prospectus.

Corporate Profile of our Company

For details on the description of our Company's activities, the growth of our Company, please see "***Our Business***", "***Management's Discussion and Analysis of Financial Conditions and Results of Operations***" and "***Basis of Offer Price***" on pages 112, 210 and 86 of this Prospectus.

OUR MANAGEMENT

Board of Directors: As per the Articles of Association, our Company is required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors. Currently, our Company has Seven (7) Directors and out of which four (4) are Non-Executive Independent Directors. We confirm that the composition of our Board of Directors is as per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Mr. Pankaj Ostwal (Chairman & Managing Director) and Mr. Sourabh Gupta (Whole time Director) are suitably supported by team of qualified experienced executives who carry out the day to day affairs of the business of our Company.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Prospectus:

Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Offer)	Other Directorships
1	**Mr. Pankaj Ostwal** **Father Name:** Mahendra Kumar Ostwal **Age:** 38 Years **Designation:** Chairman & Managing Director **Address:** 5-0-1, R C Vyas Colony, Bhilwara – 311001 (Rajasthan) **Experience:** 13 years **Occupation:** Business **Qualifications:** Chartered Accountant **Nationality:** Indian **DIN:** 02586806	Originally appointed on the Board w.e.f. February 24, 2009 Designated as Managing Director in AGM dated September 17, 2015 for a period of 5 years not liable to retire by rotation. Further appointed as chairman in Meeting dated June 11, 2016	12,20,130 Equity Shares; 5.57% of Pre- Offer Paid up capital	Ostwal Phoschem (India) Limited
2	**Mr. Praveen Ostwal** **Father Name**: Mahendra Kumar Ostwal **Age:** 36 Years **Designation:** Non Executive Non Independent Director **Address:** 5-0-1 R C Vyas Colony, Bhilwara – 311001 (Rajasthan) **Experience:** 11 Years **Occupation:** Business **Qualifications:** Chartered Accountant **Nationality:** Indian **DIN:** 00412207	Originally appointed on the Board w.e.f. September 24, 2004 Currently appointed as Non-executive Director w.e.f. September 17, 2014	3,32,700 Equity Shares; 1.52% of Pre- Offer Paid up capital	Krishana Phoschem Limited

Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Offer)	Other Directorships
3.	**Mr. Sourabh Gupta** **Father Name:** Man Sagar Gupta **Age:** 32 Years **Designation:-** Whole time Director **Address:** 3 D Basant Vihar Ward No. 48, Bhilwara, Rajasthan, INDIA **Experience:** 6 year **Occupation:** Business **Qualifications:** Chartered Accountant **Nationality:** Indian **DIN:** 07177647	Originally appointed on the Board w.e.f. May 01, 2015 as Additional Director Currently designated as Whole time Director w.e.f. June 11, 2016	Nil	--
4.	**Mr. Sushil Kumar Surana** **Father Name :** Chandmal Surana **Age:** 54 Years **Designation:** Non-Executive Independent Director **Address:** 92, Rajendra Marg Bhilwara Rajasthan, India **Experience:** 16 Years **Occupation:** Business **Qualifications:** Diploma in Engineering **Nationality:** Indian **DIN:** 01918651	Originally appointed on the Board as Non-Executive Independent Director in AGM dated September 20, 2010 (i)	Nil	1. Unizyp Plaster Board Private Limited 2. Scorpio Agrotech Private Limited 3. SKS Securities Private Limited
5.	**Mr. Paras Mal Surana** **Father Name:** Tejmal Surana **Age:** 63 Years **Designation:** Non-Executive Independent Director **Address:**107, Rajendra Marg, Union Bank of India Ke Pass Bhilwara, Rajasthan, India **Experience:** 39 Years **Occupation:** Business **Qualifications:** Bachelor of Science **Nationality:** Indian **DIN:** 06367348	Originally appointed on the Board as Additional Director in Board Meeting dated August 30, 2012. Further designated as Non-Executive Independent Director in AGM dated September 26, 2012	Nil	--

Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Offer)	Other Directorships
6.	**Mr. Arvind Kothari** **Father Name :** Himmat Singh **Age:** 44 Years **Designation:** Non-Executive Independent Director **Address:** 32 Kothari Bhawan, Kashipuri, Bhilwara, Rajasthan, India **Experience:** 20 Years **Occupation:** Business **Qualifications:** Bachelor of Commerce **Nationality:** Indian **DIN:** 03268623	Originally appointed on the Board as Non-Executive Independent Director in AGM dated September 20, 2010[(ii)]	Nil	--
7.	**Mrs. Aruna Kothari** **Father Name :** Vijay Singh Surana **Age:** 37 Years **Designation:** Non-Executive Independent Director **Address:** 106 Kiran Chandra Singha Road, Ganges Garden, Shibpur Howrah, West Bengal **Experience:** Nil **Occupation:** Business **Qualifications:** Higher Secondary **Nationality:** Indian **DIN:** 07535756	Originally appointed as Additional Non-Executive Independent Director in EGM dated June 04, 2016 for a period of 5 years not liable to retire by rotation	Nil	--

[(i)] *Further appointed as Non Executive Independent Director for a period of 5 years not liable to retire by rotation dated September 17, 2014 to inline with Companies Act 2013*

[(ii)] *Further appointed as Non Executive Independent Director for a period of 5 years not liable to retire by rotation dated September 17, 2014 to inline with Companies Act 2013*

BRIEF PROFILE OF OUR DIRECTORS

1. Mr. Pankaj Ostwal, Chairman & Managing Director, Age: 38 Years

Mr. Pankaj Ostwal aged 38 years, is Managing Director of our Company. He is a Chartered Accountant by qualification. He assisted in managing the company since takeover. He was appointed as Managing Director by resolution in the General Meeting, dated 17th September 2015 for a term of five years with effect from 5th June 2015. He is young and dynamic person with having 13 years experience in the fertilizer as well as textile Sector. He started his career in 2003 with Ostwal Phoschem (India) Limited, Bhilwara. He is presently in charge of finance, macro management, and strategic matters of our company. He has also actively participated in Social Welfare activity through Smt. Nirmaladevi Ostwal Sewa Sansthan by providing Economic and Financial help to poor students for basic as well as higher education and also help to Old age and helpless people.

2. Mr. Praveen Ostwal, Non Executive Non Independent Director, Age: 36 Years

Mr. Praveen Ostwal aged 36 years, is Non Executive Director and also the Promoter of our Company. He is a Chartered Accountant by qualification. He was appointed as the Managing Director of the Company on July 19, 2005 for a period of 5 years. He was actively engaged in managing the company since takeover. He is currently managing Director of Krishana Phoschem Limited (Our Group Company) He is young and dynamic person, having a corporate environment with having 11 years experience in the fertilizer as well as textile Sector.

3. Mr. Sourabh Gupta, Whole-time Director & CFO , Age: 32 Years

Mr. Sourabh Gupta aged 32 years, is the Director & Chief Financial Officer of our Company. He is a Chartered Accountant by qualification. He assisted in managing the financial matters of the company. He was originally appointed in Ostwal Phoschem (India) Limited. He has been appointed as the Chief Financial Officer of the Company with effect from May 19, 2014 and Director with effect from May 01, 2015. He is young and dynamic person, having 6 years experience and he is presently looking the financial and technicals matters of Unit – II.

4. Mr. Sushil Kumar Surana, Non Executive & Independent Director, Age: 54 years

Mr. Sushil Kumar Surana aged 54 years. He is Non Executive & Independent Director of our Company and was appointed on September 20th 2010. He holds Diploma in Mechinical engineer from Rajasthan Board of Technical Education from Jodhpur. He is having vast experience in Textile Industry.

5. Mr. Paras Mal Surana, Non Executive & Independent Director, Age: 63 years

Mr. Paras Mal Surana aged 63 years is an Non Executive & Independent Director in our company. Graduate in Science and has got experience of around thirty nine years in general insurance marketing filed.

6. Mr. Arvind Kothari, Non Executive & Independent Director, Age: 44 years

Mr. Arvind Kothari aged 44 years is a Non-Executive Independent Director of our Company. Graduate in Commerce and having more than 20 years of experience of in Textile Industry. He joined our Board on September 20th 2010.

7. Mrs. Aruna Kothari, Additional Non Executive & Independent Director, Age: 37 years

Mr. Aruna Kothari aged 37 years is an Additional Non-Executive Independent Director of our Company. She join our Board in Shareholders Meeting dated June 04, 2016

Nature of any family relationship between any of our Directors:

The present Directors in our Board are related to each other, details of which are as follows:

Sr. No.	Name of Director	Relationship with Directors
1.	Mr. Pankaj Ostwal	Brother of Mr. Praveen Ostwal
2.	Mr. Praveen Ostwal	Brother of Mr. Pankaj Ostwal

We confirm that:

- We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which our Directors were selected as Directors or members of the senior management.
- The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of employment.
- None of our Directors is / was a Director in any Indian listed company, during the last five years from the date of filing of Prospectus, whose shares have been / were suspended from being traded on the BSE Limited and / or National Stock

Exchange of India Limited.

- Further, none of our Directors is / was a Director of any Indian listed company which has been / was delisted from any recognised Stock Exchange.

- None of the above mentioned Directors are on the RBI list of willful defaulters as on the date of filling of this Prospectus.

- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

Details of Borrowing Powers of Directors

Our Company has passed a Special Resolution in the Extra Ordinary General Meeting of the members held on March 24, 2014 authorizing the Board of Directors of the Company to under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 110 Crores (Rupees One Hundred and Ten Crores only).

Compensation of our Managing Director and Whole Time Directors

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Directors:

Particulars	Mr. Pankaj Ostwal	Mr. Sourabh Gupta
Appointment/Change in Designation	Resolution dated September 17, 2015	Resolution dated June 11, 2016
Designation	Chairman & Managing Director	Chief Financial Officer & Whole-time Director
Term of Appointment	5 years Not liable to Retire by Rotation	5 years liable to Retire by Rotation
Remuneration	Upto ₹ 25,00,000 /- per annum Commission upto 2% of Sales of Company (on annual Basis)*	Upto 5.47 Lacs per annum
Remuneration paid for Year 2015-16	24.02 Lacs	5.47 Lacs

**The total remuneration payable to Managing Director of the Company shall not exceed 5% of the profit of the Company calculated as per the applicable provision of Companies Act 2013.*

Bonus or Profit Sharing Plan for our Directors

Except the Profit Sharing as disclosed in compensation to our Managing Director and Whole-time Directors we have no bonus or profit sharing plan for our Directors.

Sitting Fee

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than managing Director & Whole- time Directors) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Board of Directors have resolved in their meeting

dated June 4, 2016 for payment of an amount of Rs. 1000 (Rupees one thousands only) to all Non-executive/Independent Directors for attending each such meeting of the Board or Committee thereof.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Pankaj Ostwal	12,20,130	5.57
2.	Mr. Praveen Ostwal	3,32,700	1.52
3.	Mr. Sourabh Gupta	Nil	Nil
4.	Mr. Sushil Kumar Surana	Nil	Nil
5.	Mr. Paras Mal Surana	Nil	Nil
6.	Mr. Arvind Kothari	Nil	Nil
7.	Mrs. Aruna Kothari	Nil	Nil

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Prospectus
We do not have any subsidiary and associate company as defined under Section 2(87) & 2(6) of the Companies Act, 2013.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company. None of the Independent Directors of Company holds any Equity Shares of our Company as on the date of the Prospectus.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, see- ***"Compensation of our Managing Director a Whole time Directors"*** above.

Our Directors may also be regarded as interested their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Further except as provided hereunder, our Directors are not interested in our Company in any manner:

Sr. No.	Director	Interest
1.	Mr. Pankaj Ostwal	Personal Guarantee against the total borrowings of ₹ 981.63 Lacs made by our Company from HDFC Bank & ₹ 3440.00 Lacs made by our Company from SBBJ.
2.	Mr. Praveen Ostwal	Personal Guarantee against the total borrowings of ₹ 981.63 Lacs made by our Company from HDFC Bank & ₹ 3440.00 Lacs made by our Company from SBBJ.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Except as stated in this chapters ***—Our Management*** and ***—Related Party Transactions*** beginning on page no. 146 & 203 respectively of this Prospectus, our Directors do not have any other interest in our business.

Further our Directors are interested as relatives of each other as disclosed in this Prospectus, except the Independent Directors.

Interest in the property of Our Company

Except as disclosed in the chapters titled ***—Our Business*** and ***—Restated Financial Statements – Related Party Transactions*** "on page no. 112 and 203 respectively of this Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Prospectus.

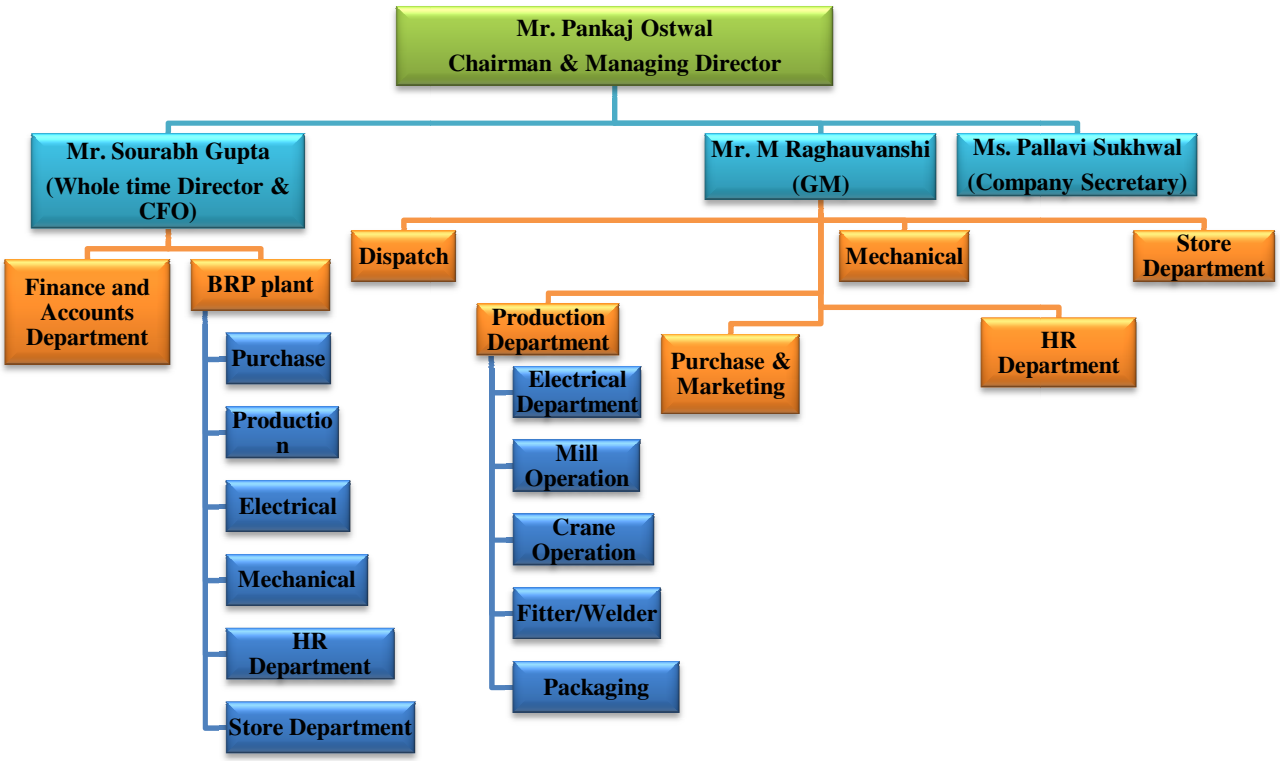
CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Praveen Ostwal	Appointed as Additional director on May 19, 2014 and change in Designation as Director on September 17, 2014	To ensure better Corporate Governance
2.	Pankaj Ostwal	Reappointed as Managing Director of the w.e.f. June 05, 2015	To ensure better Corporate Governance
3.	Sushil Kumar Surana	Appointed as Independent Director dated September 17, 2014 [(i)]	To ensure better Corporate Governance
4.	Arvind Kothari	Appointed as Independent Director dated September 17, 2014 [(i)]	To ensure better Corporate Governance & to broad base the Board
5.	Sourabh Gupta	Appointed as additional Director dated May 01, 2015 and change in Designation as Director dated September 17, 2015	To ensure better Corporate Governance & to broad base the Board
6.	Sourabh Gupta	Appointed as Whole time Director dated June 11, 2016.	To ensure better Corporate Governance & to broad base the Board
7.	Aruna Kothari	Appointed as Additional Non Executive Independent Director dated June 04, 2016	To ensure better Corporate Governance & to broad base the Board

[(i)] *Further appointed as Independent Director dated September 17, 2014 to inline with Companies Act 2013*

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:-



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2009 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of NSE. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

Our Board of Directors consist of Seven (7) directors of which four (4) are Non-Executive Independent Directors (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), which constitutes 50% of the Board of Directors and one women Director, which is in compliance with the requirements of Regulation 17 of SEBI Listing Regulations, 2015. Our Company has constituted the following committees:

1. Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated June 04, 2016, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of NSE ("NSE Emerge"), The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Arvind Kothari	Chairman	Non Executive-Independent Director
Sushil Kumar Surana	Member	Non Executive-Independent Director
Pankaj Ostwal	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee: The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.

C. Role and Powers: The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
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;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
    - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    - changes, if any, in accounting policies and practices and reasons for the same;
    - major accounting entries involving estimates based on the exercise of judgment by management;
    - significant adjustments made in the financial statements arising out of audit findings;
    - compliance with listing and other legal requirements relating to financial statements;
    - disclosure of any related party transactions;
    - modified opinion(s) in the draft audit report;
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 listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, 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, 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. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the 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. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.

20. 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;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

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

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated June 04, 2016. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Arvind Kothari	Chairman	Non Executive-Independent Director
Sushil Kumar Surana	Member	Non Executive-Independent Director
Pankaj Ostwal	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

A. Tenure: The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

B. Meetings: The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

C. Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-

receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.

- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated June 04, 2016. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Sushil Kumar Surana	Chairman	Non Executive-Independent Director
Arvind Kothari	Member	Non Executive-Independent Director
Paras Mal Surana	Member	Non Executive-Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings: The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- To formulate and administer the Employee Stock Option Scheme.

4. Corporate Social Responsibility Committee

Our company has pursuant to the provisions of Section 135 of the Companies Act 2013 and Schedule VII constituted a Corporate Social Responsibility Committee of the Board of Directors so formed to undertake the below mentioned tasks:-

a) To recommend the policy on Corporate Social Responsibility (CSR) and
b) Implementation of the CSR Projects or program to be undertaken by the company as per the CSR Policy for consideration and approval by the Board of Directors.

The Corporate Social Responsibility Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Arvind Kothari	Chairman	Non Executive-Independent Director
Sushil Kumar Surana	Member	Non Executive-Independent Director
Paras Mal Surana	Member	Non Executive-Independent Director

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on June 04, 2016 have approved and adopted the policy on insider trading in view of the proposed public Offer. Ms. Pallavi Sukhwal, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 on listing of Equity Shares on the SME platform of NSE. The Board of Directors at their meeting held on June 04, 2016 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

Our Key Managerial Personnel

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

Name, Designation & Educational Qualification	Age (Years)	Date of joining as KMP	Compensation paid for the F.Y ended 2016 (in Rs Lacs)	Over all experience (in years)	Previous employment
Name: Mr. Pankaj Ostwal **Designation:** Chairman & Managing Director **Qualification:** Chartered Accountant	38	June 05, 2010[(i)]	24.02	13	Nil
Name: Mr. Sourabh Gupta **Designation:** Whole time Director & Chief Financial Officer **Qualification:** Chartered Accountant	32	CFO since May 19, 2014 & Whole time Director w.e.f. June	5.47	6	Ostwal Phoschem (India) Limited

		11, 2016			
Name: Pallavi Sukhwal **Designation:** Company Secretary & Compliance Officer **Qualification:** Company Secretary	21	March 14, 2016	Nil	--	Nil
Name: M. Raghuvanshi **Designation:** General Manager **Qualification:** Master Degree in Science	50	April 01, 2008	5.70	22	Ostwal Phoschem (India) Limited; Consultant in Fertilizer Industry

(i) Appointed as Managing Director dated June 30, 2010 and further reappointed in General Meeting dated September 17, 2015 with effect from June 05, 2015

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

1. Mr. Pankaj Ostwal, Chairman & Managing Director, Age: 38 Years

Mr. Pankaj Ostwal aged 38 years, is Managing Director of our Company. He is a Chartered Accountant by qualification. He assisted in managing the company since takeover. He was appointed as Managing Director by resolution in the General Meeting, dated 17th September 2015 for a term of five years with effect from 5th June 2015. He is young and dynamic person with having 13 years experience in the fertilizer as well as textile Sector. He started his career in 2003 with Ostwal Phoschem (India) Limited, Bhilwara. He is presently in charge of finance, macro management, and strategic matters of our company. He has also actively participated in Social Welfare activity through Smt. Nirmaladevi Ostwal Sewa Sansthan by providing Economic and Financial help to poor students for basic as well as higher education and also help to Old age and helpless people.

2. Mr. Sourabh Gupta, Whole Time Director & Chief Financial Officer, Age: 32 Years

Mr. Sourabh Gupta aged 32 years, is the Whole Time Director & Chief Financial Officer of our Company. He is a Chartered Accountant by qualification. He assisted in managing the financial matters of the company. He was originally appointed in Ostwal Phoschem (India) Limited. He has been appointed as the Chief Financial Officer of the Company with effect from May 19, 2014 and Director with effect from May 01, 2015. He is young and dynamic person, having 6 years experience and he is presently looking the financial and technicals matters of Unit – II.

3. Ms. Pallavi Sukhwal, Company Secretary & Compliance Officer, Age: 21 Years

Ms. Pallavi Sukhwal is Company Secretary and Compliance officer of our Company. She holds a Company Secretary degree from Institute of Company Secretaries of India. At present she looks after Secretarial matters of our Company. She joined our Company on March 14, 2016

4. Mr. Manohar Raghuwanshi, General Manager, aged 50 years

Mr. Manohar Raghuwanshi, aged 50 years is the General Manager of our Company. He is responsible for managing the Production & Marketing Operations of our Company. He has been associated with the Company since 2008. Mr. Raghuwanshi holds a Master's Degree in Science. He has an overall experience of over 22 years.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of Key Managerial person stated above are related to each other.

We confirm that:

a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.

b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
c. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March 2016.
d. Except for the terms set forth in the appointment Letters/Service Agreements the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
e. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
f. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Prospectus except as under:

Sr. No.	Name of KMP	No. of shares
1.	Mr. Pankaj Ostwal	12,20,130

g. Presently, we do not have ESOP/ESPS scheme for our employees.
h. The turnover of KMPs is not high, compared to the Industry to which our Company belongs.

Changes in the Key managerial Personnel

There have been no changes in the Key Managerial Personnel of our Company during the last three year except as stated below:

Sr. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
1.	Mr. Sourabh Gupta	Chief Financial Officer	May 19, 2014	Appointment
2.	Mr. Sanjay Maheshwari	Company Secretary	October 01, 2013	Appointment
3.	Mr. Sanjay Maheshwari	Company Secretary	August 19, 2014	Resignation
4.	Ms. Payal Soni	Company Secretary	December 23, 2014	Appointment
5.	Ms. Payal Soni	Company Secretary	October 31, 2015	Resignation
6.	Ms. Pallavi Sukhwal	Company Secretary	March 14, 2016	Appointment
7.	Mr. Pankaj Ostwal	Managing Director	June 05, 2015	Re-appointment
8.	Mr. Sourabh Gupta	Whole time Director	June 11, 2016	Change in Designation

INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY

Apart than shares held in the Company, remuneration drawn by them, unsecured loan granted to the Company and other than as mentioned below, our Key Managerial Personnel are not interested in our Company:

Sr. No.	Name of Key Managerial Person	Interest
1	Mr. Pankaj Ostwal	Mr. Pankaj Ostwal has extended his personal guarantee against the total borrowings of ₹ 981.63 Lacs made by our Company from HDFC Bank & ₹ 3440.00 Lacs made by our Company from SBBJ.

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company and except as mention above our key managerial personal are interested in our Company.

Except as provided in this Prospectus, we have not entered into any contract, agreement or arrangement during the preceding

2 (two) years from the date of this Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to "***Annexure R Statement of Related Party Transaction***" page no 203 and Personal Guarantee towards Financial facilities of our Company please refer to **"*Statement of Financial Indebtedness*"** page no 208 of the Prospectus.

OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this Prospectus, there are no other benefits payable to our Key Managerial Personnel.

EMPLOYEES

The details about our employees appear under the Paragraph titled ***—Human Resource*** in Chapter Titled ***—Our Business*** beginning on page 112, of this Prospectus.

OUR PROMOTERS

Mr. Pankaj Ostwal, Mr. Praveen Ostwal, M/s Seasons Agro Chem India Private Limited and M/s Ostwal Phoschem (India) Limited are the Promoters of our Company

As on the date of this Prospectus, Mr. Pankaj Ostwal holds 12,20,130 Equity Shares, Mr. Praveen Ostwal holds 3,32,700 Equity Shares, Seasons Agro Chem India Private Limited holds 23,10,800 equity shares and M/s Ostwal Phoschem (India) Limited holds 97,30,520 Equity shares of our Company. Our Promoters and Promoter Group will continue to hold the majority of our post- Offer paid-up equity share capital of our Company

Details of our Individual Promoters:-

Mr. Pankaj Ostwal, Chairman & Managing Director	
Qualification	Chartered Accountant
Age	38 Years
Address	5-0-1 R C Vyas Colony, Bhilwara – 311001
Experience	13 years
Occupation	Business
Permanent Account Number	AABPO3350Q
Passport Number	Z1901194
Name of Bank & Bank Account Details	HDFC Bank A/c No. – 03501000052116
Driving License Number	RJ-06/DLC/06/34514
Voter Identification Card Number	XIU/0062984
Aadhar Card Number	204094787022
No. of Equity Shares held in MBAPL [% of Shareholding (Pre Offer)]	12,20,130 Equity Shares of ₹ 10 each; 5.57% of Pre- Offer Paid up capital
DIN	02586806
Other Interests	**Directorships in other Companies:** 1. Ostwal Phoschem (India) Limited **Partnership Firms:-** Nil **Proprietorship:-** Nil **HUF:-** 1. M.K. Ostwal HUF - Member 2. Pankaj Ostwal (HUF) - Karta **Trust:-** 1. Smt. Nirmala Devi Ostwal Seva Sansthan - Member

Mr. Praveen Ostwal – Non Executive Director	
Qualification	Chartered Acountant
Age	36 Years
Address	5-0-1 R C Vyas Colony, Bhilwara – 311001
Experience	11 years
Occupation	Business
Permanent Account Number	AAFPO1733K
Passport Number	L4284459
Name of Bank & Bank Account Details	HDFC Bank A/c No. - 03501000040450
Driving License Number	RJ-06/DLC/09/92194
Voter Identification Card Number	XIU/0565754
Aadhar Card Number	970767917155

	No. of Equity Shares held in MBAPL & [% of Shareholding (Pre Offer)]	3,32,700 Equity Shares; 1.52% of Pre-Offer Paid up capital
	DIN	00412207
	Other Interests	**Directorships in other Companies:** 1. Krishana Phoschem Ltd. **Partnership Firms:-** Nil **Proprietorship:-** Nil **HUF:-** 1. M.K. Ostwal (HUF) - Member 2. Praveen Ostwal HUF - Karta **Trust:-** 1. Smt. Nirmala Devi Ostwal Seva Sansthan - Member

We confirm that the Permanent Account Number, Bank Account Number and Passport Number of our Individual Promoters have been submitted to NSE Limited at the time of filing of Draft Prospectus with them.

Details of our Corporate Promoters

M/s Seasons Agro Chem India Private Limited

Corporate Information

Particulars	Details of Company
Date of Incorporation	June 01, 2004
CIN	U24219RJ2004PTC019350
Registered Office	Village-Ojayada, Hamirgarh, Bhilwara, Rajasthan
PAN	AAICS2340G
Name of Bank	HDFC Bank Ltd.
Bank Account	50200009924480
Nature of Business	Manufacturing of all kind and types of Pesticide, insecticide bio fertilizer etc
Promoter (% in Shareholding)	Mahendra Kumar Ostwal (1.48%) Pankaj Ostwal (12.70%) Praveen Ostwal (27.27%) Ekta Jain (19.74%) Nitu Jain (2.81%) Praveen Ostwal HUF (20.53%) Pankaj Ostwal HUF (12.70%)

Board of directors

As on the date of this Prospectus, the board of directors of Seasons Agro Chem India Private Limited comprises:

Name of Director	Designation	DIN
Ekta Jain	Director	00412561
Rajendra Kumar Babeel	Director	06376154

For details relating to the shareholding of directors of Seasons Agro Chem India Private Limited in our Company, please see the chapter **"Capital Structure"** beginning on page 51 of the Prospectus.

Shareholding Pattern

As of the date of this Prospectus, the authorized share capital of Seasons Agro Chem India Private Limited is ₹ 2,00,00,000 divided into 20,00,000 equity shares of ₹10 each.
The shareholding pattern of Seasons Agro Chem India Private Limited as of the date of this Prospectus is as follows:

Name of Shareholder	Number of Shares held	(Percentage) %
Praveen Ostwal	381349	27.27
Praveen Ostwal HUF (Karta Praveen Ostwal)	287100	20.53
Ekta Jain	276048	19.74
Pankaj Ostwal	177600	12.70
Paneri Textile Pvt. Ltd	62949	4.50
Alovera Tradelink Pvt. Ltd.	50000	3.58
Dove Creation Pvt. Ltd.	50000	3.58
Archid Products Pvt. Ltd.	46012	3.29
Nitu Jain	39350	2.81
M.K. Ostwal	20700	1.48
Pankaj Ostwal HUF (Karta Pankaj Ostwal)	6000	0.43
Paras Mal Surana	1250	0.09
Total	**1398358**	**100.00**

Financial Information

The financial performance of Seasons Agro Chem India Private Limited for the last three financial years, preceding the date of this Prospectus, is as follows:

(₹ in Lakhs except share data)

Particulars	As on March 31, 2015	As on March 31, 2014	As on March 31, 2013
Equity Share Capital	139.84	139.84	139.84
Reserves & Surplus	213.65	174.84	411.88
Sales/Turnover	-	-	-
Profit/(Loss) after Tax	38.81	(237.04)	(122.14)
Earning Per Share (₹)	2.78	(16.95)	(8.73)
Net Asset Value Per Share (₹)	25.28	22.50	39.45

M/s Ostwal Phoschem (India) Limited

Corporate Information

Particulars	Details of Company
Date of Incorporation	January 06, 1989
CIN	U26933RJ1989PLC032188
Registered Office	Tedco Granite Limited Village Ojayada, Hamirgarh Bhilwara Rajasthan-311025
PAN	AAACT0105C
Name of Bank	HDFC Bank Ltd.
Bank Account	50200004950642
Nature of Business	Business of all types types of gas based, natural or manmade fertilizers and chemicals also trade in insecticides, pesticides, germicides etc.
Promoter (% in Shareholding)	Mahendra Kumar Ostwal (48.57%) Pankaj Ostwal (2.03%) Praveen Ostwal (1.96%) R P Ostwal (0.00%) Nitu Jain (1.81%) Ekta Jain (3.37%) M K Ostwal (Kartna of M K Ostwal HUF) (2.52%) Praveen Ostwal (Karta of Praveen Ostwal HUF) (1.32%) Pankaj Ostwal (Karta of Pankaj Ostwal HUF) (1.79%) Seasons Agro Chem India Pvt Limited (8.84%)

Ostwal Phoschem (India) Limited was incorporated on January 06, 1989 under the Companies Act, 1956, with the RoC as Tedco Granite Private Limited. The name was subsequently changed to Tedco Granite Limited pursuant to conversion from a

private company to a public company on July 25, 1997and a fresh certificate of incorporation, was issued by the RoC, on July 25, 1997. The name was further changed to Ostwal Phoschem (India) Limited from Tedco Granite Limited on December 14, 2012 and a fresh certificate of incorporation, was issued by the RoC, on December 14, 2012.

Board of directors

As on the date of this Prospectus, the board of directors of Ostwal Phoschem (India) Limited comprises:

Name of Director	Designation	DIN
Rajendra Prasad Ostwal	Director	00412078
Mahendra Kumar Ostwal	Managing Director	00412163
Pankaj Ostwal	Director	02586806
Kailash Chandra Shrotriya	Director	06428259
Prabhat Kumar Ranka	Director	06458758
Pramod Kumar Jaketia	Director	07177608

For details relating to the shareholding of directors of Ostwal Phoschem (India) Limited in our Company, please see the chapter **"Capital Structure"** beginning on page 51 of the Prospectus.

Shareholding Pattern

As of the date of this Prospectus, the authorized share capital of Ostwal Phoschem (India) Limited is ₹ 20,00,00,000 divided into 2,00,00,000 equity shares of ₹10 each.

The details of shareholders holding more than 2% of the paid up Equity share capital of Ostwal Phoschem (India) Limited as of the date of this Prospectus is as follows:

Name of Shareholder	Number of Shares held	(Percentage) %
Mahendra Kumar Ostwal	8379325	48.58
Seasons Agro Chem India Private Limited	1525000	8.84
Destiny Exim Private Limited	693983	4.02
Alovera Tradelink Private Limited	683600	3.96
Dove Creations Private Limited	601260	3.49
Ekta Jain	581175	3.37
Kolaveri Textiles Private Limited	528931	3.07
Duggal Tex Private Limited	471928	2.74
M.K. Ostwal (Karta of M.K. Ostwal HUF)	434450	2.52
Pankaj Ostwal	350170	2.03
Total	**14249822**	**82.61**

There are 123 shareholders of Ostwal Phoschem (India) Limited and Total paid up equity share capital of the Company is 1,72,50,000 shares

Financial Information

The financial performance of Ostwal Phoschem (India) Limited for the last three financial years, preceding the date of this Prospectus, is as follows:

(₹ in Lakhs except share data)

Particulars	As on March 31, 2015	As on March 31, 2014	As on March 31, 2013
Equity Share Capital	1529.58	1154.26	1154.26
Reserves & Surplus (excl revaluation reserves)	3397.81	2271.01	1858.50
Sales/Turnover	6492.46	6562.61	6280.33
Profit/(Loss) after Tax	401.89	412.51	586.16
Earning Per Share (₹)	3.46	3.57	5.08

Net Asset Value Per Share (₹) (excluding revaluation reserves)	32.21	29.67	26.10

Changes in the management and control of our Corporate Promoters

There has been no change in control or management of Ostwal Phoschen (India) Limited and Seasons Agro Chem India Pvt. Limited in the last three years immediately preceding the date of filing this Prospectus except the details stated below:-

Ostwal Phoschem (India) Limited		
Name of Person	**Change**	**Date of change**
1. Mr. Pankaj Ostwal	Appointment as Director	19/05/2014
2. Pramod Kumar Jaketia	Appointment as Director	01/05/2015

Declaration

We confirm that the Permanent Account Number, Bank Account Number and Passport Number of the Promoter have been submitted to NSE Limited at the time of filing of Draft Prospectus with them.

Present Promoters of our Company are Mr. Pankaj Ostwal, Mr.Praveen Ostwal, M/s Seasons Agro Chem India Private Limited and M/s Ostwal Phoschem (India) Limited. However the original subscribers to the MoA of Our Company were Mr. Motilal Jain, Mr. Sukhnandan Jain, Mr. Shailendra Jain and Mr. Sunil Jain. For details of the shareholding acquired by the current promoters of our Company refer the capital buildup of our promoter under chapter ***"Capital Structure"*** *beginning on page 51 of the Prospectus.*

Undertaking/ Confirmations

None of our Promoters or Promoter Group or Group Companies/entities or person in control of our Company has been

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our Promoters (as defined under the Companies Act) nor our Group Companies/ entities have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

Common Pursuits

Our Promoters namely M/s Seasons Agro Chem (India) Private limited and M/s Ostwal Phoschem (India) Limited are operating in same line of business as our Company as on date of this Prospectus. Also our promoter group company namely Krishana Phoschem Limited is also engaged in the same line of business as our company as on date of this Prospectus. For further details of our Promoter Group refer to Section titled "***Our Promoter Group and Group Companies/Entities***" on page 168 of the Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Interest in promotion of Our Company

The Promoters are interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in **"*Financial Statements*"** and **"*Our***

***Management – Interest of Promoters and Directors*" and "*Our Management – Interest of Key Managerial Personnel*"** on pages 177, 146 and 146 of this Prospectus, respectively.

Interest in the property of Our Company

Except as mentioned hereunder, our promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us till date of filing the Prospectus with RoC.

Sr.No.	Name of Promoter	Interest and nature of interest
1.	Ostwal Phoschem (India) Limited (CIN: U26933RJ1989PLC032188)	The Registered office of the Company which is situated at 5-O-21, Basement R.C. Vyas Colony Bhilwara Rajasthan-311001, is owned by Ostwal Phoschem (India) Limited (CIN: U26933RJ1989PLC032188) and our company has taken it on lease vide Lease Agreement dated May 1, 2015 for a period of 15 years for annual rent of Rs. 5,000/-.

Other Interest of Promoters

Our Promoters Mr. Pankaj Ostwal, Mr. Praveen Ostwal, M/s Seasons Agro Chem India Private Limited and M/s Ostwal Phoschem (India) Limited are interested to the extent of their shareholding and shareholding of their relatives in our Company. Our Promoter namely Mr. Pankaj Ostwal who is the Managing Director of our Company may be deemed to be interested to the extent of his remuneration, as per the terms of their appointment and reimbursement of expenses payable to them. Our Promoter may also be deemed interested to the extent of any unsecured loan given & taken by them to/from our Company.

Further except as provided hereunder, our promoter are not interested in our Company in any manner:

Sr. No.	Interest and nature of interest
1.	Our Promoters namely Mr. Pankaj Ostwal and Mr. Praveen Ostwal are brothers of each other.
2.	Our Promoters namely Mr. Pankaj Ostwal and Mr. Praveen Ostwal have extended their personal guarantee against the total borrowings of ₹ 981.63 Lacs made by our Company from HDFC Bank & ₹ 3440.00 Lacs made by our Company from SBBJ.
3.	Mr. Mahendra Ostwal father our Promoters namely Mr. Pankaj Ostwal and Mr. Praveen Ostwal have extended their personal guarantee against the total borrowings of ₹ 981.63 Lacs made by our Company from HDFC Bank.
4.	Our Promoters Ostwal Phoschem (India) Limited have extended guarantee against the total borrowings of ₹ 981.63 Lacs made by our Company from HDFC Bank.

*For transaction in respect of loans and other monetary transaction entered in past please refer Annexure R on "**Related Party Transactions**" on page 203 forming part of **"Financial Information of the Company"** of this Prospectus.*

<u>Related Party Transactions</u>

For the transactions with our Promoter Group entities please refer to section titled "***Annexure - R" Related Party Transactions***" on page 203 of this Prospectus.

Except as stated in "***Annexure - R" Related Party Transactions***" beginning on page 203 of the Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

<u>Payment or Benefit to Promoters of Our Company</u>

For details of payments or benefits paid to our Promoters, please refer to the paragraph "***Compensation of our Managing Director and Whole - time Directors***" in the chapter titled "***Our Management***" beginning on page 146 of this Prospectus. Also refer Annexure R on ***"Related Party Transactions***" on page 203 forming part of "***Financial Information of the Company***" and Paragraph on ***"Interest of Promoters***" on page 177 of this Prospectus.

Companies / Firms from which the Promoters have disassociated themselves in the last (3) three years

Our Promoters have not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Prospectus.

Other ventures of our Promoters

Save and except as disclosed in this section titled "***Our Promoters***" and "***Our Promoter Group and Group Companies/ Entities***" beginning on page 161 & 168 respectively of this Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests as on date of this Prospectus.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled **"*Outstanding Litigations and Material Developments*"** beginning on page 222 of this Prospectus.

OUR PROMOTER GROUP AND GROUP COMPANIES / ENTITIES

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

1. **Natural Persons who are part of the Promoter Group**

As per Regulation 2(zb) (ii) of the SEBI (ICDR) Regulations, 2009, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	Mr. Pankaj Ostwal	Mr. Praveen Ostwal
Father	Mr. Mahendra Kumar Ostwal	Mr. Mahendra Kumar Ostwal
Mother	Late Smt. Nirmala Ostwal	Late Smt. Nirmala Ostwal
Spouse	Mrs. Ekta Jain	Smt. Nitu Jain
Brother	Mr. Praveen Ostwal	Mr. Pankaj Ostwal
Sister	NA	NA
Son	Anant Ostwal	Suryansh Ostwal
Daughter	Pehal Ostwal Charvee Ostwal	Kavya Ostwal
Spouse's Father	Shanti Lal Kanther	Ashok Parakh
Spouse's Mother	Noratan Devi Kanther	Maina Parakh
Spouse's Brother	NA	Navin Parakh
Spouse's Sister	Kavita Kachara	NA

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(zb) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

Nature of Relationship	Entity
Any Body corporate in which ten percent or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoter or any one or more of his immediate relative is a member.	1. Krishana Phoschem Limited 2. Ostwal Phoschem (India) Limited 3. Seasons International Private Limited. 4. Seasons Agro Chem India Private Limited 5. Nirmala Realinfrastructure Private Limited 6. Chunri Prints Private Limited 7. Paneri Textiles Private Ltd. 8. Archid Products Private Limited 9. Alovera Tradelink Private Limited 10. Dove Creations Private Limited 11. Destiny Exim Private Limited 12. Duggal Tex Private Limited 13. Kolaveri Textiles Private Limited 14. R.V. Spinners Pvt. Ltd.
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	Except as disclosed above Nil
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent of the total	**Proprietorship:-** NIL **Firm:-** NIL **HUF:-** • Pankaj Ostwal HUF • Praveen Ostwal HUF • M K Ostwal HUF **Trust:-** • Smt. Nirmala Devi Ostwal Seva Sansthan

• **in case promoter is a body corporate:**	
a subsidiary or holding company of such body corporate	**Nil**
any body corporate in which the promoter holds ten per cent. or more of the equity share capital or which holds ten per cent. or more of the equity share capital of the promoter;	Except as disclosed above Nil
any body corporate in which a group of individuals or companies or combinations thereof which hold twenty per cent. or more of the equity share capital in that body corporate also holds twenty per cent. or more of the equity share capital of the issuer;	**Nil**

OUR GROUP COMPANIES / ENTITIES

As of the date of this Prospectus, none of our Group Entities have any equity shares that are listed on any stock exchange. As of the date of this Prospectus, none of our Group Entities have made any public or rights issue of securities in the three years immediately preceding the date of this Prospectus. The definition of 'group companies / entities' was amended pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2015, to include companies covered under applicable accounting standards and such other companies as are considered material by the Board. Pursuant to the resolution of our Board passed at the meeting held on June 04, 2016, our Board formulated a policy with respect to companies which it considered material to be identified as Group Companies/ Entities, pursuant to which the following Companies, are identified as Group Companies of our Company:

1. Krishana Phoschem Limited:-

Date of Incorporation	May 14, 2004		
Main objects :	To deal in all description, characteristics and application of Phosphates, insecticides, pesticides intermediates including seeds. To deal in all sorts of minerals major and minor minerals and working deposits of all kind of minerals. To deal in any kind of metal and consequential products.		
Company Identification Number	U24124RJ2004PLC019288		
PAN Card no.	AACCK4616K		
Registered Office Address	5-O-20 Basement R.C Vyas Colony Bhilwara Rajasthan 311001 India.		
Director	Mr. Praveen Ostwal Mr. Sunil Kothari Mr. Ashish Kothari Mr. Pradeep Agarwal		
Audited Financial Information	**(Rs. in Lacs, except per share data)**		
	For The Year Ended		
	March 31, 2015	**March 31, 2014**	**March 31, 2013**
Equity Capital	2100.00	1800.00	1800.00
Reserves and Surplus (excluding Revaluation Reserve and Less Misc. Expenses, if any)	2450.79	1824.09	1106.46
Net worth#	4550.79	3624.09	2906.46
Income including other income	7678.72	9030.21	4162.19
Profit/ (Loss) after tax	98.18	717.63	730.14
Earnings per share (face value of Rs. 10 each)	0.47	3.99	4.06
Net asset value per share^	21.67	20.13	16.15

 # Net worth calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve), and Share Application Money (if any) less Miscellaneous Expenses not written off (if any)

^ NAV per share calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve) less Miscellaneous Expenses not written off (if any) / No. of shares outstanding as on date

Shareholders of the Company as on the date of this Prospectus is as follows:

Sr. No.	Name of the Shareholders	No. of Shares	(in %)
1.	Ostwal Phoschem (India) Limited	4966500	23.65
2.	Seasons Agro Chem India Pvt. Limited	2387500	11.37
3.	Madhya Bharat Agro Products Ltd.	1785000	8.50
4.	Archid Products Pvt. Ltd.	1771500	8.44
5.	Swastik Clothtex Pvt. Ltd.	1440000	6.86
6.	Vesta Tex Pvt. Ltd.	963750	4.59
7.	Chunri Prints Pvt. Ltd.	888000	4.23
8.	Paneri Textiles Pvt. Ltd	824250	3.93
9.	Shubhlaxmi Tex Fab Pvt Ltd	765000	3.64
10.	Sh. Praveen Ostwal (S/o Sh. Mahendra Kumar Ostwal)	678500	3.23
11.	M.K. Ostwal (HUF) (Karta Sh. Mahendra Kumar Otwal)	552500	2.63
12.	Sh. Pankaj Ostwal (S/o Sh. Mahendra Kumar Ostwal)	540000	2.57
13.	Suswani Textiles Pvt. Ltd.	507000	2.41
14.	Smt. Ekta Jain (W/o Sh. Pankaj Ostwal)	480000	2.29
15.	Smt. Nitu Ostwal (W/o Sh. Praveen Ostwal)	472500	2.25
16.	Sh. Shailendra Garg (S/o Naresh Chandra Garg)	450000	2.14
17.	Visualize Tradecom Pvt. Ltd.	393000	1.87
18.	Pankaj Ostwal (HUF) (Karta Sh. Pankaj Ostwal)	300000	1.43
19.	Praveen Ostwal (HUF) (Karta Sh. Parveen Ostwal)	300000	1.43
20.	Smt. Sonali Garg (W/o Sh. Shailendra Garg)	225000	1.07
21.	Sh. Mahendra K. Garg (S/o Naresh Chandra Garg)	225000	1.07
22.	Mahendra Kumar Ostwal (S/o Sh. Harak Lal Ostwal)	85000	0.40
TOTAL		**21000000**	**100.00**

Nature and extent of interest of our Promoters

The Promoters of our Company directly or indirectly and their immediate relatives are Director and Shareholder of the Company and are interested to such extent of any remuneration received or the extent of their shareholding in the Company. Our Company Madhya Bharat Agro Products Limited also holds 17,85,000 Equity shares in Krishana Phoschem Limited.

Krishana Phoschem Limited has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company under the meaning of SICA nor is under winding up. Further, Krishana Phoschem Limited does not have a negative net-worth in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

2. Ostwal Phoschem (India) Limited:-

For details of Ostwal Phoschem (India) Limited please refer chapter **"Our Promoter"** beginning on page 161 of this Prospectus.

3. Seasons International Private Limited.

Date of Incorporation	July 31, 2008
Main objects:	To deal in industrial, consumer goods, provisions, food stuffs, FMCG, chemicals and minerals. Handicrafts, garments, precious semi precious stones, marbles, granite, fruits, vegetables, hardware and software. To carry on the business of export and import of graded and raw

	agri products, value addition in spices, grains, seeds, oil seeds edible non edible, pulses, forest products, medicinal plants and all other Agricultural products. To carry on the business of all types of agri products, machineries for value addition, consultancy for processing, to establish the export house with high technological laboratories, provide technology to Farmers as well as to others.		
CIN	U52190RJ2008PTC027087		
PAN Card no.	AAMCS3739H		
Registered Office Address	5-O-20, First Floor R. C. Vyas Colony Bhilwara Rajasthan 311001 India		
Directors	Mr. Mukul Kumar Agarwal Mr. Mahendra Garg Mr. Suresh Balabux Jain		
Audited Financial Information	**(Rs. in Lacs, except per share data)**		
	For The Year Ended		
	March 31, 2015	**March 31, 2014**	**March 31, 2013**
Equity Capital	41.56	41.56	17.82
Reserves and Surplus (excluding Revaluation Reserve and Less Misc. Expenses, if any)	691.32	624.28	260.82
Net worth#	732.88	665.84	278.64
Income including other income	11580.8	7025.65	3125.58
Profit/ (Loss) after tax	67.66	54.81	40.96
Earnings per share (face value of Rs. 10 each)	16.28	30.65	22.99
Net asset value per share^	176.34	160.21	156.36

 # Net worth calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve), and Share Application Money (if any) less Miscellaneous Expenses not written off (if any).

^ NAV per share calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve) less Miscellaneous Expenses not written off (if any) / No. of shares outstanding as on date.

Shareholding Pattern as on the date of this Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	% of Shareholding
1.	Ostwal Phoschem (india) Limited	84513	20.33
2.	Seasons Agro Chem India Private Limited	41380	9.96
3.	Paneri Textiles Private Limited	36814	8.86
4.	Swastik Innovative Syncotex Private Limited	35678	8.58
5.	Visulize Tradecom Private Limited	35335	8.50
6.	Suswani Textiles Private Limited	33000	7.94
7.	Sh. Naresh Chandra Garg	24500	5.89
8.	Chunri Prints Private Limited	24142	5.81
9.	Smt. Sunita Garg	21500	5.17
10.	Smt. Pooja Garg	18000	4.33
11.	Smt. Nirmala Devi Garg	16600	3.99
12.	Alovera Tradelink Private Limited	12942	3.11
13.	Sh. Mahendra Garg	9420	2.27
14.	Sonali Garg	6300	1.52
15.	Jyoti Agarwal	5500	1.32
16.	Sh. Mukul Kumar Agarwal	5100	1.23
17.	Duggal Tex Private Limited	4900	1.18
	Total	**415624**	**100%**

Nature and extent of interest of our Promoters

The Promoters of our Company directly and indirectly through their immediate relatives hold shareholding of Seasons International Private Limited and interested to such extent of the shareholding.

Seasons International Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company under the meaning of SICA nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

4. Seasons Agro Chem India Private Limited:-

For details of Ostwal Phoschem (India) Limited please refer chapter **"Our Promoter"** beginning on page 161 of this Prospectus.

5. Nirmala Realinfrastructure Private Limited:-

Date of Incorporation	August 25, 2009		
Main objects :	To deal in immovable properties such as land and buildings and to purchase, acquire, take or give on lease or in exchange or in any other lawful manner in India or abroad land including agriculture land , plot, buildings etc and to develop the same for sale on installments or by preparing building sites and by constructing, altering, improving, developing, promoting, decorating, furnishing, maintaining and dealer of entertainment cities, plazas , complexes etc and by consolidating or connecting or subdividing properties and leasing or disposing of the same and to manage such land and buildings. To carry on the business as constructors, colonizers, developers to act as civil engineers, managers, advisors, consultants, planners etc in the related field in India or abroad and to act as dealers, property dealer, commission agent in all kind of infrastructure facility, farm houses, road or other notified public facility of similar nature and to carry on activities being a integral part of highway project.		
CIN	U45201RJ2009PTC029696		
PAN Card no.	AADCN0794J		
Registered Office Address	5-O-21, First Floor R.C. Vyas Colony Bhilwara Rajasthan-311001 India.		
Directors	Ekta Jain Nitu Jain Rajendra Kumar Babeel		
Audited Financial Information	**(Rs. in Lacs, except per share data)**		
	For The Year Ended		
	March 31, 2015	**March 31, 2014**	**March 31, 2013**
Equity Capital	37.59	37.59	37.59
Reserves and Surplus (excluding Revaluation Reserve and Less Misc. Expenses, if any)	354.30	352.44	347.37
Net worth#	391.89	390.03	384.96
Income including other income	43.86	69.12	37.27
Profit/ (Loss) after tax	1.86	5.07	4.33

Earnings per share (face value of Rs. 10 each)	0.49	1.35	1.15
Net asset value per share^	104.25	103.76	102.41

 # Net worth calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve), and Share Application Money (if any) less Miscellaneous Expenses not written off (if any).
^ NAV per share calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve) less Miscellaneous Expenses not written off (if any) / No. of shares outstanding as on date.

Shareholding Pattern as on the date of this Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	% of Shareholding
1.	Sh. Pankaj Ostwal	133100	35.41
2.	Sh. Praveen Ostwal	63000	16.76
3.	Chunri Prints Private Limited	47350	12.60
4.	Smt. Nitu Jain	45950	12.22
5.	Smt. Ekta Jain	36000	9.58
6.	Ashok Kumar Jain HUF (Karta Ashok Kumar Jain)	21000	5.59
7.	Sh. Mahendra Kumar Ostwal	17500	4.66
8.	Paneri Textile Private Limited	12000	3.19
	Total	**375900**	**100%**

Nature and extent of interest of our Promoters

The Promoters of our Company directly or indirectly through their immediate relatives hold the entire shareholding of Nirmala Realinfrastructure Private limited and interested to such extent of the shareholding.

Nirmala Realinfrastructure Private limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company under the meaning of SICA nor is under winding up. Further, Nirmala Realinfrastructure Private limited does not have a negative net-worth in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

Other Group Entities

1. Pankaj Ostwal HUF

Pankaj Ostwal HUF is Hindu Undivided Family represented by Mr. Pankaj Ostwal as Karta of the HUF [PAN - AAAHO6643M]. The HUF have been engaged in the business of trading of Textile & related product.

2. Praveen Ostwal HUF

Praveen Ostwal HUF is Hindu Undivided Family represented by Mr. Praveen Ostwal as Karta of the HUF [PAN - AAIHP9488H]. The HUF have been engaged in the business of trading of Textile & related product.

3. M K Ostwal HUF

M K Ostwal HUF is Hindu Undivided Family represented by Mr. Mahendra Kumar Ostwal as Karta of the HUF. Mahendra Kumar Ostwal is father of Mr. Pankaj Ostwal and Mr. Praveen Ostwal [PAN - AACHM4026J]. The HUF have been engaged in the business of trading of Textile & related product.

4. Smt. Nirmala Devi Ostwal Seva Sansthan

Smt. Nirmala Devi Ostwal Seva Sansthan is a Trust registered under the Rajasthan Trust Registration Regulation 1958 with the registration number 35/Bhilwara/2009-10[PAN – AAGAS2106N]

Nature and Extent of Interest of Group Companies

a) In the promotion of our Company :

Except as disclosed in the Prospectus, none of our Group Companies have any interest in the promotion or any business interest or other business interests in our Company.

b) In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Prospectus:

None of our Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Prospectus.

c) In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Litigations

For details on litigations and disputes pending against the Group Company/entities, if any, please refer to the section titled—***Outstanding Litigations and Material Developments*** on page 222 of this Prospectus.

Undertaking / confirmations

None of our Promoters or Promoter Group or Group Companies/entities or person in control of our Company has been

i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Companies /entities have been declared as a wilful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

Common Pursuits/Conflict of Interest

Our Promoters namely M/s Seasons Agro Chem (India) Private limited and M/s Ostwal Phoschem (India) Limited are operating in same line of business as our Company as on date of this Prospectus. Also our promoter group company namely Krishana Phoschem Limited is also engaged in the same line of business as our company as on date of this Prospectus. For further details of our Promoter Group refer to Section titled "***Our Promoter Group and Group Companies/Entities***" on page 168 of the Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

For details relating to transaction between our Company and any of our Group entities exceeding 10% of the turnover of our Company see the chapter titled ***—Restated Financial Statements - Related Party Disclosures*** on page 203 of this Prospectus.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the past five financial years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION V – FINANCIAL INFORMATION OF THE COMPANY
AUDITOR'S REPORT ON STANDALONE RESTATED FINANCIAL STATEMENT

Independent Auditors' report on Restated Financial Statement of Madhya Bharat Agro Products Limited

To,

The Board of Directors,
Madhya Bharat Agro Products Limited
Bhilwara

Dear Sirs,

1. **Report on Restated Financial Statements**

We have examined the Restated Financial Statements of **M/s. Madhya Bharat Agro Products Limited** (hereinafter referred as "the Company"), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

a) Section 26 of Companies Act, 2013 (hereinafter referred to as the "Act"), read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the Regulation") ("SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto from time to time;

c) The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus/ Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of NSE Limited ("IPO" or "SME IPO");

d) The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India ("ICAI"); and

e) In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, **Mansaka Ravi & Associates Chartered Accountants**, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid **Certificate No. 008582 dated 23.12.2015** issued by the "Peer Review Board" of the ICAI.

2. The Restated Summary Statements and Financial information of the Company have been extracted/ prepared by the management from the Audited Financial Statements of the Company for the financial year ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012, which have been approved by the Board of Directors.

3. Information of the Company are for the year ended March 31, 2016, 2015, 2014, 2013, 2012, which have been audited by M/s Ashok Kanther & Associates, Chartered Accountant and accordingly reliance has been placed on financial Information examine by them for the said period. The financial report included for those periods is solely based on the report submitted by them. We have carried out the re-audit for the financial statement for the year ended 31 March 2016as per SEBI requirements.

4. **Financial Information as per Audited Financial Statements:**

1) We have examined:

i. The attached Restated Statement of Assets and Liabilities of the Company, as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 (Annexure I);

ii. The attached Restated Statement of Profits and Losses of the Company for financial Period/Years ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012. (Annexure II);

iii. The attached Restated Statement of Cash Flows of the Company for financial Period/Years ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012. (Annexure III);

iv. The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure IV);

(Collectively hereinafter referred as "Restated Financial Statements" or "Restated Summary Statements")

2) In accordance with the requirements of sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI Regulations, the Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (the 'ICAI') and the terms of our engagement agreed with you, we report that:

a) The **"Restated Statement of Assets and Liabilities"** as set out in **Annexure I** to this report, of the Company as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

b) The **"Restated Statement of Profit and Loss"** as set out in **Annexure II** to this report, of the Company for financial Years ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

c) The **"Restated Statement of Cash Flow"** as set out in **Annexure III** to this report, of the Company for financial Years ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.

Based on the above, we are of the opinion that "**Restated Financial Statements**" or "**Restated Summary Statements**" have been made after incorporating:

(i) Adjustments for any material amounts in the respective financial years/Period have been made to which they relate;

(ii) There are no Extra-ordinary items except as shown in the Restated Profit & Loss Statement of that need to be disclosed separately in the Restated Summary Statements.

(iii) Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.

(iv) Adjustments in Financial Statements have been made in accordance with the correct accounting policies.

(v) The Company has not paid any dividend on its equity shares till March 31, 2016.

5. **Other Financial Information:**

1. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the Period/Years ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012.

Restated Statement of Share Capital, Reserves And Surplus	Annexure-A
Restated Statement of Long Term And Short Term Borrowings	Annexure-B, B(A), B(C)
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure-C
Restated Statement of Long Term Provisions	Annexure-D
Restated Statement of Trade Payables	Annexure-E
Restated Statement of Other Current Liabilities And Short Term Provisions	Annexure-F
Restated Statement of Fixed Assets	Annexure-G
Restated Statement of Non-Current Investments	Annexure-H
Restated Statement of Long-Term Loans And Advances	Annexure-I
Restated Statement of Inventory	Annexure-J
Restated Statement of Trade Receivables	Annexure-K
Restated Statement of Cash & Cash Equivalents	Annexure-L
Restated Statement of Short-Term Loans And Advances	Annexure-M
Restated Statement of Other Current Assets	Annexure-N
Restated Statement of Other Income	Annexure-O
Restated Statement of Turnover	Annexure-P
Restated Statement of Mandatory Accounting Ratios	Annexure-Q
Restated Statement of Related party transaction	Annexure-R
Restated Statement of Capitalization	Annexure-S
Restated Statement of Tax shelter	Annexure-T
Restated Statement of Contingent liabilities	Annexure-U

2. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under the Companies Act, 1956 of India read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act.

3. In our opinion, the above financial information contained in Annexure I to Annexure III and Annexure A to T of this report read along with the Restated Statement of Significant Accounting Polices and related Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 of the Act, read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectuses and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you.
4. Consequently the financial information has been prepared after making such regroupings and retrospective adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

5. The report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.

6. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

7. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Offer of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

6. **Auditor's Responsibility**

Our responsibility is to express an opinion on these restated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

7. **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable;

a) In the case of Restated Statement of Assets and Liabilities of the Company as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31 2012;
b) In the case of the Restated Statement of Profit and Loss, of the profit of the Company for the Years ended on that date; and
c) In the case of the Restated Cash Flow Statement, of the cash flows of the Company for the Years ended on that date.

For Mansaka Ravi & Associates
Chartered Accountants
FRN: 015023C
PRC No. 008582

[Ravi Mansaka, FCA]
Partner
M. No. 410816

Place: Jaipur
Date: 10.06.2016

ANNEXURE – I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amt. in Lacs)

Particulars	As at				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
I. EQUITY AND LIABILITIES					
Shareholder's Funds					
Share Capital	2191	1811	1811	1106	1106
Reserves and Surplus	6900	5355	5053	1406	1049
Money received against share warrants	0.00	0.00	0.00	0.00	0.00
Share Application Money Pending Allotment	0.00	0.00	0.00	0.00	0.00
Non Current Liabilities					
Long-term Borrowings	1607	308	353	2632	795
Deferred tax liabilities (Net)	0	327	333	269	189
Other Long Term Liabilities	0.00	0.00	0.00	0.00	0.00
Long-term Provisions	0.00	0.00	0.00	0.00	0.00
Current Liabilities					
Short-term Borrowings	32	479	535	477	337
Trade Payables	169	705	230	344	817
Other Current Liabilities	233	168	360	909	1396
Short-term Provisions	190	212	162	147	97
Total	**11321**	**9365**	**8838**	**7289**	**5785**
II. ASSETS					
Non Current Assets					
Fixed assets					
(i) Tangible Assets	8837	5888	6266	3989	3897
(ii) Intangible Assets	0	0	0	0	0
(iii) Capital Work-In-Progress	0	641	442	30	0
(iv) Intangible Assets Under Development	0	0	0	0	0
Non Current Investments	117	117	117	123	123
Deferred Tax Assets (Net)	8	0	0	0	0
Long-term Loans and Advances	184	47	76	552	178
Other Non Current Assets	0	0	0	0	0
Current assets					
Current Investments	0	0	0	0	0
Inventories	583	886	1210	1880	730
Trade Receivables	700	569	92	247	306
Cash and Cash Equivalents	52	51	103	152	129
Short-term Loans and Advances	832	1159	528	310	415
Other Current Assets	9	6	4	6	6
Total	**11321**	**9365**	**8838**	**7289**	**5785**
The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, II and III.					

ANNEXURE – II
RESTATED STATEMENT OF PROFIT AND LOSS

(Amt in Lacs)

Particulars		For the Period/Year ended				
		31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Revenue from Operations (Gross)		6499	6249	5909	4579	4617
Less: Excise Duty		32	26	29	31	0
Net Revenue From Operation		6466	6223	5880	4548	4617
Other income		12	620	16	28	14
Total Revenue	**A**	**6478**	**6843**	**5896**	**4576**	**4631**
Expenses:						
Cost of Material Consumed		2406	2679	3196	3009	2853
Purchases of Stock in Trade		1355	1302	0	0	0
Changes in inventories of finished goods, WIP and Stock-in-Trade		(62)	395	366	(885)	378
Employee benefits expense		162	137	163	150	49
Finance costs		283	326	332	483	170
Depreciation and amortization expense		336	342	185	178	102
Other expenses		1388	1072	1106	1096	601
Total Expenses	**B**	**5868**	**6253**	**5348**	**4031**	**4152**
Profit before extraordinary items and tax		610	589	548	545	480
Exceptional/Prior Period item		0	0	0	0	0
Profit Before Tax		**610**	**589**	**548**	**545**	**480**
Provision for Tax						
- Current Tax		125	165	110	109	97
- Deferred Tax Liability / (Asset)		(335)	(6)	65	80	122
MAT Credit Entitlement		(125)	0	0	(12)	(22)
MAT Credit Utilised		0	27	7	0	0
Short/(Excess) Tax adjustment of prior years		0	0	0	0	0
Restated profit after tax for the period from continuing operations		**945**	**404**	**367**	**367**	**283**
Profit/ (Loss) from Discontinuing operation		0.00	0.00	0.00	0.00	0.00
Tax expenses of discontinuing operations		0.00	0.00	0.00	0.00	0.00
Restated profit for the period		**945**	**404**	**367**	**367**	**283**
The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, II and III.						

ANNEXURE – III
RESTATED CASH FLOW STATEMENT

(Amt in Lacs)

Particulars	For the Period/Year ended				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before tax	610	589	548	545	480
Adjustment for :					
Interest on Fixed Deposit	4	3	5	10	7
Dividend Income	-	-	-	-	-
Depreciation	336	342	185	178	102
Preliminary Exp. W/off					(38)
Provision for Gratuity	-	-	-	-	-
Loss on foreign Exchange Fluctuation			(3)		-
Loss / (Profit) on sale of Fixed Assets	4	4	4	1	3
Balance Write off			(7)		-
Interest on Borrowed Fund	281	300	329	475	169
Operating profit before working capital changes	**1,227**	**1,232**	**1,051**	**1,189**	**708**
Adjustment for :					
(Increase)/Decrease in Inventories	303	324	670	(1,150)	88
(Increase)/Decrease in Trade Receivables	(131)	(477)	155	59	(293)
(Increase)/Decrease in Short Term loans and advances	327	(631)	(218)	115	(190)
(Increase)/Decrease in Other Current Assets	(3)	(2)	2	0	(2)
(Increase)/Decrease in Long Term loans and advances	(12)	2	469	(362)	95
Increase/(Decrease) in trade payables	(537)	475	(113)	(474)	350
Increase/(Decrease) in Short Term Borrowings	(447)	(56)	58	140	337
Increase/(Decrease) in provisions	18	(5)	15	37	-
Increase/(Decrease) in other current liabilities	20	(195)	(552)	(487)	1,018
	(461)	**(566)**	**486**	**(2,121)**	**1,403**
Cash generated from / (used in) operations	**766**	**666**	**1,537**	**(932)**	**2,111**
Income Tax paid	121	107	107	106	105
Net cash generated from/(used in) operating activities - (A)	**646**	**559**	**1,431**	**(1,038)**	**2,006**
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of tangible fixed assets	(2,656)	(275)	(591)	(318)	(1,203)
Sale (Purchase) of long-term investments	-	-	6	-	-
Sale of tangible fixed assets	1	5	17	7	5
Interest Income on Fixed Deposit	4	3	5	10	7

Dividend Income	-	-	-	-	-
Net cash (used in) Investing Activities - (B)	**(2,651)**	**(266)**	**(563)**	**(300)**	**(1,191)**
CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from issue of Share Capital	380	-	1,692	-	-
Proceeds from issuance of share capital Share Premium	608	-	-	-	-
Repayment of Long Term borrowings	1,300	(45)	(2,280)	1,838	(867)
Interest on Borrowed Fund	(281)	(300)	(329)	(475)	(169)
Proposed Dividend Paid (Including Dividend Distribution Tax)	-	-	-	-	-
Net cash(used in) / from financing activities - (C)	**2,007**	**(345)**	**(917)**	**1,362**	**(1,036)**
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	1	(52)	(49)	23	(222)
Cash and cash equivalents at the beginning of the year	51	103	152	129	351
Cash and cash equivalents at the end of the year	52	51	103	152	129
Cash and cash equivalents at the end of year comprises :					
1. Components of cash and cash equivalents:					
Particulars	**31-03-2016**	**31-03-2015**	**31-03-2014**	**31-03-2013**	**31-03-2012**
Cash on hand	8	23	24	14	5
Balances with scheduled banks:					
In current accounts	31	10	57	107	19
in Deposits with Scheduled Bank	14	18	22	31	104
Total Cash and cash equivalents	52	51	103	152	129
2. The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).					
3. Figures in Brackets represents outflow.					
4. The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexures IV, II and III.					

ANNEXURE-IV

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS

A. BACKGROUND

M/s. Madhya Bharat Agro Products Limited was incorporated as Madhya Bharat Agro Products Private Limited on October 22, 1997.The Company was converted into a Public Limited Company in the Year 1999. The registered office and corporate office of the Company is situated at Bhilwara, Rajasthan.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL SATEMENTS

The Restated Summary Statement of Assets and Liabilities of the Company as on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31 2012, and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the period ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31 2012and the annexure thereto (collectively, the "**Restated Financial Statements**" or "**Restated Summary Statements**") have been extracted by the management from the Financial Statements of the Company for the period ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31 2012.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provision for income tax and the useful lives of fixed assets. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

3. FIXED ASSETS

Fixed assets are stated at historical cost/revalued value (as valued by registered valuer) less accumulated depreciation and impairment losses, if any. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress. Cost includes cost of land, materials, construction, services, borrowing costs and other overheads relating to projects.

Intangible assets are stated at acquisition cost, Net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives.

Gains or losses arising from the retirement or disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit & Loss.

4. DEPRECIATION

Tangible Fixed Assets

In accordance with AS-6 "Depreciation", depreciation on tangible fixed assets is computed on considering useful life provided in the Schedule - II of the Act. During the preceding years, the Company was providing depreciation on written down value basis at the rate prescribed in Schedule XIV of the Companies Act, 1956.

Pursuant to Companies Act, 2013 ('the Act') being effective from April 1, 2014, the Company has revised depreciation rates on tangible fixed assets as per useful life specified in Part 'C' of Schedule II of the Act. And due to the same there has been a change in the estimated useful life of depreciable tangible assets which affects the depreciation in the current period and in each period during the remaining useful life of the assets. As the change is only in regard to accounting estimate requiring an adjustment of the carrying amount of tangible assets. The same do not require adjustment in the financial information for the years ended on March 31, 2014, 2013, and 2012. The Company has consistently calculated depreciation based on WDV method.

In respect of assets whose useful life had already exhausted as on 1 April 2014, Rs. 34.81/- Lacs has been adjusted in Reserves and Surplus as on 31.03.2015 in accordance with requirements of Para 7 of Part C of Schedule II of the Act.

5. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. IMPAIRMENT OF ASSETS

(i) The company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's (including goodwill) recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

(ii) After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

7. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

8. INVENTORIES

Inventories are stated at cost or net realizable value whichever is lower. Cost is calculated based on FIFO basis. Cost comprises cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present condition and location.

9. REVENUE RECOGNITION

i. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
ii. Sale is recognized on dispatch of goods from point of sales.
iii. Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition".

10. FOREIGN CURRENCY TRANSACTIONS

Transaction denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction and any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of profit and Loss except in case where they relate to acquisition of fixed assets, are adjusted with the carrying cost of such assets.

11. ACCOUNTING FOR GOVERNMENT GRANTS

A. Grants/subsidy is recognized only when reasonably assured to be realized and the Company had complied with the conditions attached to the grant.

B. Grant/subsidy towards specific assets is treated as deferred income in the statement of profit and loss on rational basis over the useful life of the depreciable assets. Grant related to non-depreciable asset is credited capital reserve unless it stipulates fulfillment of certain obligations.

C. Grants of revenue nature is recognized in the statements of profit and loss over the period to match with the related cost, which are intended to be compensated. Such grant is reduced from the related cost.

11. EMPLOYEE BENEFITS

Defined-contribution plans:

i) Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligation, other than the contribution payable to the provident fund.

(ii) The company has obtained one defined benefit plan for its employees, viz., gratuity from LIC, Pension and Group Schemes Department. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method made at the end of each reporting date. Actuarial gains and losses for the defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

12. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

13. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or

b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

14. EARNINGS PER SHARE:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

15. CASH FLOW:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS

NA

D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years**.**

2. **Employee benefits:**

   The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under-:

(Amount in Lacs)

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
1. Reconciliation of opening and closing balances of defined benefit obligation					
a) At the beginning of the year	17.25	14.20	10.25	7.31	4.31
b) Current Service Cost	3.10	3.52	3.15	2.42	1.65
c) Interest Cost	1.38	1.13	0.82	0.57	0.34
d) Actuarial (Gain) Loss	(0.78)	(1.61)	0.20	0.34	0.82
e) Benefits paid	(0.30)	0.00	(0.21)	0.00	0.00
f) Defined Benefits Obligation at year end	20.65	17.25	14.21	10.25	7.12
2. Reconciliation of opening and closing balances of fair value of plan assets					
a) At beginning of the year	21.22	19.10	14.20	10.20	6.34
b) Expected Return on plan assets	2.01	1.75	1.37	1.06	0.71
c) Actuarial Gain / (Loss)	0.00	0.00	0.00	0.00	0.00
d) Employer Contributions	2.00	0.36	3.74	3.15	3.15
e) Benefits paid	(0.30)	0.00	(0.21)	0.00	0.00
f) Fair Value of the plan assets at the year end	24.93	21.22	19.10	14.20	10.20
3. Reconciliation of fair value of obligation and Assets					
a) Present value of obligation as at year end	20.65	17.26	14.20	10.25	7.12
b) Fair value of plan assets as at year end	24.93	21.22	19.10	14.20	10.20
c) Amount recognized in Balance Sheet (a-b)	4.28	3.97	4.90	3.95	(3.08)
4. Expense recognized during the year					
a) Current Service Cost	3.10	3.52	3.15	2.42	1.65
b) Interest Cost	1.38	1.13	0.82	0.57	0.34
c) Expected return on plan assets	(2.01)	(1.75)	(1.37)	(1.06)	(0.71)
d) Actuarial (gain) / loss	(0.78)	(1.61)	0.20	0.35	0.82
e) Net Cost (a+b+c+d)	1.69	1.29	2.80	2.28	2.10
5. Investment Details of Plan Assets					

Name of retirement benefit	Name of Trust	Policy No.	Investment with

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
Gratuity	Madhya Bharat Agro Products Limited., Employees Group Gratuity Trust		G.G. TRU 101000392 (Old No. 325348)		LIC of India
6. There are no amount included in the fair value of plan assets for					
i) Company's own financial instruments.					
ii) Property occupied by or other assets used by the Company.					
7. Principal Actuarial Assumptions at the Balance Sheet date					
Discount Rate	8% p.a.	8% p.a.	8% p.a.	8% p.a.	8% p.a.
Expected Rate of return on plan assets	8% p.a.	8% p.a.	8% p.a.	8% p.a.	8% p.a.
Future Salary Increase	8% p.a.	8% p.a.	8% p.a.	8% p.a.	8% p.a.
8. The overall expected rate of return on assets is assumed based on the market prices prevailing on that date over the accounting period. The Company is having approved gratuity trust and leave encashment policy, which is having insurer Managed Fund.					
9. **Experience Adjustment:**					
Defined Benefits Obligation	20.65	17.25	14.21	10.25	7.13
Plan assets	24.93	21.22	19.10	14.20	10.20
Surplus/(deficit)	4.28	3.97	4.90	3.95	3.07
Experience adjustment on plan Liabilities (loss)/ gain	(0.78)	(1.61)	0.20	0.34	0.68
Experience adjustment on plan Assets (loss)/ gain	0.00	0.00	0.00	0.00	0.00

3. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on March31, 2016 except as mentioned in Annexure -U, for any of the years covered by the statements.

4. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – R of the enclosed financial statements.

5. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year/period is reported as under:

Particulars	(Amount in Lacs) As at				
Deferred Tax Liability	**31/03/2016**	**31/03/2015**	**31/03/2014**	**31/03/2013**	**31/03/2012**
Net WDV as Per Companies Act	8837	5888	6266	3989	3897
Net Block as per Income Tax	2,198	2,409	2,703	2,916	3,061
Timing difference- Depreciation	6,639	3,480	3,563	1,072	836
Less : Revaluation Reserves	2,461	2,468	2,535	241	251
Net Timing Difference Due to Depreciation	4,178	1,011	1,028	831	585
Deferred Tax Liability (a)	1,381	328	333	270	190
Incremental Depreciation					
Revaluation Reserve					
Bonus Expenses	9	3		3	2
Business loss	4192				
Unabsorbed Depreciation					1.38

DTA @ 33.66%/30.90%	1,389	1	-	1	1
Cumulative Deferred Tax Assets					
Mat Credit					
Deferred Tax Assets (B)	1,389	1	-	1	1
Cumulative Balance of Deferred Tax Liability/(Assets) (A-B)	(8)	327	333	269	189
Opening Deferred Tax Liability	327	333	269	189	67
Debited/(Credit) to Restated Statement of Profit and Loss Account	(335)	(6)	65	80	122

6. Earnings Per Share (AS 20):

Earnings per Share have been calculated is already reported in the Annexure –Q of the enclosed financial statements.

7. MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01st April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (loss) and assets and liabilities of the Company is as under.

Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & loss of the company.

1. Statement of Profit and Loss after Tax

Table -1

(Amount in Lacs)

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
Net Profit After Tax as per audited accounts but before adjustments for restated accounts:	919.8	390.2	359.8	357.7	358.0
Less/ (Add) (a) Increase/ Decrease in other income	0.0	0.0	0.0	(0.4)	(3.6)
Add/(Less)(b) Short (Excess) Depreciation /Amortization(net)& Other Exp charged in Books	17.6	20.5	13.6	13.3	(47.1)
Less/(Add):(c) Deferred tax Liability (Assets) on Depreciation	(113.0)	64.3	3.0	(11.9)	(55.8)
Less/(Add) (d): Excess / (short) Provision for Income Taxes - Current	(4.3)	(44.3)	(2.7)	(2.8)	10.3
Add/(Less):(e) MAT Credit Entitlement (Utilised) not Provided for separately	125.2	(27.0)	(6.7)	11.5	22.1
Add/ Less: (f) TDS Defaults Liability (As per 26AS) Not Recognised Earlier	0.0	0.0	(0.4)	(0.6)	0.0
Add/ Less: (h) Loss on Sale of Fixed Asset which is wrongly calculated					(0.6)
Net Increase/ (Decrease)	25.4	13.5	6.9	9.1	(74.7)
Net Profit After Tax as per Restated Accounts:	**945.2**	**403.7**	**366.7**	**366.8**	**283.3**

8. Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

9. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

10. Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest Lacs. Figures in brackets indicate negative values.

For Mansaka Ravi & Associates
Chartered Accountants
FRN 015023C
PRC No. 008582

Ravi Mansaka, FCA
Partner
Membership No. 410816

Date: June 10, 2016
Place: Jaipur

ANNEXURE – A
STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Amt in Lacs)

Particulars	As at				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Share Capital					
Authorised Share Capital	2,200	2,200	2,200	2,200	2,200
Equity shares of Rs.10 each					
Share Capital					
Issued, Subscribed and Paid up Share Capital	2,191	1,811	1,811	1,106	1,106
Equity Shares of Rs. 10 each fully paid up					
Share Capital (in Rs.)					
Total	2,191	1,811	1,811	1,106	1,106
Reserves and Surplus					
A) Revaluation Reserves					
Opening Balance	2,468	2,535	241	251	260.54
Add: Addition during the year	-	-	2,303	-	-
Less: Depreciation on revaluation transfer to General Reserve	8	67	9	10	9
Total (A)	**2,461**	**2,468**	**2,535**	**241**	**251**
B) Surplus in Profit and Loss account					
Opening Balance	1,808	1,439	1,073	706	423
Add: Profit for the year	945	404	367	367	283
Less: adjustment FA Retirement amount	-	35	-	-	-
Total (B)	**2,753**	**1,808**	**1,439**	**1,073**	**706**
C) Security Premium					
Opening Balance	1,079	1,079	92	92	92
Add: Addition during the year	608.00	0	987	-	-
Total (C)	1,687	1,079	1,079	92	92
Total (A+B+C)	**6,900**	**5,355**	**5,053**	**1,405**	**1,049**

Notes:-

1. The figures mentioned in the bracket represent absolute number of shares.

2.Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

3. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

4. The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, II and III.

1. The reconciliation of the number of shares outstanding as at: -

Particulars	As at				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Number of shares at the beginning	18,106,735	18,106,735	11,058,090	11,058,090	11,058,090
Add: Shares issued during the year	3,800,000	-	7,048,645	-	-
Less: Shares bought back during the Year	-	-	-	-	-
Number of shares at the end	**21,906,735**	**18,106,735**	**18,106,735**	**11,058,090**	**11,058,090**

2. The detail of shareholders holding more than 5% of Shares as at: -

Name of Share Holder	As at (No of Shares)				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Sh. Pankaj Ostwal	1,220,130	1,220,130	1,220,130	1,195,130	1,195,130
Smt. Shashi Jain and Smt. Amita Mehta	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000
Paneri Textiles Pvt. Ltd.	1,090,500	1,090,500	1,090,500	1,015,500	1,015,500
Seasons Agrochem India Pvt. Ltd.	2,310,800	2,310,800	2,310,800	2,310,800	2,310,800
Ostwal Phoschem (India) Limited.	9,730,520	5,930,520	2,803,750	-	-
Chunri Prints Pvt. Ltd.	1,207,625	1,207,625	1,207,625	1,089,500	1,089,500
Vesta Tex Pvt. Ltd.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Suswani Textiles Pvt. Ltd.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Smt. Ekta Jain	-	-	-	661,840	661,840
Visualize Tradecom Pvt. Ltd.	-	-	-	846,000	846,000

ANNEXURE – B

STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(Amt in Lacs)

Particulars		As at			
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Long Term Borrowings					
From Banks/Financial Institutions (Secured)					
Term Loans	1602	235	353	634	795
Loans and Advances (Unsecured)					
From Promoters/Directors/Related Parties	5	63	0	1759	0
From others	0	10	0	240	0
Total	**1607**	**308**	**353**	**2632**	**795**
Current portion of long-term borrowings, included under Other current liabilities					
Term Loans and Car Loans	132	117	79	166	11
Short Term Borrowings					
From Banks (Secured)					
Bank Working Capital Loan/OD/CC	32	479	535	477	337
From Promoters/Directors/Related Parties	0	0	0	0	0
Total	**32**	**479**	**535**	**477**	**337**
The above amount includes:					
Secured Borrowings	1634	714	888	1111	1132
Unsecured Borrowings	5	73	0	1999	0

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
4. The terms and conditions and other information in respect of Secured Loans are given in Annexure -B (A)
5. The terms and conditions and other information in respect of Unsecured Loans are given in Annexure - B (B)

ANNEXURE - B (A)
STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

(Amt. in Lacs)

Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary Security	Collateral/Other Security	Re-Payment Schedule	Mora-torium	Outstanding amount as on 31-03-2016 as per Books	Outstanding amount as on 31.03.2015 as per Books
Secured Loan									
HDFC Bank Ltd. Shop No. 1-2-3-4, "A" Block, 1ST Floor, S.K. Plaza, Pur Road, Bhilwara - 311001, Rajasthan	Cash Credit	550.00	BR+1 %	Hypothecation by way of First charge exclusive charge in all present and future book debts	Equitable mortgage by way of deposit of title deeds of immovable Properties being Plot No. 1, situated at Khasra No. 166/1, Patwari Halka No. 19/86, Village Sorai, Tahsil - Banda, Dist Sagar (M. P.)	On Demand		32	479
	Term Loan	431.63	BR+1 %			Repaid in equated monthly installments of Rs.12.50 Lacs each. The last installement is in Dec. 2017.		234	353
State Bank of Bikaner and Jaipur MCB, Industrial Estate, Bhilwara - 311001, Rajasthan	Cash Credit	440.00	BR+1 %	Pari Passu First charge on the entire current assets of the company Pari-passu First charge on the entire fixed assets of the company comprising of equitable mortgage of factory land & building of the company situated at unit-II (A-2) expansion cum diversification plant at village - Sourai, measuring 233704 sq meters	Pari Passu Second charge on the entire fixed assets of the company including equitable mortgage of factory land & building situated at unit-II expansion cum diversification plant, Sourai measuring 233704 sq mtr. Personal Guarantee of Sh. Pankaj Ostwal & Sh. Praveen Ostwal.z Pari-passu Second charge by way of	On Demand		0.00	0.00
	Term Loan	3000.00	BR+1 %			The SBBJ Term loans to be repaid in equated quarterly installments of Rs.1.25 Cr. each. The last installment is in July 2024		1500.00	0.00

					Hypothecation over Raw material,WIP,FG, semi FG, stores, spares, book-debts & other current assets of the company.				

ANNEXURE - B (B)
STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

Details of Unsecured Loans outstanding as at the end of the respective year from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities

Rate of Interest- Nil
Pankaj Ostwal

Particulars	As at	
	31-03-2016	31-03-2015
Opening Balance Cr/(DR)	48.50	0.00
Amount Received/credited	21.50	54.50
Amount repaid/adjusted	65.00	6.00
Outstanding Amount	5.00	48.50

Rate of Interest- Nil
Praveen Ostwal

Particulars	As at	
	31-03-2016	31-03-2015
Opening Balance	14.00	0.00
Amount Received/credited	0.00	19.00
Amount repaid/adjusted	14.00	5.00
Outstanding Amount	0.00	14.00

Rate of Interest- Nil
Dove Creation Pvt Ltd.

Particulars	As at	
	31-03-2016	31-03-2015
Opening Balance	10.00	0.00
Amount Received/credited	0.00	20.50
Amount repaid/adjusted	10.00	10.50
Outstanding Amount	0.00	10.00

Rate of Interest- Nil
Seasons Agro Chem India Pvt Ltd

Particulars	As at	
	31-03-2016	31-03-2015
Opening Balance	0.00	0.00
Amount Received/credited	908.50	0.00

Amount repaid/adjusted	908.50	0.00
Outstanding Amount	0.00	0.00

Rate of Interest- Nil
Season International Pvt Ltd

Particulars	As at	
	31-03-2016	31-03-2015
Opening Balance	178.00	0.00
Amount Received/credited	505.15	920.00
Amount repaid/adjusted	683.15	742.00
Outstanding Amount	0.00	178.00

Rate of Interest- 11%
Ostwal Poshchem (India) Limited

Particulars	As at	
	31-03-2016	31-03-2015
Opening Balance	0.00	0.00
Amount Received/credited	300.00	488.25
Amount repaid/adjusted	300.00	488.25
Outstanding Amount	0.00	0.00

Rate of Interest- Nil
Krishana Poshchem Ltd

Particulars	As at	
	31-03-2016	31-03-2015
Opening Balance	0.00	0.00
Amount Received/credited	30.00	0.00
Amount repaid/adjusted	30.00	0.00
Outstanding Amount	0.00	0.00

ANNEXURE – C
STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amt. in lacs)

Particulars	For the Period/year ended				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Opening Balance (A)					
Opening Balance of Deferred Tax (Asset) / Liability	327	333	269	189	67
Current Year Provision (B)	(335)	(6)	65	80	122
(DTA) / DTL on Depreciation	1381	328	333	270	190
(DTA) / DTL on Unabsorbed Dep/Bonus Expenses	(1389)	(1)	0	(1)	(1)
Closing Balance of Deferred Tax (Asset) / Liability (A+B)	**(8)**	**327**	**333**	**269**	**189**
Notes: The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, I and IIII .					

ANNEXURE – D
STATEMENT OF LONG TERM PROVISIONS

(Amt in Lacs)

Particulars	**As at**				
	31-03-2016	**31-03-2015**	**31-03-2014**	**31-03-2013**	**31-03-2012**
Provision for Employee Benefits					
Provision for Gratuity		-	-	-	-
Provisions		-	-	-	-
TOTAL		**-**	**-**	**-**	**-**

ANNEXURE – E
STATEMENT OF TRADE PAYABLES

(Amt in Lacs)

PARTICULARS	**As at**				
	31-03-2016	**31-03-2015**	**31-03-2014**	**31-03-2013**	**31-03-2012**
Trade Payables					
Micro, Small and Medium Enterprises	-	-	-	-	-
Other -For Goods & Services (including advances from Debtors)	169	705	230	344	817
Total	**169**	**705**	**230**	**344**	**817**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.
3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed.

ANNEXURE – F
STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS

(Amt in Lacs)

PARTICULARS	**As at**				
	31-03-2016	**31-03-2015**	**31-03-2014**	**31-03-2013**	**31-03-2012**
Other Current Liabilities					
Current maturities of long-term borrowings					
- Term Loan/Car Loan	132	117	79	166	11
Statutory Dues	22	23	49	97	8
Advance from Customers		-	-	-	-
Salary Payables		-	-	-	-
Other Payables	78	27	232	645	1377
Payable to Drivers		-	-	-	-
Amount Due to Directors		-	-	-	-
Total	**233**	**168**	**360**	**909**	**1396**
Short-Term Provisions					
Provision for Income Tax (Net of Advance Tax and TDS)	125	165	110	109	97
Provision for Employee Benefits	65	47	52	37	-
Provision for Dividend	-	-	-	-	-
Provision for Dividend Distribution Tax	-	-	-	-	-
Total	**190**	**212**	**162**	**147**	**97**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements

of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

ANNEXURE – G
STATEMENT OF FIXED ASSETS

(Amt in Lacs)

PARTICULARS	As at				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
(i) Tangible Assets					
Land	2,588	2,564	2,564	138	138
Factory Building	2,200	1,572	1,627	1,644	1,573
Office Equipment	3	6	10	9	4
Plant and Machinery	4,008	1,701	1,999	2,114	2,131
Furniture and Fixtures	19	22	25	26	6
Vehicles	17	22	37	52	39
Computers	1	1	4	6	5
Total Tangible Assets	**8,837**	**5,888**	**6,266**	**3,989**	**3,897**
(ii) Intangible Assets					
Software's	-	-	-	-	-
Capital Work-in-Progress	-	641	442	30	0
Intangible assets under development	-	-	-	-	-
Grand Total	**8,837**	**6,530**	**6,708**	**4,019**	**3,897**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.

ANNEXURE – H
STATEMENT OF NON-CURRENT INVESTMENTS

(Amt in Lacs)

Particulars	As at									
	31-03-2016		31-03-2015		31-03-2014		31-03-2013		31-03-2012	
	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares
Non Current Investment										
(Other Than Trade, at Cost)										
Investment in Un Listed Equity Shares	117.00	11.70	117.00	11.70	117.00	11.7	123.00	12.30	123.00	12.30
NSC	-	-	-	-	-	-	-	-	-	-
Total	**117.00**	**11.70**	**117.00**	**11.70**	**117.00**	**11.70**	**123.00**	**12.30**	**123.00**	**12.30**
Aggregate Value of Quoted Investment	-	-	-	-	-	-	-	-	-	-
Aggregate Value of Un Quoted Investment	117.00	11.70	117.00	11.70	117.00	11.70	123.00	12.30	123.00	12.30

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.

ANNEXURE – I
STATEMENT OF LONG-TERM LOANS AND ADVANCES

(Amt in Lacs)

PARTICULARS	As at				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Unsecured, Considered Good unless otherwise stated					
Security Deposit Given	59	47	49	38	34
Capital Advances					
Other Advances	-	-	-	480	122
Loans & Advance to related Parties	-	-	-	-	-
MAT Credit Entitlement	125	-	27	34	22
Total	184	47	76	552	178

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

ANNEXURE – J
STATEMENT OF INVENTORIES

(Amt in Lacs)

PARTICULARS	As at				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Particulars					
Raw Material	100	498	416	691	575
Pakcing Material	-	-	-	-	-
Stock-in-Process and Semi Finished Goods	46	3	34	125	3
Finished Goods	261	242	606	881	119
Consumable items, Stores & Spares Parts	144	116	126	126	34
Other Consumables	32	28	28	56	-
Inventory of Trading Goods	-	-	-	-	-
Total	**583**	**886**	**1,210**	**1,880**	**730**

Note-: As per Management Explanation, Inventory has been physically verified by the management of the Company at the end of respective year.

ANNEXURE – K
STATEMENT OF TRADE RECEIVABLES

(Amt in Lacs)

PARTICULARS	As At				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Outstanding for a period exceeding six months (Unsecured and considered Good)					
From Directors/Promoters/ Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-
Others	-	20	8	-	-
(Unsecured and considered Doubtful)					
From Directors/Promoters/Promoter	-	-	-	-	-

Group/Associates/ Relatives of Directors/ Group Companies.					
Others	-	-	-	-	-
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)					
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-
Others	700	549	85	247	306
Total	**700**	**569**	**93**	**247**	**306**
Notes					
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.					
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.					

ANNEXURE – L
STATEMENT OF CASH & CASH EQUIVALENTS

(Amt in Lacs)

PARTICULARS	**As at**				
	31-03-2016	**31-03-2015**	**31-03-2014**	**31-03-2013**	**31-03-2012**
Cash in Hand (As Certified by Management)	8	23	24	14	5
Balances with Banks					
- In Current Accounts	31	10	57	107	19
- In Bank Deposits	14	18	22	31	104
Total	**52**	**51**	**103**	**152**	**129**
Notes					
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.					
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.					
3. Balances in Bank deposits are under lien with Banks against Bank Guarantee issued favoring to the Customers of Company.					

ANNEXURE – M
STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(Amt in Lacs)

PARTICULARS	**As at**				
	31-03-2016	**31-03-2015**	**31-03-2014**	**31-03-2013**	**31-03-2012**
Unsecured, Considered Good unless otherwise stated					
Advance Recoverable in Cash or Kind	-	-	-	-	-
Capital Advances	-	-	-	-	-
Deposits	-	-	-	-	-
Balance with Revenue Authorities	-	-	-	-	-
Other Advances	832	1,159	528	310	415
Total	**832**	**1,159**	**528**	**310**	**415**
Notes					
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.					
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.					
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.					

ANNEXURE – N
STATEMENT OF OTHER CURRENT ASSETS

(Amt in Lacs)

PARTICULARS	As at				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
NSC Int. Receivable	-	-	-	-	-
Preliminary Expenses	-	-	-	-	-
Prepaid Expenses	9	6	4	6	6
Total	**9**	**6**	**4**	**6**	**6**
Notes:-					
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.					
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.					

ANNEXURE – O
STATEMENT OF OTHER INCOME

(Amt in Lacs)

Particulars	For the year ended				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Related and Recurring Income:					
Interest Income	4	3	5	10	7
Dividend Income	-	-	-	-	-
Discont Received	-	-	-	-	-
Other non Operating Income (net of Expenses directly attributable to such income)	8	616	11	18	8
Total	**12**	**620**	**16**	**28**	**14**
Notes:-					
1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.					
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.					
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.					

ANNEXURE –P
STATEMENT OF TURNOVER

(Amt in Lacs)

Particulars	For the year ended				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
(i) Turnover in respect of sale of product manufactured	6,499	6,249	5,909	4,579	4,617
Total	6,499	6,249	5,909	4,579	4,617

ANNEXURE – Q
STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amt in Lacs)

Particulars	As at				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Net Worth (A)	6,630	4,698	4,329	2,270	1,904
Restated Profit after tax	945	404	367	367	283
Adjusted Profit after Tax (B)	945	404	367	367	283
Number of Equity Share outstanding as on the End of Year/Period (C)	219	181	181	111	111

Weighted average no of Equity shares at the time of end of the year (D)	197	181	111	111	111
Current Assets (E)	2,176	2,671	1,937	2,595	1,586
Current Liabilities (F)	623	1,564	1,288	1,876	2,646
Face Value per Share (in Rs.)	10.00	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earnings Per Share (Rs.) (B/D) Refer Note 1 given below	4.79	2.23	3.31	3.32	2.56
Return on Net worth (%) (B/A)	14.25	8.59	8.47	16.16	14.88
Net asset value per share (A/C)	30.27	25.94	23.91	20.53	17.21
Adjusted Net asset value per share based on Weighted average number of share (A/D)	33.64	25.94	39.08	20.53	17.21
Current Ratio (E/F)	3.49	1.71	1.50	1.38	0.60

Note:-

1. Earnings per share = Profit available to equity shareholders/ weighted average number of outstanding of equity shares during the year. For the purpose of calculating of weighted average number of shares outstanding prior to Bonus Shares and Right Issue, for the earlier years, Ratio of bonus and right factor applied on closing number of share outstanding as on the end of respective years.
2. Diluted Earnings per share = Profit available to equity shareholders/ weighted avg number of potential equity shares outstanding during the year.
3. Weighted Average number of outstanding Equity Shares has been calculated in terms of the requirement of Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006.
4. Return on Net worth (%) = Profit available for Equity shareholders/Net worth X 100.
5. Current Ratio= Current Assets/ Current Liabilities.
6. As there is no dilutive capital in the company, Basic and Diluted EPS are similar.
7. Net Profit, before extra ordinary items as appearing in the Statement of restated profits and losses, and Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.
8. Net asset value per share (Face value of Rs. 10 each) has been computed considering the outstanding number of share as at the end of year.
9. Net worth for ratios mentioned represent equity share capital and reserves and surplus. Refer Annexure A for components of Reserves and Surplus.

ANNEXURE – R
STATEMENT OF RELATED PARTY TRANSACTION

a)	**Names of the related parties with whom transaction were carried out during the years and description of relationship:**	
1)	**Company/entity owned or significantely influenced by directors/ KMP**	Krishana Phoschem Limited
		Ostwal Phoschem (India) Ltd.
		Seasons International Pvt. Ltd.
		Seasons Agro Chem India Pvt. Ltd.
		Nirmala Realinfrastructure Pvt. Ltd.
2)	**Key Management Personnels:**	Mr. Pankaj Ostwal
		Mr. Praveen Ostwal
		Mr. Amit Jain (till 30.08.12)
		Mr. Sourabh Gupta
		Ms. Payal Soni
		Mr. Sanjay Maheshwari
3)	**Relative of Key Management Personnels:**	None
4)	**Directors:**	Mr. Pankaj Ostwal
		Mr. Sourabh Gupta

		Mr. Praveen Ostwal

1. Transaction with Companies/Entity owned or Significantely influenced by Director/KMP

Sr. No.	Nature of Transaction	YEARS				
		3/31/2016	3/31/2015	3/31/2014	3/31/2013	3/31/2012
A						
	Directors remuneration	**28.82**	**24.02**	**28.23**	**25.32**	**15.18**
	Mr. Pankaj Ostwal	24.02	24.02	24.02	24.00	12.00
	Mr. Sourabh Gupta	4.80		2.57		
	Mr. Amit Jain				1.33	3.18
	Mr. Sanjay Maheshwari			0.93		
	Mr. Nitin Mehta			0.70		
	Purchases	**60.28**	**1,460.11**	**780.74**	**504.31**	**1,533.84**
	Ostwal Phoschem (India) Ltd.	3.28	0.58	141.20	1.95	
	Seasons Agro Chem India Pvt. Ltd.	57.00	533.30			
	Krishana Phoschem Limited		10.98	257.60	502.35	1,533.84
	Seasons International Pvt. Ltd.		915.24	381.94		
	Sale	**488.97**	**-**	**3.58**	**-**	**68.30**
	Ostwal Phoschem (India) Ltd.	311.08				
	Krishana Phoschem Limited	177.89		3.58		
	Seasons International Pvt. Ltd.					68.30
	Loan Taken	**1,765.15**	**1481.75**	**2,859.50**	**6,059.72**	**3,805.50**
	Nirmala Realinfrastructure Pvt. Ltd.			50.00	35.00	12.00
	Ostwal Phoschem (India) Ltd.	300.00	488.25	2,229.00	4,648.00	2,136.00
	Seasons Agro Chem India Pvt. Ltd.	908.50		580.50	546.72	656.00
	Krishana Phoschem Limited	30.00			830.00	1,001.50
	Mr. Pankaj Ostwal	21.50	54.50			
	Mr. Praveen Ostwal	-	19.00			
	Seasons International Pvt. Ltd.	505.15	920.00			
	Loan Repaid	**2000.65**	**1241.25**	**4,018.37**	**4,036.01**	**3,147.74**
	Nirmala Realinfrastructure Pvt. Ltd.			50.00	35.00	139.00
	Ostwal Phoschem (India) Ltd.	300.00	488.25	3,029.15	2,983.01	1,299.74
	Seasons Agro Chem India Pvt. Ltd.	908.50		939.22	188.00	700.50
	Krishana Phoschem Limited	30.00			830.00	1,001.50
	Mr. Praveen Ostwal	14.00	5.00			
	Mr. Pankaj Ostwal	65.00	6.00			7.00
	Seasons International Pvt. Ltd.	683.15	742.00			
	Interest Paid		**1.43**	**81.00**	**176.84**	
	Ostwal Phoschem (India) Ltd.		1.43	81.00	176.84	

	Sale of Investment			**6.00**		
	Mr. Pankaj Ostwal			6.00		
	Personal Guarantee from MD			**601.68**	**601.68**	
	Corporate Guarantee from enterprises in which relative of Key Management Personnel having significant influence.			**1,550.00**	**1,550.00**	

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III
3. List Company/entity owned or significantly influenced by directors/ KMP, Key Management Personnels, and Relative of Key Management Personnels have been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

ANNEXURE – S
STATEMENT OF CAPITALISATION

(Amt in Lacs)

Particulars	**Pre- Offer**	**Post- Offer**
	31-03-2016	
Debt		
Short Term Debt	32	32
Long Term Debt	1,739	1,739
Total Debt	1,771	1,771
Shareholders' Fund (Equity)		
Share Capital	2,191	2,191
Reserves & Surplus	4,440	4,440
Less: Miscellaneous Expenses not w/off	--	--
Total Shareholders' Fund (Equity)	6,630	6,630
Long Term Debt/Equity	0.26	0.26
Total Debt/Equity	0.27	0.27

Notes:

1. Short term Debts represent which are expected to be paid/ payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2016.
4. For calculation of post Offer Capitalization Statement, The figure of Short term/long term debt as appearing on 31/03/2016 has only been considered.

ANNEXURE – T
STATEMENT OF TAX SHELTER

(Amt in Lacs)

Particulars	**As at**				
	31-03-2016	**31-03-2015**	**31-03-2014**	**31-03-2013**	**31-03-2012**
Net Profit/(Loss) before taxes (A)	610	589	548	545	480
Tax Rate Applicable %	33.06%	32.45%	32.45%	32.45%	32.45%
Minimum Alternate Taxes (MAT)	20.39%	20.01%	20.01%	20.01%	20.01%
Adjustments					
Add: Depreciation as per companies act,	336	342	185	178	102

1956					
Add: Expenditure on Account of Interest on Delay payment of TDS and non Payment/Short payment of TDS	0	0	0	0	0
Add: Expenditure on Account of Interest on Delay payment of Income Tax	4	2	1	1	3
Add: Donation Paid not Allowed Under Income Tax (Net of Deduction Available if any)	11	6	-	-	1
Add: loss on sale of Fixed Assets	1	4	4	1	3
Add: Expenses on Which TDS not Deducted	-	-	-	-	-
Add: ROC Fee for increase in Share capital	-	-	-	-	-
Add: Bonus Not paid up to due date during the year - Disallowed u/s 43B (b)	7	0	0	2	0
Add: Provision	(0)			(1)	
Add: Provision for Gratuity - Disallowed u/s 43B (b)	-	-	-	-	-
Add: TDS Defaults as per 26AS	0	0	0	1	-
Add: CSR Exp Disallowed u/s 37	12	12	6	-	-
Add: Preliminary Expenses disAllowed as per Income Tax Act, 1961					61
Less: Depreciation as per Income Tax Act, 1961	278	364	386	426	421
Less: Dividend Income (Exempt)	-	-	-	-	-
Net Adjustments (B)	93	2	(189)	(243)	(250)
Business Income (A+B)	703	592	359	302	230
Less- Deduction under Sec 35 AD	4,895				
Total Taxable Income	(4,192)	592	359	302	230
Tax Payable as per Normal Rate	-	192	117	98	75
Tax Payable as per Special Rate	-	-	-	-	-
Tax as per Income Tax (C)	-	192	117	98	75
Book Profits for MAT					
- net profit as per P&L	610	589	548	545	480
- interest disallowed	4	2	1	2	3
- depreciation to the extent of revaluation debited to P&L	-	-	-	-	-
- TDS defaults as per 26AS	0	0	0	1	-
Total Book Profit for MAT	614	592	550	547	483
Tax Payable as per Minimum Alternate Tax U/s 115 JB of the Income Tax Act, 1961 (D)	125	118	110	109	97
Net Tax (Higher of C & D)	125	192	117	109	97
Mat Credit Available for Subsequent Year out of CY Taxes	125	-	-	12	22
Cumulative MAT Credit Available for Utilisation in Subsequent Years	125	-	27	34	22
MAT Credit Utilization	-	27	7	-	-
Current tax as per restated Statement of Profit & Loss	125	165	110	109	97

ANNEXURE – U
RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES

(Amt in Lacs)

Particulars	As at				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Contingent liabilities in respect of:					
Claims against the company not acknowledged as debts	--	--	--	--	--
Guarantees given on Behalf of the Company	2035	2035	--	--	--
Guarantees given on Behalf of the Subsidiary Company	--	--	--	--	--
Other moneys for which the company is contingently liable	--	--	--	--	--
Commitments (to the extent not provided for)	--	--	--	--	--
Estimated amount of contracts remaining to be executed on capital account and not provided for	--	--	--	--	--
Uncalled liability on shares and other investments partly paid	--	--	--	--	--
Other commitments	--	--	--	--	--
Total	**2035**	**2035**	**--**	**--**	**--**

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF FINANCIAL INDEBTEDNESS

To,

The Board of Directors,
Madhya Bharat Agro Products Limited
Bhilwara

Dear Sirs,

Subject: - Proposed Offer of Shares by Madhya Bharat Agro Products Limited.

Based on our examination on books of accounts, Bank saction letters, repayment schedules, bank accounts, charge documents and other relevant records of Madhya Bharat Agro Products Limited having registered office at 5-O-21, Basement R.C. Vyas Colony Bhilwara 311001 for the period ended 31.03.2016 we clarify that outstanding loan is amounting to Rs. 1771.02 Lacs as on 31.03.2016 as per the details given below:-

LOAN FUND

1. SECURED LOANS

(I) FROM BANKS

Name of Lender	Nature of Credit Facility	Sanction amount (in Rs.)	Rate of Interest	Securities offered	Terms of Repayment	Moratorium (if any)	Outstanding amount As on 31-03-2016 (in Lacs)
HDFC Bank	Term Loan	431.63	BR+1%	As stated below	Repaid in equated monthly installments of Rs.12.50 Lacs each. The last installment is in December 2017.	NA	234.42
HDFC Bank	Cash Credit	550.00	BR+1%		On Demand	NA	31.60
SBBJ	Term Loan	3000.00	BR+1%	As stated below	The SBBJ Term loans to be repaid in equated quarterly installments of Rs.1.25 Cr. each. The last installment is in July 2024	NA	1500.00
SBBJ	Cash Credit	440.00	BR+1%		On Demand	NA	--
TOTAL (I)		**4421.63**					**1766.02**

2. UNSECURED LOANS

(I) FROM DIRECTORS

Name of Lender	Nature of Credit Facility	Opening Balance (in Rs.)	Rate of Interest	Securities offered	Terms of Repayment	Moratorium (if any)	Outstanding amount As on 31-03-2016 (in Lac.)
Mr. Pankaj Ostwal	Unsecured Loan	48.50	Nil	Nil	On Demand	NA	5.00
TOTAL (I)		**48.50**					**5.00**

Note:

HDFC Bank

Primary Security
Hypothecation by way of First charge exclusive charge in all present and future book debts
Collateral Security
Equitable mortgage by way of deposit of title deeds of immovable Properties being Plot No. 1, situated at Khasra No. 166/1, Patwari Halka No. 19/86, Village Sorai, Tahsil - Banda, Dist Sagar (M. P.) (Unit II)

SBBJ

Primary Security
Cash Credit :- Pari Passu First charge on the entire current assets of the company
Term Loan :- Pari-passu First charge on the entire fixed assets of the company comprising of equitable mortgage of factory land & building of the company situated at unit-II (A-2) expansion cum diversification plant at village - Sourai, measuring 233704 sq meters

Collateral Security

Cash Credit :- Pari Passu Second charge on the entire fixed assets of the company including equitable mortgage of factory land & building situated at unit-II expansion cum diversification plant,Sourai measuring 233704 sq mtr
Term Loan :- Pari-passu Second charge by way of Hypothecation over Raw material,WIP,FG, semi FG, stores, spares, book-debts & other current assets of the company

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Prospectus. You should also read the section entitled "**Risk Factors**" beginning on page 15 and "**Forward Looking Statements**" beginning on page 14, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.*

*The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the fiscal years ended March 31, 2016, 2015, 2014, 2013 and 2012, including the schedules and notes thereto and the reports thereto, which appear in the section titled "**Financial Information of the Company**" on Page No. 177 of the Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.*

Our Business

We are manufacturing Beneficiated Rock Phosphate (BRP), Single Super Phosphate (SSP) and Sulphuric Acidwhich is used in large quantities for replenishing "P" (Phosphorus) in the soil and act as a fertilizer for the crop. Our Company has entered into the backward integration by manufacturing of Beneficiated Rock Phosphate (BRP) and Sulphuric Acid which is used as a raw material for manufacturing of SSP. We are also engaged in business of Purchase and Sale of (Trading) of Textiles and agricultural commodity.

Our Company was incorporated in the 1997 and promoted by Mr. Shailendra Kumar Jain, Mr. Motilal Jain, Mr. Sukhnandan Jain and Mr. Sunil Kumar Jain with an object to implement an SSP Plant and has successfully implemented the SSP plant at Unit I in the year 1999 and than the company was taken-over by Mr. Pankaj Ostwal, Praveen Ostwal and Seasons Agro Chem India Pvt. Ltd. in the 2004.We have set up unit II of Beneficiated Rock Phosphate ("BRP") with an installed capacity of 99000 MT (TPA) which will process the low grade rock phosphate into high grade rock phosphate and its commercial processing started in March 2012.Our manufacturing plant is situated at Sagar, Madhya Pradesh with total installed capacity of 180000 MT of SSP, 99000 MT of BRP and 36000MT of Sulphuric Acid.

We have entered into the marketing arrangement by signing an agreement dated March 20, 2015for ourproducts SSP with DCM Shriram Limited (through its unit Shriram Fertilizers & Chemicals) for supply of minimum 40000 Mt per annum. Additionally Rock phosphate and Sulphuric acid are captively consumed to manufacture SSP fertilizer which are procured from Rajasthan State Minerals and Mining Corporation Limited and Hindustan Zinc Limited, Birla Corporation Limited respectively and low grade rock is procured from Madhya Pradesh State Mining Corporation, Sagar and private mines.

The basic raw materials required for manufacturing SSP is Beneficiated Rock Phosphate (BRP), Sulphuric Acid and water. We have quality control checks before any consignment of Raw material is accepted since it has a direct impact on the quality of Finished Product.

Our Company has established a quality control laboratory for analyzing samples of SSP and ore for every batch manufactured and received from mine and regular samples from the process of various streams, reagents and effluents. Rock phosphate samples are analyzed by volumetric/gravimetric methods and use of Instruments like P-H meter, Spectroscope, Electronic weigh Balance, Oven, Muffle furnace etc. Also we have Research and development department which concentrates on experiment to enhance the productivity of the fertilizer to be manufactured.

For the year ended March 31, 2016, our Company's Total Income and Restated Profit after Tax was Rs. 6478 Lacs and Rs. 945 Lacs, respectively. For the year ended March 31, 2015, our Company's Total Income and Restated Profit After Tax was Rs. 6843 Lacs and Rs. 404 Lakhs respectively, compared to our Company's Total Income and Restated Profit After Tax of Rs.

5896 Lacs and Rs. 367 Lacs respectively, over previous year ended i.e. March 31, 2014.

Our Products:-

S.No.	Products	Description
1	**Single Super Phosphate (SSP)**	Single Super Phosphate (SSP) is used by farmers to improve the productivity levels of their soil which get eroded each year. SSP is used in large quantities for replenishing "P" (Phosphorus) in the soil which gets depleted steadily with each crop. This is preferred phosphate fertilizer by the farmers as it provides much needed nutrients "S" along with "P" unlike other fertilizer.
2	**Beneficiated Rock Phosphate (BRP)**	Beneficiated Rock Phosphate (BRP) is Industrial product in nature as the same is used as raw material by Manufacturing Units producing SSP (Single Super phosphate). The basic raw material used is Rock Phosphate since beneficiation is a process done on Rock Phosphate to remove its impurities. Beneficiation is a process by which valuable constituents of an ore are concentrated by means of a physical separation.
3.	**Sulphuric Acid**	Sulphuric acid is a chemical product in nature & used as raw material by manufacturing units producing SSP.

OUR LOCATION:-

Registered Office & Head Office	5-O-21, Basement R.C. Vyas Colony, Bhilwara- 311001, Rajasthan
Factory	**Unit I –** Mauja No 245, Halka No. 76, and Kh. No. 28,37,120/1 & 121/1, Village Rajova, Thasil & District – Sagar, Madhya Pradesh.
	Unit II - Halka No: 19/86 Kahsra no. 166/1, Village: Sorai, Tehsil: Banda, Distt. Sagar, Madhya Pradesh, Plot No A-2, Sourai, Teh. Banda, Sagar, Madhya Pradesh

OUR BUSINESS STRENGTH:-

1. Cost Effective sourcing and Strategic Location of Manufacturing Unit:-

We believe that our cost efficient manufacturing and supply chain management results in a significant reduction in our operational costs. With our experience, we are able to gauge our procurement of raw materials in timely manner. Further, our manufacturing unit situated within the state of Madhya Pradesh is ensured with sufficient raw material which is locally procured. The location of our current manufacturing facilities gives us a significant competitive cost advantage in terms of raw material sourcing manufacturing and labour costs and enables us to address the western markets efficiently.

2. Our Management Expertise:-

Our Promoters are engaged in Mineral beneficiation plant and Fertilizer Industries, which also form part of Board of Directors of our Company. Also, our Company is managed by a team of professional & experienced personnel. The team comprises of personnel having operational and business development experience. We believe that our management team's experience and their understanding of the industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition and the global economic crisis.

3. Cost effective production and timely fulfillment of orders:-

Our Company has taken various steps in order to ensure adherence to timely fulfillment and also to achieve greater cost efficiency as timely fulfillment of the orders. Also our Company is signed a Supply & Purchase agreement with DCM Shriram Limited for frequent supply of our Products. Our Company constantly endeavors to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

4. Backward integration:-

As a step towards backward integration our Company has set up a Unit II-BRP with an installed processing capacity of 99000 (TPA) and its commercial processing started in March, 2012, at Khasra no. 166/1, Village: Sorai, Tehsil: Banda, Distt. Sagar, Madhya Pradesh and A-2, Sourai, The. Banda, Sagar, Madhya Pradesh. BRP is used as raw material for manufacturing SSP. Also our Company has set Sulphuric acid plant with an installed capacity of 36000 MT, both BRP & acid are used as raw material to manufacturing SSP

5. Existing relationship with suppliers:-

We buy low grade rock from MPSMC and sulphur from Bharat Oman Refineries Limited. Also we have acquired other raw materials from several suppliers and have maintained relationship with them for a long time. Due to our relationships with our suppliers, we get quality and timely supplies of raw materials. This enables us to manage our inventories and supply quality products.

OUR BUSINESS STRATEGIES:-

1. Optimal Utilization of Resources:-

Our Company constantly endeavors to improve our manufacturing process, and will increase service activities to optimize the utilization of resources. We have invested significant resources, and intend to further invest in our activities to develop customized systems and processes to ensure effective management control. We regularly analyze our existing policies to be carried out for our manufacturing process which enables us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

2. To build-up a professional organization:-

As an organization, we believe in transparency and commitment in our work and with our customers. We have an experienced team for taking care of our day to day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business. We will consistently put efforts among its group of experienced employees to transform them into an outstanding team of empowered professionals which helps in further accelerating the wheels of development of the Organization.

3. Research and Development:-

We have a well qualified team with wide experience in fertilizer industry who are constantly focusing on innovations. Our products confirm to various test requirements conducted independent bodies to meet industry standards. Our Research and Development team constantly studies different industry verticals to identify product inefficiencies and innovate strategies in areas in which we could add value.

4. Focus on Cordial relations with our Suppliers, Customers and employees:-

We believe that developing and maintaining long term sustainable relationships with our suppliers, Customer and employees will help us in achieving the goals set, increasing sales and penetering in to new markets. We offer our products at competitive prices, which will help us achieve consumer satisfaction and build long term relationships, which will translate into repeated sales.

5. Increase geographical presence

We intend to further expand the scale of our operations, explore new distribution channels and increase our reach and customers base domestically. As the Indian market is filled with various opportunities in this industry will accordingly help to increase customer's base.

SWOT ANALYSIS:

Strengths	**Weakness**
➢ Well Established Manufacturing facility ➢ Quality assurance and Standard ➢ Experience Management Team. ➢ Long term Trade	➢ Working Capital Intensive Business ➢ Low bargaining power with customers
Opportunities	**Threats**
➢ High Growth Potential ➢ Government Initiatives for fertilizer Industry	➢ Industry is prone to change in government policies

CAPACITY UTILISATION:-

Particulars	**Existing**			**Proposed**		
	2013-14	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Unit I - G – Mauja No 245, Halka No. 76, and Kh. No. 28,37,120/1 & 121/1, Village Rajova, Thasil& District – Sagar, Madhya Pradesh (SSP Unit)						
Super Single Phosphate (SSP)						
Total Production Capacity (Metric tonnes)	60000	60000	60000	60000	60000	60000
Capacity Utilization (in %)	91.53%	69.88%	89.59%	90 %	90 %	90 %
Unit II - Halka No: 19/86 Kahsra no. 166/1, Village: Sorai, Tehsil: Banda, Distt. Sagar, Madhya Pradesh and A-2, Sourai, The. Banda, Sagar, Madhya Pradesh						
Beneficiated Rock Phosphate (BRP)						
Total Production Capacity (Metric tonnes)	99000	99000	99000	99000	99000	99000
Capacity Utilization (in %)	61.11 %	44.70%	70.60 %	95%	95%	95%
Super SinglePhosphate (SSP)						
Total Production Capacity (Metric tonnes)	--	--	120000	120000	120000	120000
Capacity Utilization (in %)	--	--	0.0508%	70%	70%	70%
Sulphuric Acid						
Total Production Capacity (Metric tonnes)	0	0	36000	36000	36000	36000
Capacity Utilization (in %)	0	0	1.28%	70%	75%	75%

SALES AND MARKETING:-

Marketing is an important function of our organization. Our success lies in the strength of our relationship with our customers who have been associated with our Group for a long period. Also Our Company has entered to a Memorandum of understanding with DCM Shriram Limited (its Unit M/s Shriram Fertilizers & Chemicals) to source and market the Single Super Phosphates (SSP) for the period of five years from April 01, 2015 and Beneficiated Rock Phosphate (BRP) &Sulphuric acid (SA) are captively consumed by the SSP plant and if any surplus will be sold out in the market and considering same no marketing arrangements are required for BRP.

Marketing Strategy:

We intend to focus on following marketing strategies:

1. Focus on existing markets.

2. Continuously holding markets Trends.
3. Supply of Quality Products.
4. Fulfillment of Order Quantity.

COMPETITION:-

SSP is one of the fertilizers which are in bulk demand in India and there are few dedicated players in this line of activity. There are certain few peer companies whose one of the products manufactured is SSP; they are manufacturing other complex fertilizers along with manufacturing SSP. We face substantial competition for our products from other manufacturers in domestic market. Our competition varies for our products and regions. Some of our major competitors are:-

- Rama Phosphates Limited
- Khaitan Chemicals & Fertilizers Limited
- Shree Pushkar Chemicals & Fertilizers Limited

SIGNIFICANT DEVELOPMENT SUBSEQUENT TO THE LAST FINANCIAL YEAR:-

In the opinion of the Board of Directors of our Company, there have not arisen any circumstances since the date of the last financial statements disclosed in this Prospectus that materially or adversely affect the operations or profitability of the Company or the Value of its assets or its ability to pay its liability within next twelve months except below changes occurred after Balance Sheet date:-

1. We have appointed Mr. Pankaj Ostwal as Chairman of the Company with effect from June 04, 2016.

2. We have appointed Mrs. Aruna Kothari as Woman Director of the Company with effect from June 04, 2016

3. We have designated Mr. Sourabh Gupta as Whole Time Director of the Company with effect from June 11, 2016

4. We have approved and taken into the record the proposed offer for sale of equity shares of the Company on the meeting of the Board of Director dated June 04, 2016.

5. Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated June 04, 2016, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of NSE ("NSE Emerge").

6. Our Company has formed the Stakeholders Relationship Committee vide Board Resolution dated June 04, 2016.

7. Our Company has formed the Nomination and Remuneration Committee vide Board Resolution dated June 04, 2016.

FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:-

Our results of operations could potentially be affected by the following factors amongst others:

1. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
2. Inability to successfully obtain registrations in a timely manner or at all;
3. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
4. Changes in laws and regulations relating to the industries in which we operate;
5. Effect of lack of infrastructure facilities on our business;
6. Occurrence of Environmental Problems & Uninsured Losses;
7. Intensified competition in industries/sector in which we operate;
8. Our ability to successfully implement our growth strategy and expansion plans;

9. Fluctuations in operating costs;
10. Our ability to attract, retain and manage qualified personnel;
11. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
12. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
13. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
14. Conflicts of interest with affiliated companies, the promoter group and other related parties;
15. The performance of the financial markets in India and globally;
16. Any adverse outcome in the legal proceedings in which we are involved;
17. Our ability to expand our geographical area of operation;
18. Our reliance on the Indian agricultural sector;
19. Concentration of ownership among our Promoters.
20. Changes in laws and regulations that apply to the industries in which we operate, such as age of vehicles plying on the road and vehicle emission norms;
21. Our ability to retain our customer.

Our Significant Accounting Policies:

Our significant accounting policies are described in the section entitled "***Financial Information of the Company***" on page 177 of this Prospectus.

Change in accounting policies in previous 3 (three) years

Except as mentioned in chapter "***Financial Information of the Company***" on page no. 177, there has been no change in accounting policies in last 3 (three) years.

Summary of the Results of Operations

The following table sets forth financial data from restated profit and loss account for the financial Year ended on March 31, 2016, 2015, 2014, 2013& 2012 the components of which are also expressed as a percentage of total income for such periods.

(Amt. in Lacs)

Particulars (For the Year ended)	31st March 2016	% of Total Income	31st March 2015	% of Total Income	31st March 2014	% of Total Income	31st March 2013	% of Total Income	31st March 2012	% of Total Income
Revenue from Sale of Product	6466	99.82	6223	90.95	5880	99.73	4548	99.38	4617	99.70
Other Income	12	0.18	620	9.05	16	0.27	28	0.62	14	0.30
Total Income	**6478**	100.00	**6843**	100.00	**5896**	100.00	**4576**	100.00	**4631**	100.00
Expenditure:										
Cost of Material Consumed	2406	37.14	2679	39.15	3196	54.20	3009	65.76	2853	61.60
Purchases of Goods	1355	20.92	1302	19.02	0	0.00	0	0.00	0	0.00
Changes in inventories	(62)	(0.96)	395	5.78	366	6.21	(885)	(19.35)	378	8.15
Employee benefits expense	162	2.50	137	2.00	163	2.76	150	3.27	49	1.05
Finance costs	283	4.36	326	4.77	332	5.63	483	10.57	170	3.68
Depreciation and amortization expense	336	5.19	342	5.00	185	3.14	178	3.89	102	2.20
Administrative & Other exp.	1388	21.43	1072	15.67	1105	18.74	1096	23.94	601	12.98
Total Expenses	**5868**	90.58	**6253**	91.38	**5348**	90.70	**4031**	88.08	**4152**	89.66
Net Profit before tax, exceptional & extra-ordinary items:	610	9.42	590	8.62	548	9.30	545	11.92	480	10.37
Exceptional & extra-ordinary items:	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Net Profit before tax	**610**	9.42	**590**	8.62	**548**	9.30	**545**	11.92	**480**	10.37
Provision for Tax:										
- Current Tax	125	1.93	165	2.41	110	1.87	109	2.38	97	2.09
-Deferred Tax Liab. / (Asset)	(335)	(5.17)	(6)	(0.09)	65	1.10	80	1.75	122	2.63
- MAT Credit(Entitlement)/Set-Off	(125)	(1.93)	27	0.39	7	0.12	(12)	(0.26)	(22)	(0.48)
-Short/(Excess) Provision of Earlier Years	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Restated profit after tax from continuing operations	**945**	14.59	**404**	5.90	**367**	6.22	**367**	8.02	**283**	6.11

Key Components of Company's Profit And Loss Statement

Revenue from Sale of Product: Revenue from operations mainly consists of sale of BRP and SSP.

Other Income: Other income primarily comprises of Interest Income.

Expenses: Company's expenses consist of cost of manufacturing, employee benefits expense, finance costs, depreciation and amortization expense and Administration & other expenses.

Employee Benefits Expense: Employee benefit expense includes Salaries and Wages and Staff Welfare Expenses, Contribution to ESIC & PF, Bonus to Employees and Provision for Gratuity.

Finance Costs: Finance cost comprises interest on Indebtedness, Bank charges.

Depreciation and Amortization Expense: We recognize Depreciation and Amortization expense on a Straight Line Method (SLM method) as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

Administration & Other Expenses: Other expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc.

Financial Performance Highlights for the year ended 31st March, 2016

Total Income:

The company's total income during the year ended March 31st, 2016 was ₹ 6478 Lacs. The revenue from Sale of Products was ₹ 6466 Lacs which comprised 99.82% of company's total income for the year ended March 31st, 2016.

Total Expenses:

The total expenditure during the year ended March 31st, 2016 was ₹ 5868 Lacs. The total expenditure represents 90.58% of the total revenue. The total expenses are represented by Cost of material manufactured, Employee Benefits Expense, Finance Costs, Depreciation and Amortization Expense, Other Expenses for Administrative and Selling. The main constituent of total expenditure is Cost of material consumed, which is ₹ 2406 Lacs.

Profit/ (Loss) after tax:

The restated net profit during the year ended March 31st, 2016 was ₹ 945 Lacs representing 14.59% of the total revenue of the Company.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2016 WITH FISCAL 2015

Total Income:

During the year 2015-16 the total revenue of the company increased to ₹ 6466 Lacs as against ₹ 6223 Lacs in the year 2014-15, representing an increase of 3.90% of the total revenue. This increase was mainly due to increase in sale of Goods.

Other Income:

Other income of the Company for the year 2015-16 was ₹ 12 Lacs in comparison with ₹ 620 Lacs for F.Y. 2014-15.

***Total Expenses*:**

The total expenditure for the year 2015-16 decreased to ₹ 5868 Lacs from ₹ 6253 Lacs in year 2014-15, representing an decrease of 6.16% to the previous year.

Cost of Goods consumed:

The Cost of Material Consumed for the year 2015-16 decreased to ₹ 2406 Lacs from ₹ 2679 Lacs, representing a decrease of 10.19% to the 2014-15.

Employee Benefits Expense:

The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses decrease to ₹ 162 Lacs during the F.Y. 2015-16 from ₹ 137 Lacs in the previous year 2014-15.

Finance Costs:

Finance cost for the year 2015-16 decreased to ₹ 283 Lacs as against ₹ 326 Lacs of the year 2014-15. This decrease in amount was due to pre payment of borrowings of the Company.

Depreciation and Amortization Expense:

Depreciation for the year 2015-16 stood at ₹ 336 Lacs calculated at SLM method as per companies Act. For the year 2014-15 the same was ₹ 342 Lacs.

Other Expenses:

Other expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc. These expenses were for the year 2015-16 increased to ₹ 1388 Lacs as against ₹ 1072 Lacs of the year 2014-15.

Profit/ (Loss) Before Tax

The company's profit before tax for F.Y. 2015-16 increase to Rs 610 Lacs from ₹ 590 Lacs in the year 2014-15 representing a increase of 3.39% to the previous year.

Profit/ (Loss) After Tax

For the year 2015-16 the profit stood at ₹ 945 Lacs as against the profit of ₹ 404 Lacs for the year 2014-15, representing an increase of 133.91% to the previous year.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014

Total Income:

During the year 2014-15 the total revenue of the company increased to ₹ 6223 Lacs as against ₹ 5880 Lacs in the year 2013-14, representing an increase of 5.83% of the total revenue. This increase was mainly due to increase in sale of Products.

Other Income:

Other income of the Company for the year 2014-15 was ₹ 620 Lacs in comparison with ₹ 16 Lacs for F.Y. 2013-14.

***Total Expenses*:**

The total expenditure for the year 2014-15 increased to ₹ 6253 Lacs from ₹ 5348 Lacs in year 2013-14, representing an increase of 16.92% to the previous year. This was due to surge in trade volume of business, which resulted in increase in expenses viz. Cost of Sale and other expenses.

Cost of Material Consumed:

The Cost of Material Consumed for the year 2014-15 increased to ₹ 2679 Lacs from ₹ 3196 Lacs, representing a fall of 16.17% to the 2013-14.

Employee Benefits Expense:

The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses decrease to ₹ 137 Lacs during the F.Y. 2014-15 from ₹ 163 Lacs in the previous year 2013-14.

Finance Costs:

Finance cost for the year 2014-15 decreased to ₹ 326 Lacs as against ₹ 332 Lacs of the year 2013-14. This decrease in amount was due to pre payment of borrowings of the Company.

Depreciation and Amortization Expense:

Depreciation for the year 2014-15 stood at ₹ 342 Lacs calculated at SLM method as per companies Act. For the year 2013-14 the same was ₹ 185 Lacs.

Other Expenses:

Other expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc. These expenses were for the year 2014-15 decreased to ₹ 1072 Lacs as against ₹ 1105 Lacs of the year 2013-14.

Profit/ (Loss) Before Tax

The company's profit before tax for F.Y. 2014-15 increase to Rs 590 Lacs from ₹ 548 Lacs in the year 2013-14 representing a increase of 7.66% to the previous year.

Profit/ (Loss) After Tax

For the year 2014-15 the profit stood at ₹ 404 Lacs as against the profit of ₹ 367 Lacs for the year 2013-14, representing an increase of 10.08% to the previous year.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2014 WITH FISCAL 2013

Total Income:

During the F.Y. 2013-14 the total income of the Company increased to ₹ 5880 Lacs as against previous financial year 2012-13 of ₹ 4548 Lacs representing an increase of 29.30%. This increase was mainly due to increase in revenue from sale of product in FY 2013-14 .

Total Expenses:

Total expenditure for the F.Y. 2013-14 increased to ₹ 5348 Lacs from ₹ 4031 Lacs in FY 2012-13 an increase of 32.67%. This was due to increase in volume of business, which resulted in increase in expenses viz. Cost of material sold, employees benefit expenses, changes in inventory of Finished Goods and other expenses.

Employee benefits expense:

Employee benefits expense increased to ₹ 163 Lacs in the year F.Y 2013-14 from ₹ 150 Lacs in FY 2012-13, i.e. a increase of 8.09%. This was also due to increase in business activities in the Company.

Finance Costs:

Finance costs decreased to ₹ 332 Lacs in F.Y 2013-14 as compared to F.Y 2012-13 in which it was ₹ 483 Lacs

Depreciation and amortization expense:

Depreciation and amortization expense increased in FY 2013-14 to ₹ 185 Lacs from ₹ 178 Lacs compare to previous year FY 2012-13.

Other expenses:

Other expenses for the F.Y 2013-14 increased to ₹ 1105 Lacs whereas it was ₹ 1096 Lacs in previous F.Y. 2012-13.

Net Profit before tax:

Net Profit before tax for the F.Y 2013-14 increased to ₹ 548 Lacs as against ₹ 545 Lacs of the previous year 2012-13. The increase in profit was 0.55 % due to the decreased expenses during the year.

Profit after tax:

The Restated profit after tax for the F.Y 2013-14 increased to ₹ 367 Lacs as against ₹ 367 Lacs in the previous year 2012-13.

Information required as per Item (2) (IX) (E) (5) of Part A of Schedule VIII to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. ***Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

2. ***Significant economic changes that materially affected or are likely to affect income from continuing operations.***

Except for any change in economic policy affecting the agriculture and farming sector in India, there are no other significant economic changes that may materially affect or likely to affect income from continuing operations.

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

Apart from the risks as disclosed under Section "***Risk Factors***" beginning on page 15 in the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. ***Future changes in relationship between costs and revenues***

Our Company's future costs and revenues will be determined by demand/supply situation in agricultural sector, government policies, monsoon, climatic factors and prices quoted by our suppliers.

5. ***Increases in net sales or revenue and Introduction of new products or services or increased sales prices***

Increases in revenues are by and large linked to increases in volume of our business.

6. ***Status of any publicly announced New Products or Business Segment***

Since our Company has not announced any new Product so not Applicable.

7. Seasonality of business

The demand of our product and business of our company is directly influenced by the agricultural crop season.

8. Dependence on few customers/ clients

The percentage of contribution of our Company's Top Customers/Clients for the year ended March 31st, 2016 is as follows:

Our Major Customers/ Clients for the year ended March 31st, 2016

Name of the Clients	Amount (₹ in Lacs)	As % of total turnover
Shriram Fertilizers & Chemical	4405.12	65.79
Supreme India Impex Ltd	1036.86	15.48
Varun Fertilizers P Ltd.	348.06	5.20
Ostwal Phoschem Ltd	311.12	4.65
Jhawar International	237.74	3.55
Krishana Phoschem Ltd	226.45	3.38
Ankur Textiles	50.00	0.75
Balaji Phosphate P Ltd	41.04	0.61
Worldwide Cotspin Pvt Ltd	18.12	0.27
J H Enterprises	17.01	0.25
Total	**6691.52***	**99.93**

**The above value is inclusive of all applicable taxes and incidental expenses.*

Our Major Suppliers of Raw material for the year ended March 31st, 2016

Name of the Supplier	Amount (₹ in Lacs)	As % of total purchase
M P State Mining corporation	453.94	23.50
B Roshanlal Chemicals Pvt Ltd	277.08	14.34
Hindusthan Zinc Ltd	155.32	8.04
Shubham Tex o Pack Pvt Ltd	89.50	4.63
Shri Krishna Detchem Pvt Ltd	85.99	4.45
Deep Industries	62.43	3.23
Season Agro Chem India Pvt Ltd.	57.00	2.95
Bharat Petroleum Corporation	38.74	2.01
Airen International Ltd	37.98	1.97
Rajiv Enterprise P Ltd	35.90	1.86
Total	**1293.88***	**66.97**

**The above value is inclusive of all applicable taxes and incidental expenses.*

9. Competitive conditions

Competitive conditions are as described under the Chapters "***Industry Overview***" and "***Our Business***" beginning on pages 102 and 112, respectively of the Prospectus.

10. Details of material developments after the date of last balance sheet i.e. March 31st, 2016

Except as mentioned below, no circumstances have arisen since the date of last financial statement until the date of filing the Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi- judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part I of Schedule V of the Companies Act) against our Company, Promoter, Group Companies and Directors as of the date of this Prospectus that would have a material adverse effect on our business. There are no defaults, non- payments or overdue of statutory liabilities, institutional/ bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI(ICDR) Regulations,2009 as amended for creditors where outstanding due to any one of them exceeds Rs. 5,00,000/-.

Further, Our Company has a policy for identification of Material Litigation in terms of the SEBI (ICDR) Regulations,2009 as amended for disclosure of all pending litigation involving the Issuer, its directors, promoters and group companies, other than criminal proceedings, statutory or regulatory actions and taxation matters where the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of Rs. 50,000/- and where the amount is not quantifiable, such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation.

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	Amount (in Lacs)
Bank Guarantee for Group Company – Seasons International Pvt. Ltd.	2035
Total	**2035**

PART 2: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax

1. In respect of the Financial Year 2014-15, our Company had received a notice under Section 142(1) of the Income Tax Act, 1961 for the scrutiny of our books of accounts and other documents in support of our return for the period -01/04/2014 to 31/03/2015. Notice under section 143 (2) is received. Further proceedings are still pending with the concerned Authorities.

4) Other Pending Litigation

State through Agriculture Officer (GEN.), Kota, Dist Bilaspur filed a complaint under clause 19 of F.C.O, 1985 and under section 7 (1) (a) (II) of Essential Commodities Act, 1955 against Shri Raghuvansh Singh and Suman Khela (Regional Manager-

Madhya Bharat Agro Products Limited), The complaint was duly registered at the court of ADJ 1,Kota. The amount involved in the case is undetermined. Matter is subjudice

B. CASES FILED BY OUR COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax – NIL
Indirect Tax - NIL

4) Other Pending Litigation

Madhya Bharat Agro Product Limited has filled a Special Leave Petition (Civil) CC registered as 12467/2012 with Supreme Court of India against the order dated 12.10.2011 passed by High Court of Rajasthan in DB Civil Writ 4355/2009 under Indirect tax-levy of cess from retrospective effect on the exploration and purchase of rock phosphate by the company. The amount involved is Rs. 47,18,414/- (Rupees forty seven lakh eighteen thousand four hundred and fourteen only) plus interest. Last listed on 30.07.2012. Matter is subjudice.

PART 3: LITIGATION RELATING TO OUR DIRECTORS OTHER THAN THE PROMOTERS OF THE COMPANY

A. LITIGATION AGAINST OUR DIRECTORS

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax – NIL
Indirect Tax - NIL

4) Other Pending Litigation

B. LITIGATION FILED BY OUR DIRECTORS

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax – NIL
Indirect Tax - NIL

4) Other Pending Litigation

PART 4: LITIGATION RELATING TO OUR PROMOTER

A. <u>M/s Seasons Agro Chem India Private Limited</u>

A. LITIGATION AGAINST OUR PROMOTER

1) Litigation involving Criminal Laws

NIl

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax

In respect of the Financial Year 2014-15, our Promoter Seasons Agro Chem India Pvt. Ltd. had received a notice under Section 142(1) of the Income Tax Act, 1961 for the limited scrutiny under selected under Computer Assisted Scrutiny selection (CASS) for the period -01/04/2014 to 31/03/2015 dated 12/04/2016. Further proceedings are under process with the concerned Authorities.

Indirect Tax - NIL

4) Other Pending Litigation

B. LITIGATION FILED BY OUR PROMOTER

1) Litigation involving Criminal Laws

(a) M/s Seasons Agro Chem India Private Limited filed a complaint under Section 138/142 of the Negotiable Instruments Act 1881 against M/s Jugal Sales, through its proprietor Shri Jugal Agarwal before the Additional District Magistrate (N.I Act) Court No. 1, Bhilwara. The complaint was duly registered at 981/13. The claim was for an amount of Rs 50,000/-. Matter is subjudice before the court.

(b) M/s Seasons Agro Chem India Private Limited filed a complaint under Section 138/142 of the Negotiable Instruments Act 1881 against M/s Jugal Sales, through its proprietor Shri Jugal Agarwal before the Additional District Magistrate (N.I Act) Court No. 1, Bhilwara. The complaint was duly registered at 980/13. The claim was for an amount of Rs 80,000/-. Matter is subjudice before the court.

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax – NIL
Indirect Tax - NIL

4) Other Pending Litigation

B. M/s Ostwal Phoschem (India) Limited (formerly known as Tedco Granite Limited)

A. LITIGATION AGAINST OUR PROMOTER

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

Environmental Law

(a) Sitaram Ahir filed a complaint under section 133 of Code of Crimal Procedure, 1973 against M/s Tedco Granite Limited before Sub-Divisional Magistrate, Bhilwara. The complaint was duly registered at 09/04. The amount involved is undetermined. Matter is subjudice.

Industrial Dispute Act, 1947

(b) Arvind Kumar Singh S/o Shri Nepal Singh filed a compliant under Section 33(c) (2) of Industrial Dispute Act, 1947 against M/s Tedco Granite Private Limited before Labour Court, Mandsore, Madhya Pradesh. The case is registered at Madhya Pradesh. The complianant has asked for payment of bonus, travelling and security deposit on his resignation in September 2003 from the company. The amount involved is Rs. 1,84,175/-. Matter is subjudice. Last date of hearing was June 30, 2016. Next Hearing date to be on August 31, 2016.

3) Litigation involving Tax Liability

Direct Tax

In respect of the Financial Year 2013-14, our Promoter Ostwal Phoschem (India) Limited. had received a notice dated 01/09/2015 under Section 143(2) of the Income Tax Act, 1961 for the scrutiny of our books of accounts and other documents in support of our return for the period -01/04/2013 to 31/03/2014. Further proceedings are still pending with the concerned Authorities.

Indirect Tax - NIL

4) Other Pending Litigation

(a). State through Agriculture Officer (GEN.), Chittorgarh filed a complaint under clause 19 of F.C.O, 1985 and under section 7 (1) (a) (II) of Essential Commodities Act, 1955 against Shri Abhay Gattani, Mr. Pramod Pandey (Manager Operation – Tedco Granite Ltd.), Ms. Chandmal Arun Kumar. The complaint was duly registered at 266/2007. The amount involved in the case is undetermined. Matter is subjudice. Last date of hearing was on August 13, 2016

(b). State through Fertilizer Inspector Officer, Kailash Chand Meena, Sawai Madhopur filed a complaint under clause 19 (1) (a) of F.C.O, 1985 and under section 3/ 7 of Essential Commodities Act, 1955 against M/S Hindustan Trading Company, M/S Kedawat & Company, M/S Tedco Granite Limited and M/S Shri Ram Ferilisers and Chemicals Limited. The complaint was duly registered at 254/2007. The amount involved in the case is undetermined. Matter is subjudice. Next date of hearing is on September 07, 2016.

(c). State through Fertilizer Inspector Officer, Bhilwara, Rameshwar Prasad Kumawat, filed a complaint under clause 19 (1) (a) & (b) of F.C.O, 1985 and under section 3/ 7 of Essential Commodities Act, 1955 against Datra Gram Seva Sahkari Samiti Limited, Shri Devilal Kumawat, Shri Shantilal/ Shankar Tailor, M/S Tedco Granite Limited, Rajasthan State Mines and Minerals, Surya Fertilisers and Chemicals Limited. The complaint was duly registered at 167/2002.The amount involved in the case is undetermined. . Matter is subjudice.

(d). State through Fertilizer Inspector Officer, Rameshwar Prasad Kumawat, Bhilwara filed a complaint under clause 19 (1) of F.C.O, 1985 and under section 3/ 7 of Essential Commodities Act, 1955 against M/S Tedco Granite Limited. The complaint was duly registered at 265/2002. The amount involved in the case is undetermined. . Matter is subjudice

(e). State through Fertilizer Inspector Officer, Kailash Chand Meena, Sawai Madhopur filed a complaint under clause 19 (1) (a) of F.C.O, 1985 and under section 3/ 7 of Essential Commodities Act, 1955 against M/S Goyal Enterprises, Shri Hanuman Prasad Goyal (Proprietor, M/S Goyal Enterprises), M/S Kedawat & Company, M/S Tedco Granite Limited and M/s Shri Ram Ferilisers and Chemicals Limited, the complaint was duly registered at 255/2007. The amount involved in the case is undetermined. . Matter is subjudice. Next date of hearing is on Septmeber 07, 2016.

(f). State through Fertilizer Inspector Officer, Chittorgarh filed a complaint under Clause 19 of F.C.O, 1985 and Section 3/7 of Essential Commodities Act, 1955 against Shri Vijay Singh, Pramod Pandey, M/S Tedco Granite Limited, Shri Ashok Kumar. The Complaint was duly registered at 06/2000. The amount involved in the case is undetermined. Matter is subjudice. Next date of Hearing is on August 23, 2016.

(g). State through Fertilizer Inspector Officer, Chittorgarh filed a complaint under Clause 19 of F.C.O, 1985 and Section 3/7 of Essential Commodities Act, 1955 against Shri Jagdish Prasad, M/S Jagdish Prasad and Sons, Shri Pramod Pandey, M/S Tedco Granite Limited, Shri Ashok Kumar, Shri Ganesh Kumar. The Complaint was duly registered at 07/2000. The amount involved in the case is undetermined. . Matter is subjudice. Next date of Hearing is on August 23, 2016.

(h). State through Fertilizer Inspector Officer, Jagphool Singh Meena, Chittorgarh filed a complaint under Clause 19 of F.C.O, 1985 and Section 3/7 of Essential Commodities Act, 1955 against Krishi Seva Kendra, Ravatbhata, Shri Janki Lal, Md. Hussain- Tedco Granite Limited. The complaint was registered at 63/04. The amount involved in the case is undetermined. . Matter is subjudice. Last date of hearing was on August 10, 2016.

(i). State through Fertilizer Inspector Officer, Kapasan filed a complaint under Clause 19 of F.C.O, 1985 and Section 3/7 of Essential Commodities Act, 1955 against M/S Kanahiya Lal Parasmal Sahlot, Shri Chandmal Arun Kumar Jain, M/S Tedco Granite Limited. The case was registered at 358/1999. The amount involved in the case is undetermined. . Matter is subjudice. Next Hearing date to be on September 24, 2016.

(j). State through Fertilizer Inspector Officer, Kapasan filed a complaint under Clause 19 of F.C.O, 1985 and Section 3/7 of Essential Commodities Act, 1955 against Shri Maheshwari Fertilisers, Shri M K Ostwal (Managing Director- M/S Tedco Granite Limited), Shri P K Pandey, M/S Chandmal Arun Kumar Jain. The complaint was registered at 330/99. The amount involved in the case is undetermined. . Matter is subjudice. Last date of hearing was on August 03, 2016.

(k). State through Fertilizer Inspector Officer, Kapasan filed a complaint under Clause 19 of F.C.O, 1985 and Section 3/7 of Essential Commodities Act, 1955 against M/S Duggar Brothers, M/s Chandmal Arun Kumar Jain, M/S Tedco Granite Limited, Surya Fertilizers. The complaint was registered at 357/99. The amount involved in the case is undetermined. Matter is subjudice. Last date of hearing was on August 11, 2016.

(l). State through Fertilizer Inspector Officer, Kapasan filed a complaint under Clause 19 of F.C.O, 1985 and Section 3/7 of Essential Commodities Act, 1955 against M/S Mohan Lal Suva Lal Siroya, Shri M K Ostwal (Managing Director- M/S Tedco Granite Limited), Shri P K Pandey, M/S Chandmal Arun Kumar Jain. The complaint was registered at 329/99. The amount involved in the case is undetermined. . Matter is subjudice. Last date of hearing was on August 28, 2016.

(m). State through Fertilizer Inspector Officer, Nathulal Tardiya, Jaipur filed a complaint under Clause 19 of F.C.O, 1985 and Section 3/7 of Essential Commodities Act, 1955 against Shri Om Prakash Agarwal, M/s Agarwal Agency Khad, Beej and Cement, M/s Sadhna Phsphate and Chemicals Limited, Shri Vinod Kumar Mishra- Sadhna Phosphate and Chemicals Limited, Shri Suraj Narayan, Shri Pramod Pnadey- M/s Anndata Tedco, Shri Shambudayal- M/s B.K. Fertilisers. The complaint was registered at 398/00. The amount involved in the case is undetermined. . Matter is subjudice. Next Hearing date to be on October 03, 2016.

(n). State through Fertilizer Inspector Officer, Prakash Chandra Sharma, Dausa filed a complaint under Clause 19 of F.C.O, 1985 and Section 3/7 of Essential Commodities Act, 1955 against Shri Kalyan Sahay, Shri Basan Kumar Momodia, Shri Pramod Pandey- Tedco Granite Limited. The complaint was registered at 288/2000. The amount involved in the case is undetermined. Matter is subjudice Next Hearing date to be on September 07, 2016.

B. LITIGATION FILED BY OUR PROMOTER

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax – NIL
Indirect Tax - NIL

4) Other Pending Litigation

(a). M/s Ostwal Phoschem (India) Limited (formerly known as Tedco Granite Limited) has filled a writ Petition (Civil) registered with High Court of Rajasthan in Civil Writ 4353/2009 under Indirect tax-levy of cess from retrospective effect on the exploration and purchase of rock phosphate by the company. The amount involved Rs. 1, 46, 84, 239/-. Matter is subjudice.

(b). M/s Tedco Granite Limited has filed S. B. Civil Second Appeal which was registered under case no. 70/2015 dated 31.03.2015 before the Hon'ble High Court of Rajasthan, Jodhpur under Section 100 CPC against judgement & decree dated 06.12.2014 passed by ADJ 1, Udaipur. The court has given stay in the matter. The case involves monetary liability of Rs. 50,000/- against the company. The matter was listed on 19.08.2016

PART 5: LITIGATION RELATING TO OUR GROUP COMPANIES

A. <u>M/s Seasons International Private Limited</u>

A. LITIGATION AGAINST OUR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax

In respect of the Financial Year 2013-14, our group Company Seasons International Pvt. Ltd. had received a notice dated 01/09/205 under Section 143(2) of the Income Tax Act, 1961 for the scrutiny of our books of accounts and other documents in support of our return for the period -01/04/2013 to 31/03/2014. Further proceedings are still pending with the concerned Authorities.

Indirect Tax - NIL

4) Other Pending Litigation

M/s Chopra Foods, through its proprietor Shri Gaindmal Chopra, had filed a Money Recovery Suit bearing No. RCS-B/12/2014 in the Court of XX Civil Judge Class II, District Court, Indore against M/s Seasons Agro Chem India Private Limited**,** for the amount of Rs 1,29,625/-. Matter is subjudice before the court. Next date of hearing is on August 22, 2016.

B. LITIGATION FILED BY OUR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

Consumer Law

(a) M/s Seasons International Private Limited filed a complaint under Section 12 of the Consumer Protection Act against Oriental Insurance Company Limited before the District Consumer Forum, Bhilwara. The complaint was duly registered at 120/2013. The claim was for an amount of Rs 7,13,000/-. Matter is subjudice before the court.

(b) M/s Seasons International Private Limited filed a complaint under Section 12 of the Consumer Protection Act against Oriental Insurance Company Limited before the District Consumer Forum, Bhilwara. The complaint was duly registered at 122/2013. The claim was for an amount of Rs 12,67,898/-. Matter is subjudice before the court.

3) Litigation involving Tax Liability

Direct Tax – NIL
Indirect Tax - NIL

4) Other Pending Litigation

NIL

B. <u>M/s Krishana Phoschem Limited</u>

A. LITIGATION AGAINST OUR GROUP COMPANIES

1) Litigation involving Criminal Laws

Labour Inspector, Jhabua filed a criminal complaint under Section 5 of Payment of Wages Act 1836 under Section 20 of the Act against Shri Praveen Oswal, Managing Director of M/s Krishana Phoschem Limited before the Judicial Magistrate Class I, Thanwla, District Jhabua (M.P). The complaint was duly registered at 844/2010. Matter is subjudice before the court. Next Hearing date to be on September 16, 2016.

Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

2) Litigation involving Tax Liability

Direct Tax – NIL
Indirect Tax - NIL

3) Other Pending Litigation

B. LITIGATION FILED BY OUR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

3) Litigation involving Tax Liability

Direct Tax – NIL
Indirect Tax - NIL

4) Other Pending Litigation

NIL

C. M/S Nirmala Real Infrastructure Private Limited

A. LITIGATION AGAINST OUR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax

In respect of the Financial Year 2014-15, our Promoter group company Nirmala Realinfrastructure Private Limited had received a notice dated 18/09/2045 under Section 143(2) of the Income Tax Act, 1961 for the scrutiny of our books of accounts and other documents in support of our return for the period -01/04/2013 to 31/03/2014. Further proceedings are still pending with the concerned Authorities.

Indirect Tax - NIL

4) Other Pending Litigation

(a). Shri Parikshit Namdhar S/o Shri Ravindra Namdhar filed a civil suit under Order 39 Rule 1 and 2 and under Section 151 of Code of Civil Procedure 1908 bearing case no. 80/2013 in the court of Civil judge, Bhilwara against Nirmala Real Infrastructure Private Limited & others, for unauthorized construction by not following the order of court. Matter is subjudice before the court. Last date of hearing was on July 08, 2016. Next Hearing date to be on October 07, 2016.

(b). Parikshit Namdhar S/o Shri Ravindra Namdhar filed a civil suit under Order 7, Rule 1 and 2 of Code of Civil Procedure 1908 bearing case no. 99/2013 in the court of Civil judge, Bhilwara, against Nirmala Real Infrastructure Private Limited, for extending the unauthorized construction of Complex in the name of Bhilwara Trade Centre and thereby effecting the Right of Easement of the shops belonging to Plaintiff. Matter is subjudice before the court. Last date of hearing was July 27, 2016. Next Hearing date to be on October 07, 2016.

B. LITIGATION FILED BY OUR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

3) Litigation involving Tax Liability

Direct Tax – NIL
Indirect Tax - NIL

4) Other Pending Litigation

NIL

PART 6: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

The Board of Directors of our Company considers outstanding due to any one of the MSMEs which exceeds Rs. 5,00,000/-as per Company's last audited financial statements, as material dues for our Company. There are no disputes with such entities in relation to payments to be made to them. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on 31.03.2016 exceeds Rs. 5,00,000/- :-

Name	Balance as on 31.03.2016
Dreams Internatinal	2428540.00
M/s Vijay Shanker Vinay Kumar	1417706.00
Avinash Chandra Khameshra	967896.00
The M.P.State Co-Op Marketing Fed. Ltd	811327.00
Shubham Tex O Pack Pvt Ltd-Gandhinagar	626834.00
Shree Engineers & Contractors Pvt. Ltd.	594189.00
Arihant Petroleum	575525.00
Shri Ram Transport (Sanjeev Sharma)	517327.00

PART 7: MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled "***Management's Discussion & Analysis of Financial Conditions & Results of Operations***" beginning on page 210, there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Offer and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Offer or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business. Further, Company has two Units situated at different locations and the approvals/licenses/registrations required for all the units differently are also categorized.

A. Incorporation documents:

S.No	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation	10-12401 of 1997	Companies Act, 1956	Registrar of Companies, Madhya Pradesh	October 22, 1997	Valid till cancelled
2.	Fresh certificate of Incorporation consequent on Change of Name from Madhya Bharat Agro Products Private Ltd to Madhya Bharat Agro Products Limited	10-12401 of 1999	Companies Act, 1956	Registrar of Companies, Madhya Pradesh	June 11, 1999	Valid till cancelled
3.	Company Law Board	U24121RJ997LC029126	Companies Act, 1956	Certification of registration of Regional Director Order for Change of State of Registered Office from State of Madhya Pradesh to State of Rajasthan	June 11, 2009	Valid till cancelled

B. Corporate/ General Authorizations:

S.No	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number	AADCM5913E	Income Tax Act 1967	Commissioner of Income Tax	January 07, 2010	Valid till cancelled

C. Business Related Certifications

Our Company has received the following significant government and other approvals pertaining to our business:

1. Approvals for the manufacturing Unit-1 located at Khasra No. 28, 36, 37, 120 & 121, Village Rajoua, Tehsil & District – Sagar, Madhya Pradesh

S.No.	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
(REGISTRATION UNDER VARIOUS ACTS/RULES RELATING TO INCOME TAX, SALES TAX, VALUE ADDED TAX AND CENTRAL EXCISE FOR UNIT I):						
1.	Central Excise Registration Certificate	AADCM5913EXM001	Rule 9 of central Excise Rules, 2002	Assistant Comm. of Central Excise and Customs, Division I,Madhya Pradesh	April 06, 2004	Valid till cancelled
2.	TAN (Tax Deduction Account Number)	JBPM04770D	Income Tax Department	Income Tax Act 1967	July 27, 2004	Valid till cancelled
3.	Sales Tax and Central Sales Tax Registration Certificate	23477502851	Madhya Pradesh Sales Tax Department	Sales Tax Act, 1957	TIN (ST) July 01, 1999 and TIN (CST) December 16, 1999	Valid till cancelled
4.	Service Tax Registration (Taxable Services: Transport of goods by Road)	AADCM5913EST001	Superintendent, Service Tax, Division II, Sagar (M.P.)	Central Excise Officer, Service Tax Range I, Sagar , Madhya Pradesh	October 26, 2007	Valid till cancelled
5.	Import –Export Code	1108005578	Foreign Trade (Regulation) Rules, 1993	Ministry of Commerce, Office of Joint Director General of Foreign Trade, Bhopal (M.P.)	January 27, 2009	Valid till cancelled
INDUSTRIAL AND LABOUR APPROVALS:						
1.	**Factory License** for manufacturing operations with 100 workers and having motive power of not exceeding 500 HP	32/15089/SGR/2m (i)/HZ	Rule 5 of Factories Rule 1962	Chief Inspector of Factory, Madhya Pradesh	October 10, 2015	Upto December 12, 2016
2.	Provisional Provident Fund Certificate of Registration	MP/SAGAR/20056/267/1222	Employee's Provident Funds 1952	Regional Provident Fund Commissioner	August 06, 2008	Valid till cancelled
3.	Acknowledgement towards Memorandum for proposed Manufacturing of Single Super Phosphate for installed capacity of 120000 MT	1586/SIA/IMO/2007	Provision of Industrial entrepreneur Memorandum, The Industries (Developmen	Government of India, Ministry of Industry, Secretariat for Industrial Assistance, Public Relation & Complaints Section, New Delhi	June 25, 2009	Valid till cancelled

			t and Regulation) Act, 1951			
4.	Acknowledgement towards Memorandum for proposed Manufacture of Beneficiated Rock Phosphate for installed capacity of processing 200000 MT	3698/SIA/IMO/2007	The Industries (Development And Regulation) Act, 1951	Government of India, Ministry of Commerce & Industry, Secretariat for Industrial Assistance, Public Relation &Complaints Section, New Delhi	December 28, 2007	Valid till cancelled
5.	To provide consumer electricity in bulk at factory premises of MBAPL upto a maximum of 350 KVA at 33 KV	055-0100/Rev-HT/SGR-47/11729/Sagar	Chief engineer, MP Electricity Board	Madhya Pradesh Electricity Board	December 24, 2004	Perpetual
6.	For reduction in contract demand from350 KVA to300 KVA	055-0100/Rev-HT/SGR-47/11729/Sagar	MP Poorv Kshetra Vidyut Vitaran Company Ltd, Jabalpur	Madhya Pradesh Electricity Board	August 07, 2007	Valid till cancelled
7.	Commencement of Production	230112100238	District Industries Centre	Industrial Policy	July 18, 2008	Valid till cancelled
APPROVALS FROM VARIOUS OTHER AUTHORITIES						
1.	Authorization to operate a facility for generation, collection, treatment, storage, transport and disposal of Hazardous Wastes	1210/HOPCB/HSMD/SGR-10/2014	Regional Officer of M.P Pollution control Board	Hazardous Wastes (Management, Handling & Transboundary Movement) Rules, 2008	November 11, 2014	Will expire on July 05, 2018
2.	Certificate for verification of Standard of Weights and Measures, for Electronic Road Weight Bridge	10939/470/8	Legal & Metrology Act	Legal Metrology Officer, Sagar, Madhya Pradesh	February 18, 2016	Will Expire on February 18, 2017
3.	Certificate for verification of Standard of Weights and Measures, for Electronic Weighting Machines	10939/470/9	Legal & Metrology Act	Legal Metrology Officer, Sagar, Madhya Pradesh	February 18, 2016	Will Expire on February 18, 2017
4.	Certificate for verification of Standard of Weights and Measures, for Dial Type Platform Machines	10935/439/37	Legal & Metrology Act	Legal Metrology Officer, Sagar, Madhya Pradesh	October 05, 2015	Will Expire on October 14, 2017
5.	Renewal of Consent to operate under Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981.	AW-44518	Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention	Member Secretary, Madhya Pradesh Pollution Control Board	June 01, 2015	Renewed on June 01, 2016 & Will Expire on May 31, 2017

			& Control of Pollution) Act, 1981.			
6.	Certificate of registration for Manufacturing of fertilizer	E-2/URV/P-4/08-08/08/15	The Fertilizer (Control) Order, 1985	Joint Agriculture Officer (Fertilizers)	April 01, 2014	March 31, 2017

2. Approvals for the manufacturing unit-2 located at Khasra no. 166/1, Village: Sorai, Tehsil: Banda, District – Sagar, Madhya Pradesh, Plot No A-2, Sourai, Teh. Banda, Sagar, Madhya Pradesh:-

S. No	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
(REGISTRATION UNDER VARIOUS ACTS/RULES RELATING TO INCOME TAX, SALES TAX, VALUE ADDED TAX AND CENTRAL EXCISE FOR UNIT II):						
1.	**Service Tax Registration** (Taxable Services: Supply of Tangible goods for use of Services, Transport of Goods by road) at Industrial Area, Sorai, Tehsil Banda District, Sagar – 470335, Madhya Pradesh	AADCM5913E SD002	Central Excise Officer, Service Tax Range II, Sagar, Madhya Pradesh	Originally issued on December 12, 2010 and amended on June 21, 2011	December 12, 2010	Valid till cancelled
2.	TAN (Tax Deduction Account Number)	BPLM08553G	Income Tax Act 1967	Income Tax Department	-	Valid till cancelled
3.	Sales Tax and Central Sales Tax Registration Certificate	23617505587	Sales Tax Act, 1957	Madhya Pradesh Sales Tax Act	August 19, 2009	Valid till cancelled
4.	Import – Export Code	1108005578	Foreign Trade (Regulation) Rules, 1993	Ministry of Commerce, Office of Joint Director General of Foreign Trade, Bhopal (M.P.)	January 27, 2009	Valid till cancelled
INDUSTRIAL AND LABOUR APPROVALS:						
1.	Manufacturing operations with 100 workers and having motive power of not exceeding 750 HP	19/14492/SG R/2m(i)/NH	Rule 5 of Factories Rule 1962	Chief Inspector of Factories, Madhya Pradesh	February 26, 2016	Upto December 31, 2016
2.	Provident Fund Certificate of Registration	M.P./SAGAR/2005 6	Employee's Provident Funds 1952	Regional Provident Fund Commissioner	--	Valid till cancelled

3.	Acknowledgement towards Memorandum for proposed Manufacture of Beneficiated Rock Phosphate for installed capacity of processing 99000 MT	1906/SIA/IMO/2008	The Industries (Development And Regulation) Act, 1951	Government of India, Ministry of Commerce & Industry, Secretariat for Industrial Assistance, Public Relation & Complaints Section, New Delhi	June 24, 2008	Valid till cancelled
4.	NOC to set up Factory for proposed Business of Rock Phosphate at Unit II	720/NGN/2010	-	District office, Town and Village Nivesh (Gram Sabha), Sagar	May 18, 2010	Valid till cancelled
5.	Commencement of Production of Beneficiated Rock Phosphate at 49, 500 M.T/P.A.	DTlC-S/M.S.M.E./2012/1649	Industrial Policy	District Trade And Industries Centre, Sagar, M.P.	April 20, 2012	Valid till Cancelled
6.	Agreement for Supply of Electricity of 800 KVA at 33 KV for Rock Phosphate Beneficiary plant	HT connection No. 600066	Chief engineer (SR), Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited, Sagar	Madhya Pradesh Electricity Board	February 14, 2014	Valid till cancelled
APPROVALS FROM VARIOUS OTHER AUTHORITIES						
1.	Authorization to operate a facility for collection, reception, treatment, storage, transport and disposal of Hazardous Wastes	303/HOPCB/HSMD/SS/2014	Regional Officer of M.P Pollution control Board	Hazardous Wastes (Management, Handling & Transboundary Movement) Rules, 2008	March 11, 2014	Upto April 14, 2017
2.	Abstract Ground Water Clearance for Industrial use for the total water requirement upto 300m3/day	21 4(99)/ NCR/ CGWA/2011-431	Water and Air Pollution Control Act	Government of India, Ministry of Water Resources, Central Ground Water Authority	April 18, 2011	Valid till cancelled
3.	Renewal of Consent for discharge of effluent in environment from production of Beneficiation of Rock Phosphate at capacity of 300 TPD	1119/TS/MPPCB/2014	Section 25/26 of Water (Prevention & Control of Pollution) Act, 1974	Madhya Pradesh Pollution Control Board, Bhopal	February 26, 2014	Upto March 31, 2017
4.	Renewal of Consent for discharge of effluent in environment from production of Beneficiation of Rock Phosphate at capacity of 300 TPD	1121/TS/MPPCB/2014	Section 21 of the Air (Prevention & Control of Pollution) Act, 1981	Madhya Pradesh Pollution Control Board, Bhopal, Madhya Pradesh	February 26, 2014	Upto March 31, 2017
5.	NOC for permission to	2133/TS//MPP	Environment	Central Ground	March 26,	Valid till

	abstract Ground Water For Industrial use upto 300m3/day	CB/2012	(Protection) Act, 1996	Water Authority	2012	cancelled
6.	Acknowledgement towards Memorandum for the proposed Manufacture of Granular Single Super Phosphate for installed capacity of 90000 MT	1251/SIA/IMO/ 2011	Provision of Industrial entrepreneur Memorandum, The Industries (Development and Regulation) Act, 1951	Government of India, Ministry of Commerce & Industry, Secretariat for Industrial Assistance, Public Relation & Complaints Section, New Delhi	April 19, 2011	Valid till Cancelled
7.	Acknowledgement towards Manufacture of Single Super Phosphate for installed capacity of 120000 MT	1251/SIA/IMO/ 2011	Provision of Industrial entrepreneur Memorandum , The Industries(Dev 237ertilize and Regulation) Act, 1951	Government of India, Ministry of Commerce & Industry, Secretariat for Industrial Assistance, Public Relation & Complaints Section, New Delhi	April 19, 2011	Valid till Cancelled
8.	Manufacture of Sulphuric Acid with an installed capacity of 49500 TPA	1251/SIA/IMO/ 2011	Provision of Industrial entrepreneur Memorandum, The Industries (Dev237ertilize and Regulation) Act, 1951	Government of India, Ministry of Commerce & Industry, Secretariat for Industrial Assistance, Public Relation & Complaints Section, New Delhi	April 19, 2011	Valid till Cancelled
9.	Authorization for carrying on the business of Single Super Phosphate, Boroneted Single Super Phosphate and Zincated Single Super Phosphate	222	The Fertilizer (Control) Order, 1985	Directorate of Farmer Welfare and Agriculture Development Vindhyachal Bhawan, Madhya Pradesh	April 26, 2016	Upto April 25, 2019
10.	Certificate of registration for Manufacturing of fertilizer	E-2/URV/P-4/476-16/476/228	The Fertilizer (Control) Order, 1985	Joint Agriculture Officer (Fertilizers)	April 26, 2016	April 25, 2017
11.	Certificate for verification of Standard of Weights and Measures, for Electronic Road Weight Bridge	15614/409/10	Legal & Metrology Act	Legal Metrology Officer, Sagar, Madhya Pradesh	September 03, 2015	Will Expire on Septembe r 06, 2016
12.	Certificate for verification of Standard of Weights and Measures, for Dial Type Platform Machines	15614/408/10	Legal & Metrology Act	Legal Metrology Officer, Sagar, Madhya Pradesh	August 02, 2015	Will Expire on Septembe r 06, 2017
13.	Renewal of Consent of the Board under Section 21 of the Air (Prevention and Control of Pollution)	AW-42904	Air (Prevention & Control of Pollution) Act, 1981.	Member Secretary, Madhya Pradesh Pollution Control Board	April 01, 2014	Will Expire on March 31, 2017

	Act, 1981 for Beneficiation of Rock Phosphate With capacity of 300 TPD					
14.	Permission to establish the Unit for product and production capacity as Alum Ferric non Ferric (Upto 33000 MT/Year), Chloro Sulphonic Acid (Upto 9900 MT/Year), Copper Sulphate (6600 MT/Year), Di Calcium Phosphate (Upto 6600 MT/Year), Ferrous Sulphate (Upto 6600 MT/Year), Liquid So3 (Upto 9900 MT/Year), Managanese Sulphate (Upto 6600 MT/Year), Oleum 23% (Upto 9900 MT/Year), Oleum 65% (Upto 9900 MT/Year), Sulphonic Acid (Upto 9900 MT/Year), Sulphonic Bentonite Powder & Granular (Upto 100 MT/Year), Sulphuric Acid (Upto 99000 MT/Year), Sulphuryl Chloride (Upto 100 MT/Year) and Thionyl Chloride (Upto 2500 MT/Year)	1780/TS/MPPCB/2015	Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981	Member Secretary, Madhya Pradesh Pollution Control Board	March 23, 2015	Valid till Cancelled
15.	Consent to Establish for setting up an Industrial Plant for Product and Production capacity as Beneficiated Rock Phosphate (Upto 99000 M.T./Year), GSSP (Granular Single Super Phosphate) (Upto 180000 M.T.), Phosphoric Acid (Upto 19800 M.T./Year), Sodium Silica Flouride (Upto 1320 M.T./Year), SSP (Single Super Phosphate) (Upto 180000 M.T.), Synthetic Gypsum (Upto 165000 M.T./Year), TSP (Triple Super Phosphate) (Upto	MPPCB/SGR/CTE/45165	Section 25 of Water (Prevention & Control of Pollution) Act, 1974 and Section 21 of Air (Prevention & Control of Pollution) Act, 1981	Member Secretary, Madhya Pradesh Pollution Control Board	December 12, 2015	Upto November 30, 2020

	66000 M.T./Year)					
16.	Consent to Operate the Unit for Product SSP (Single Super Phosphate) having production capacity of 120000 M.T./Year	MPPCB/SGR/ AWH-45474	Section 25 of Water (Prevention & Control of Pollution) Act, 1974, Section 21 of Air (Prevention & Control of Pollution) Act, 1981 and Hazardous Waste (Management Handling & Transboundary movement) Amended Rule, 2008	Member Secretary, Madhya Pradesh Pollution Control Board	March 18, 2016	Upto February 28, 2017
17.	Consent to Operate the Unit for Product and Production capacity as Sulphuric Bentonite Powder & Granular (Upto 3000 M.T.) and Sulphuric Acid (Upto 36000 M.T.)	MPPCB/SGR/ AWH-45463	Section 25 of Water (Prevention & Control of Pollution) Act, 1974, Section 21 of Air (Prevention & Control of Pollution) Act, 1981 and Hazardous Waste (Management Handling & Transboundary movement) Amended Rule, 2008	Member Secretary, Madhya Pradesh Pollution Control Board	March 11, 2016	Upto February 28, 2017 and Under Hazardous upto February 28, 2021

18.	Environmental Clearance for proposed Sulphuric Acid, Granular Single Super Phosphate, Single Super Phosphate Plants, Triple Super Phosphate (TSP), Synthetic Gypsum Phosphoric Acid, Sodium Silica FIuoride (SSF)	No. 7305/SEIAA/2015	Environmental Policy Act of 1969	State Level Environmental Impact Assessment Authority (SEIAA) Bhopal (M.P.)	November 6, 2015	Valid till cancelled

D. QUALITY CERTIFICATIONS AND REGISTRATION/MEMBERSHIP OF TRADE ASSOCIATION/EXPORT COUNCIL AND TECHNICAL APPROVALS/ INTELLECTUAL PROPERTY RIGHTS:

S.No	Nature of Registration/ License	Registration/License No.	Issuing Authority	Date of issue	Date of Expiry
1.	ISO 9001:2008	1014QF05	Director of P.C Absolute Quality Certification Private Limited	October 18, 2014	January 17, 2017

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by a resolution of the Board of Directors passed at their meeting held on June 04, 2016

Approvals from Selling Shareholders:

The Selling Shareholders have authorized the transfer of Equity Shares pursuant to the Offer as set out in below table.

S.No.	Name of Selling Shareholder	Date of Authorization Letter/ Board Resolution	Number of Equity Shares offered for sale
1.	Chunri Prints Pvt Ltd	June 01, 2016	1,18,125
2.	Paneri Textiles Pvt Ltd.	June 01, 2016	75,000
3.	Smt Shashi Jain & Shri Dharmesh Mehta	June 01, 2016	5,00,000
4.	Pankaj Ostwal	June 01, 2016	10,19,115
5.	Ostwal Phoschem (India) Limited	June 01, 2016	28,03,750
6.	Smt Shashi Jain & Smt. Amita Mehta	June 01, 2016	10,30,000
7.	Season Agro Chem India Pvt. Ltd.	June 01, 2016	2,44,010
		Total	**57,90,000**

The Equity shares being offered by the Selling Shareholders have been held for a period of at least one year prior to the date of filing of the Prospectus and, hence, eligible for being offered for sale in the Offer. The Selling Shareholders have confirmed that they have not been prohibited from dealings in securities market and the Equity Shares offered and to be sold are free from any lien, encumbrance or third party rights.

Approval from the Stock Exchange:

Our Company has obtained in-principle approval from the SME Platform of NSE for using its name in the Draft Prospectus/ Prospectus pursuant to an approval letter dated July 26, 2016 NSE is the Designated Stock Exchange.

Prohibition by SEBI or governmental authorities

We confirm that our Company, Promoter, natural person in control of Promoter, Promoter Group, Directors, Group Entities or the person(s) in control of our Company and Selling Shareholders have not been prohibited from accessing or operating in the Capital Markets or restrained from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any other authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoter, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoter, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the Board (SEBI) or any other regulatory or governmental authority.

None of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as Promoters or Directors and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Association with Securities Market

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

Prohibition by RBI

Neither our Company, our Promoter, our Directors, Group Entities, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company and Selling Shareholders have been identified as a will full defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter ***"Outstanding Litigations and Material Development"*** beginning on page 222 of the Prospectus.

Eligibility for the Offer

Our Company is not ineligible in terms of Regulations 4(2) of SEBI ICDR Regulations for this Offer.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Offer is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post Issue paid up capital will be more than ₹ 10 crore and upto twenty five crore rupees, we may hence Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "***SME Platform of NSE***").

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Offer is 100% underwritten and that the LM to the Issue Shall underwrites minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled ***"General Information – Underwriting"*** beginning on page 48 of this Prospectus.

2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, that the total number of proposed allottees in the Offer shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If our Company does not allot Equity Shares pursuant to the Issue within five Working Days from the Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period

3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any of this Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the LM and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of NSE. For further details of the arrangement of market making please refer to section titled ***"General Information – Details of the Market Making Arrangements for this Offer"*** beginning on page 49 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.
We confirm that we comply with all the requirements / conditions so as to be eligible to be listed on the SME Platform of the

NSE (NSE EMERGE)

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Offer. Further, our Company has not been formed by the conversion of a partnership firm into a company.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 17, 2016 WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING OFFER STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

   A. **THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

   B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   C. **THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE**

PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – <u>NOT APPLICABLE</u>**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – <u>NOTED FOR COMPLIANCE</u>**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. <u>NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMATERLISED FORM ONLY.</u>**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:**

    A. **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**

    B. **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE – NOTED FOR COMPLAINCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS - TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE PROSPECTUS.**

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. **WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

2. **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**

3. **WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 - NOTED FOR COMPLIANCE.**

4. **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER**

5. **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. - NOT APPLICABLE**

6. **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

Note:

The filing of this Prospectus does not, however, absolve our company from any liabilities under section 34, section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Rajasthan, Jaipur in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past 10 Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Opening Price on listing date	+/-% change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	O.P. Chains Ltd.	2.035	11.00	April 22, 2015	11.25	40.91% [-2.29%]	38.63% [-0.39%[	36.36% [-1.88%]
2.	Junction Fabrics and Apparels Ltd	1.60	16.00	July 10, 2015	17.50	14.06% [-0.54%]	3.125% [-7.39%]	3.125% [-7.52%]
3.	Loyal Equipments Ltd.	3.24	18.00	July 16, 2015	20.05	5.56% [-3.28%]	-9.72 [-5.42%[	8.06% [-12.73%]
4.	Emkay Taps and Cutting Tools Limited	15.55	330.00	August 13, 2015	334.00	-1.21% [-5.79%]	-1.51% [6.35%]	0% [-9.48%]
5.	Universal	3.24	15.0	Septemb	16.00	5%	73.33%	100%

	Autofoundry Limited		0	er 04, 2015		[7.28%]	[3.74%]	[-1.50%]
6.	Bella Casa Fashion & Retail Limited	3.43	14.00	October 15, 2015	14.30	72.85% [-5.18%]	86.43% [-8.62%]	64.29% [-8.17%]
7.	Vishal Bearings Limited	3.24	25.00	October 15, 2015	26.00	22.00% [-4.69%]	16.4% [-8.62%]	16% [8.17%]
8.	Arambhan Hospitality Services Ltd (Formerly known as "Cawasji Behramji Catering Services Limited")	1.862	14.00	October 19, 2015	15.25	103.57% [-5.48%]	142.86% [-11.61%]	125% [-9.82%]
9.	Raghav Ramming Mass Limited	7.48	39.00	April 13, 2016	41.00	3.85% [0.64%]	44.61% [8.51%]	NA
10.	Advance Syntax Limited	2.52	12.00	July 12, 2016	13.25	(-7.04%) [1.24%]	NA	NA

Source: Price Information www.bseindia.com.& www.nseindia.com *, Issue Information from respective Prospectus.*

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount- 30th calendar days from listing			No. of IPOs trading at Premium- 30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at Premium- 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2013-14	3(1)	10.66	-	-	1	1	1	-	-	-	-	2	-	1
2014-15	7(2)	38.25	-	-	-	2	-	5	-	-	-	3	-	4
2015-16	8(3)	34.20	-	-	1	2	2	3	-	-	-	3	1	4

2016-17	2[(4)]	10.00	-	-	-	-	-	2	-	-	-	-	-	-

[(1)]The scripts of Samruddhi Realty Limited, Captain Polyplast Limited and Tentiwal Wire Products Limited were listed on April 12, 2013, December 11, 2013 and December 31, 2013 respectively.
[(2)]The scripts of R&B Denims Limited , Bansal Roofing Products Limited, Atishay Infotech Limited, Dhabriya Polywood Limited, Vibrant Global Capital Limited, ADCC Infocad Limited and Captain Pipes Limited were listed on April 22, 2014, July 14, 2014, October 16, 2014, October 17, 2014, October 21, 2014, October 22, 2014, and December 11, 2014 respectively.
[(3)]The scripts of O.P. Chains Limited, Junction Fabrics and Apparels Limited, Loyal Equipments Limited, Emkay Taps & Cutting Tools Limited, Universal Autofoundry Limited, Bella Casa Fashion and Retail Limited , Vishal Bearings Limited and Cawasji Behramji Catering Services Limited were listed on April 22, 2015, July 10, 2015, July 16, 2015, August 13, 2015, September 4, 2015, October 15, 2015, October 15, 2015 and October 19, 2015 respectively.
[(4)]The scripts of Raghav Rammig Mass Limited was listed on April 13, 2016
[*]Raghav Ramming Mass Limited has not completed 180th days from the listing day.
**Advance syntex Limited Listed on July 12, 2016 has not completed 180th day from listing.*

Note:
a) BSE SENSEX and CNX NIFTY has been considered as the benchmark index.
b) Prices on BSE/NSE are considered for all of the above calculations.
c) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
d) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
e) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by lead manager are provided.

Track Record of past issues handled by Hem Securities Limited

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: www.hemonline.com

Disclaimer from our Company, Selling Shareholders, Directors and the Lead Manager

Our Company, the Directors, Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the MOU entered between the LM, Selling Shareholders and our Company on June 15, 2016 and the Underwriting Agreement dated July 30, 2016 entered into between the Underwriters, Selling Shareholders and our Company and the Market Making Agreement dated July 30, 2016 entered into among the Market Maker, LM and our Company.

All information shall be made available by our Company, the Selling Shareholders and the Lead Manager 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.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates or Selling Shareholders in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates or Selling Shareholders, for which they have received and may in future receive compensation.

Caution

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

Disclaimer in Respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Offer will be subject to jurisdiction of the competent court(s) in Jaipur, Rajasthan, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter July 26, 2016 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Draft Prospectus/ Prospectus are being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra

A copy of this Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the offer document in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Securities and Exchange Board of India, SEBI Western Regional Office, SEBI Unit No. 002, Ground Floor SAKAR I near Gandhigram Railway Station, Opposite Nehru Bridge, Ashram Road, Ahmedabad-380009, Gujarat for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur-302001, Rajasthan.

Listing

The Equity Shares of our Company are proposed to be listed on NSE EMERGE. Our Company has obtained in-principle approval from NSE by way of its letter dated July 26, 2016 for listing of equity shares on NSE EMERGE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of NSE mentioned above are taken within Six (6) Working Days of the Offer Closing Date.

Impersonation

Attention of the Applicants 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 to action under section 447 of the Companies, Act 2013

Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Key Managerial Personnel, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Offer, Banker(s) to the Offer, Legal Advisor to the Offer, Underwriter(s) to the Offerand Market Maker to the Offerto act in their respective capacities have been be obtained as required as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s Ashok Kanther & Associates., Chartered Accountants, Statutory Auditor and M/s. Mansaka Ravi & Associates, Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus.

Experts Opinion

Except for the reports in the section "***Financial information of the Company***" and "***Statement of Tax Benefits***" on page 177 and page 86 of this Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert"" as defined under the U.S. Securities Act 1933.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately ₹ 30 lacs, which is 2.16% of the Offer size. The estimated Issue related expenses include Issue Management Fee, underwriting and management fees SCSB's commission/ Selling commission, fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. All expenses with respect to the Issue would be paid by our company.

The Estimated Issue expenses are as under:-

Particulars	Expenses	As a % of total expenses	As a % of Issue
Payment to Merchant Banker including, underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors etc. and other out of pocket expenses.	23.50	78.33	1.69
Printing & Stationery, Distribution, Postage Advertising and Marketing Expenses etc.	3.50	11.67	0.25
Stautory & Regulatory Fees and other expenses	3.00	10.00	0.22
Total estimated Issue Expenses*	30.00	100.00	2.16

**Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA's and CDPs*

Fees, Brokerage and Selling Commission payable to the LM

The total fees payable to the Lead Manager will be as per the (i) Memorandum of Understanding dated June 15, 2016 with the Selling shareholders and the Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated July 30, 2016 with the Selling shareholders and Underwriter Hem Securities Limited and (iii) the Market Making Agreement dated July 30, 2016 with the Selling shareholders and Market Maker Hem Finlease Private Limited, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Prospectus until the Offer Closing Date.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offerfor processing of applications, data entry, printing of refund orders, preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Offerdated June 17, 2016 a copy of which is available for inspection at our Company's Registered Office.

The Registrar to the Offerwill be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Offerto enable it to make refunds in any of the modes described in this Prospectus or send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Prospectus except as disclosed in chapter titled ***"Capital Structure"*** beginning on page 51 of the Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to section titled ***"Capital Structure"*** beginning on page 51 of this Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company

Except as stated in the chapter titled ***"Capital Structure"*** beginning on page 51 of this Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

All of our Group / Associate are unlisted and have not made a public issue of shares.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this

Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

Option to Subscribe

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Offerfor redressal of their grievances.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the applicants, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicants, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or the collection centre of the SCSBs where the Application Form was submitted by the ASBA Applicants.

The Applicants should give full details such as name of the sole/ first applicant, application Form number, DP ID, Client ID, PAN, date of the Application Form, address, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted. Further, the Applicant shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offerfor the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on June 04, 2016. For further details on the Stakeholders Relationship Committee, please refer to section titled ***"Our Management***" beginning on page 146 of this Prospectus.

Our Company has appointed Ms. Pallavi Sukhwal, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Offer. Contact details for our Company Secretary and Compliance Officer are as follows:

Ms. Pallavi Sukhwal
Madhya Bharat Agro Products Limited
5-O-21, Basement, Vyas Colony

Bhilwara-311001, Rajasthan, India
E-mail:cs@mbapl.com
Website: www.mbapl.com

Investors can contact the Compliance Officer or the Registrar in case of any pre- Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.
Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, and revised Circular No. CIR/OIAE/1/2014 dated December 18, 2014, SEBI has launched a centralized web based complaints redress system "**SCORES**". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor compliant during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Auditors during the last three (3) years

Except for appointment of M/s Mansaka Ravi & Associates, Chartered Accountants, as peer review auditor in addition to the existing auditors, there have been no changes in our Company's auditors in the last three (3) years.

Capitalization of Reserves or Profits

Except as disclosed under section titled ***"Capital Structure"*** beginning on page 51 of this Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets

Our Company has not revalued its assets in five (5) years preceding the date of this Prospectus except as follows:-

S.No.	Particulars	Date of Revaluation	Amount (in Lacs)
1.	Revaluation of Land	March 31, 2014	2303.40

Tax Implications

Investors who are allotted Equity Shares in the Offer will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled ***"Statement of Tax Benefits"*** beginning on page 86 of this Prospectus.

Purchase of Property

Other than as disclosed in Section ***"Our Business***" on page 112 of the Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Offer or the purchase or acquisition of which has not been completed on the date of the Prospectus, other than property, in respect of which:-

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Offer was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

Except as stated in this Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation**.**

Except as disclosed in chapter titled *"Our Management"* beginning on page 146 and *"Related Party Transactions"* beginning on page 203 of the Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, SCRR, the SEBI Listing Regulation our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Abridged Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the Issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms,

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled ***"Main Provisions of the Articles of Association of our Company"*** beginning on page 306 of this Prospectus.

For the shares being offered through offer for sale, the dividend to be paid, if any, shall be paid for the full year to the transferees.

Other than the listing fee and advisory fee, which will be borne only by the Company, expenses relating to the Offer will be borne and shared between the Selling Shareholder in proportion of the Equity Shares offered for sale in the Offer. For further details, see the section titled ***—Other Regulatory and Statutory Disclosures – Offer Related Expenses*"** on page 241 of the Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 1956 and the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please see the chapter titled ***"Dividend Policy"*** beginning on page 176 of this Prospectus.

Face Value and Offer Price

The Equity Shares having a face value of ₹ 10 each are being offered in terms of this Prospectus at the price of ₹ 24 per Equity Share.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with the requirements of the SEBI ICDR Regulations as amended time to time. Our Company shall comply with the disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability; subject to applicable laws including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see ***"Main Provisions of Articles of Association"*** beginning on page 306.

Market Lot and Trading Lot

In terms of section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

Trading of the Equity Shares will happen in the minimum contract size of 6000 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this offer document will be done in multiples of 6000 Equity Share subject to a minimum allotment of 6000 Equity Shares to the successful applicants.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint applicantr, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the
Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Since the allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Offer

Our Company and selling Shareholders in consultation with the LM, reserves the right not to proceed with the Issue anytime after the Offer Opening Date but before the Allotment. In such an event, our Company and selling Shareholders would issue a public notice in the newspapers, in which the pre-Offer advertisements were published, within two days, providing reasons for not proceeding with the Offer. Our Company shall also inform the same to Stock Exchange on which the Equity Shares are proposed to be listed and the LM through the Registrar shall notify the SCSBs to unblock the ASBA Account within one Working Day from the date of such notification.

Any further issue of Equity Shares by our Company shall be in compliance with applicable laws. If our Company withdraws the Offer after the Offer Closing Date, our Company shall be required to file a fresh Draft Prospectus. Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus.

OFFER PROGRAMME

Event	Indicative Date
Offer Opening Date	August 29, 2016
Offer Closing Date	September 02, 2016
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about September 07, 2016
Initiation of Allotment / Refunds / Unblocking of Funds	On or about September 09, 2016
Credit of Equity Shares to demat accounts of Allottees	On or about September 09, 2016
Commencement of trading of the Equity Shares on the Stock Exchange	On or about September 12, 2016

The above timetable, other than Offer Opening and Closing Dates is indicative in nature and does not constitute any obligation on our Company or the LM. Whilst our Company, the Selling shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company, revision of the Price or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Application and revision of application, shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (IST) during the Offer Period. On the Offer Closing Date, the application and any revision in the applications shall be accepted only between **10.00 a.m. and 3.00 p.m.** (IST) and shall be uploaded until (i) **4.00 p.m.** (IST) in case of applications by QIB and Non-Institutional applicants, and (ii) until **5.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of applications by Retail Individual applicants after taking into account the total number of applications received up to the closure of timings and

reported by the LM to the Stock Exchanges. It is clarified that applications not uploaded on the electronic bidding system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the application on the Offer Closing Date, the applicants are advised to submit their applications one day prior to the Offer Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Offer Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Investors are cautioned that in the event a large number of applications are received on the Offer Closing Date, as is typically experienced in public offerings, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under the Offer. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the applications due to faults in any software/hardware system or otherwise.

QIBs and Non-Institutional Investors shall neither withdraw nor revise their application so as to lower the size of their application at any stage after they have applied for the Offer. QIBs and Non-Institutional Investors may revise their applications upwards (in terms of quantity of Equity Shares or the Amount) during the Offer Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

Minimum Subscription

In accordance with Regulation [106P] (1) of SEBI ICDR Regulations, this Offer is 100% underwritten. Also, in accordance with explanation to Regulation [106P] (1) of SEBI ICDR Regulations, the underwriting shall not be restricted to any minimum subscription level. This Offer is 100% underwritten and the details of the same have been disclosed under section titled ***"General Information"*** on page 44 of this Prospectus.

As per section 39 of the new Companies Act, if the "stated minimum amount‖ has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer Document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the Offer, our Company shall forthwith unblocked the entire subscription amount received. If there is a delay beyond 8 (eight) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

Further, in accordance with Regulation [106R] of SEBI ICDR Regulations, the minimum number of allottees in this Offer shall be 50. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the amounts in the ASBA Account shall be unblocked forthwith.

Further, in accordance with Regulation [106Q] of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The trading of the Equity Shares will happen in the minimum contract size of 6000 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of NSE.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of 6000 equity shares. However, the Market Maker shall buy the entire shareholding of a shareholder in 1 (one) lot, where value of such shareholding is less than ₹ 1,00,000.00 i.e. the minimum contract size allowed for trading on NSE EMERGE

Migration to Main Board

Our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above Rs. 25 Crores by virtue of any further Offer of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which our Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

If the Paid up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Option to receive Equity Shares in Dematerialized Form

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, our Company had entered into agreements with Bigshare Services Private Limited dated June 17, 2016 for dematerialization of the Equity Shares. The Equity Shares are currently admitted with NSDL and CDSL. Our Company has entered into a tripartite agreement dated February 23, 2011 with CDSL and the Registrar to the Offer. Our Company entered into a tripartite agreement dated February 11, 2011 with NSDL and the Registrar to the Offer.

Market Making

The Equity Shares offered through this Offer are proposed to be listed on the SME Platform of NSE (NSE EMERGE), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME Platform of NSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to section titled ***"General Information - Details of the Market Making Arrangements for this Offer"*** beginning on page 49 of this Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of Issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of Issue size)
Upto Rs. 20 Crore, as applicable in our case	25%	24%

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts / authorities in Jaipur, Rajasthan, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States to, or for the account or benefit of "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

OFFER STRUCTURE

The Public Offer of 57,90,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 24 per Equity Share (including a share premium of ₹ 14 per Equity Share) aggregating upto ₹ 1389.60 Lacs (the "Offer") by our Company of which 2,94,000 Equity Shares of ₹ 10 each will be reserved for subscription by Market Makers to the Offer ("Market Maker Reservation Portion") the Offer less the Market Maker Reservation Portion i.e. Offer of 54,96,000 Equity Shares of ₹ 10 each is hereinafter referred to as the "Net Offer". The Offer and the Net Offer will constitute 26.43% and 25.09 %, respectively of the post Offer paid up Equity Share capital of the Company.

The Pubic Offer includes an offer for sale of 57,90,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 24 per Equity Share (including a share premium of ₹ 14 per Equity Share) aggregating upto ₹ 1389.60Lacs (the "Offer for Sale")

The Offer is made through the Fixed Price Issue Process.

Particulars	Net Offer to Public	Market Maker Reservation Portion
Number of Equity Shares*	54,96,000 Equity Shares.	2,94,000 Equity Shares
Percentage of the Offer Size available for allocation	94.92% of the Offer	5.08% of the Offer
Basis of Allocation, if respective category is oversubscribed	Proportionate, subject to minimum allotment of Up to 6000 Equity Shares and further allotment in multiples of 6000 Equity Shares each. For further details refer page 296 of the Prospectus.	Firm Allotment
Minimum Application	For QIB and NII:- Such nos. of Equity Shares in multiples of 6000 Equity Shares such that the application value exceeds ₹ Rs. 2 lacs For Retail Investors:- 6000 Equity Shares	2,94,000 Equity Shares
Maximum Application	For QIB and NII:- Such nos. of Equity Shares in multiples of 6000 Equity Shares such that the application size does not exceeds the Issue, subject to applicable limit. For Retail Investors:- 6000 Equity Shares	2,94,000 Equity Shares
Mode of Allotment	Compulsorily in dematerialized form	
Lot	6000 Equity Shares	6000 Equity Shares. However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	100%	100%

This Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to ***"Offer Structure"*** on page 262of the Prospectus.

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present Offer is a fixed price issue 'the allocation' is the net Offer to the public category shall be made as follows:
a) Minimum fifty percent to retail individual investors; and
b) Remaining to Investors other than retail Individual Investors; and
c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

Offer Programme

Offer opening date	August 29, 2016
Offer closing date	September 02, 2016
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about September 07, 2016
Initiation of Allotment / Refunds / Unblocking of Funds	On or about September 09, 2016
Credit of Equity Shares to demat accounts of Allottees	On or about September 09, 2016
Commencement of trading of the Equity Shares on the Stock Exchange	On or about September 12, 2016

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Offer Period at the Application Centres mentioned in the Application Form, .On the Offer Closing Date when applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Standardization of cut-off time for uploading of applications on the Offer closing date:
a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants
c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by LM to NSE within half an hour of such closure.
Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

OFFER PROCEDURE

All applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") ***included below under section "-PART B – General Information Document"****, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public Issuer. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.*

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)(Fifth Amendment)Regulations, 2015, there have been certain changes in the Issue procedure for initial public offerings including making ASBA Process mandatory for all investors w.e.f. January 1, 2016, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept Application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an Issue to six working days w.e.f. January 1, 2016.

Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. *Our Company, the Selling Shareholders and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and Prospectus.*

This section applies to all the Applicants, please note that all the applicants are required to make payment of the full Application Amount along with the Application Form.

Our Company, Selling Shareholders and the LM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.

PART-A

FIXED PRICE ISSUE PROCEDURE

The Offer is being made under Regulation 106(M) (2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Designated Intermediaries. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.
In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchanges, as mandated by SEBI.

APPLICATION FORM

Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA Mode. The prescribed colour of the Application Form for various categories applying in this Offer is as follows:

Category	Colour
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. An Investor, intending to subscribe to this Offer, shall submit a completed application form to any of the following Intermediaries (Collectively called ***"Designated Intermediaries")***

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com.

Who can Apply?

In addition to the category of Applicants as set forth under ***—Part B -General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue"*** on page 264 of this Prospectus, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non-Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Offer under the laws, rules, regulations, guidelines and policies applicable to them.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. **For Retail Individual Applicants**

   The Application must be for a minimum of 6000 Equity Shares and in multiples of 6000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. **For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

   The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of 6000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

   In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application form them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

PARTICIPATION BY ASSOCIATES /AFFILIATES OF LM AND THE SYNDICATE MEMBERS

The LM and Syndicate Members, if any shall not be entitled to subscribe to this Offer in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Option to Subscribe in the Offer

a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form. However, they may get the specified securities re-materialized subsequent to allotment.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Applicants

1. Our Company and the Lead Managers shall declare the Offer Opening Date and Offer Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.

3. Copies of the Application Form along with Abridge Prospectus and copies of the Prospectus will be available with the, the Lead Managers, the Registrar to the Issue, and at the Registered Office of our Company.Electronic Application Forms will also be available on the websites of the Stock Exchange,

4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office / Corporate Office.

5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective DesignatedIntermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

7. TheApplication Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or otherDesignated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBsor otherDesignated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Applicants.

10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediariesdo not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

The investors should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees.In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

Applications by eligible NRIs/ FPI's on Repatriation Basis

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

As Per The Current Regulations, The Following Restrictions Are Applicable For Investments By FPIs.

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (i) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:
   a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
   b) Nothing contained in clause (a) shall apply to:
      - Any transactions in derivatives on a recognized stock exchange;

- ❖ Short selling transactions in accordance with the framework specified by the Board;
- ❖ Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- ❖ Any other transaction specified by the Board.

c) No transaction on the stock exchange shall be carried forward;

d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to;

i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;

ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;

vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;

vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

viii. Any other transaction specified by Board.

e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:
Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.

4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
   a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority'
   b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

Applications by Limited Liability Partnerships

In case of application made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company and Selling Shareholders reserves the right to reject any application without assigning any reason thereof.

Applications by Insurance Companies

In case of application made by insurance companies registered with IRDA, certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company, Selling Shareholders in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

(a) Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

(c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

Applications under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.
In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Application by Provident Funds/Pension Funds

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied

for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.

Applications by banking companies

In case of Application made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company and Selling Shareholder, severally and not jointly, reserve the right to reject any application without assigning any reason therefore.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Circular – Para-banking Activities dated July 1, 2015 is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Method and Process of Application

1. The Designated Intermediariesshall accept applications from the Applicants during the Offer Period.

2. The Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Offer Period may be extended, if required, by an additional three Working Days, subject to the total Offer Period not exceeding 10 Working Days.

3. During the Offer Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediariesto register their applications.

4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediarieswill be treated as multiple applications and is liable to rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Offer.

5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by theDesignated Intermediariesat the time of receipt.

6. The Designated Intermediarieswill enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediariesshall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

8. If sufficient funds are not available in the ASBA Account, the Designated Intermediariesshall reject such applications and shall not upload such applications with the Stock Exchange.

9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Offer or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment if finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In caseof withdrawal/ failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Terms of payment

The entire Offer price of ₹ 24 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicant should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the applicants.

Payment mechanism

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in the public issue can only invest through ASBA Mode.

Electronic Registration of Applications

1. The Designated Intermediarieswill register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediarieswill undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Offer Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
   (i) the applications accepted by them,
   (ii) the applications uploaded by them
   (iii) the applications accepted but not uploaded by themor

(iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs , the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
   (i) the applications accepted by any Designated Intermediaries
   (ii) the applications uploaded by any Designated Intermediariesor
   (iii) the applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will offer an electronic facility for registering applications for the Offer. This facility will available at the terminals of Designated Intermediariesand their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediariescan also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediariesshall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediariesshall enter the following information pertaining to the Applicants into in the on-line system:

- Name of the Applicant;
- IPO Name:
- Application Form Number;
- Investor Category;
- PAN (of First Applicant, if more than one Applicant);
- DP ID of the demat account of the Applicant;
- Client Identification Number of the demat account of the Applicant;
- Number of Equity Shares Applied for;
- Bank Account details;
- Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
- Bank account number.

8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Suchacknowledgmentwill be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in theProspectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Allocation of Equity shares

1) The Offer is being made through the Fixed Price Process wherein 2,94,000 Equity Shares shall be reserved for Market Maker. 54,96,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Offer Price. The balance of the Net Offer will be available for allocation on proportionate basis to Non Retail Applicants.

2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.

3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.

5) Allotment status details shall be available on the website of the Registrar to the Offer.

Signing of Underwriting Agreement and Filing of Prospectus with ROC

a) Our company, Selling Shareholders, LM has entered into an Underwriting Agreement dated July 30, 2016.
b) A copy of Prospectus will be filled with the RoC in terms of Section 26 of Companies Act, 2013.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre- Offer advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii)Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre- Offer advertisement, we stated the Offer Opening Date and the Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Issuance of Allotment Advice

1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2) The Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their applicants who have been allocated Equity Shares in the Offer.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicants.

General Instructions

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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.
- Ensure that you have funds equal to the Application Amount in the ASBA account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres),the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBAprocess;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed asper the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Formfor all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for thesubmission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are notcomplied with.

Don’ts:

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the DesignatedIntermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant DesignatedIntermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked inthe relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Communications

All future communications in connection with Applications made in this Offer should be addressed to the Registrar quoting the full name of the sole or First Applicant, Application Form number, Depository Account Details, number of Equity Shares applied for, date of Application Form, name and address of the member of the Syndicate or the SCSB / Designated Intermediary, where the application was submitted and bank account number in which the amount equivalent to the Amount was blocked.

Applicants can contact the Compliance Officer or the Registrar in case of any pre- Offer or post-Offer related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, unblocking of funds, etc. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the applicants can contact the Designated Branches of the SCSBs.

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-

d) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
e) 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

f) 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 to action under section 447 of the Companies, Act 2013

Undertakings by Our Company

We undertakes as follows:

1) That the complaints received in respect of the Offer shall be attended to by us expeditiously and satisfactorily;

2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Offer Closing Date.

3) That if the Company do not proceed with the Offer, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

4) That the our Promoters' contribution in full has already been brought in;

5) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblockedon account of non-listing, under subscription etc. and

6) That if the Company withdraws the Offer after the Offer Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

Undertakings by the Selling Shareholder

1) The Equity Shares offered pursuant to the Offer for Sale have been held by the Selling Shareholder for a period of at least one year prior to the date of this Prospectus, are free and clear of any liens or encumbrances and, to the extent that the Equity Shares being offered have resulted from a bonus issue, the bonus issue has been on equity shares held for a period of at least one year prior to the filing of this Prospectus and has been issued out of free reserves and share premium existing in the book as at March 31, 2016;

2) The Selling Shareholder is the legal and beneficial owner of and has full title to the Investor Offered Shares;

3) The Selling Shareholder will not have recourse to the proceeds of the Offer for Sale, until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;

4) The Selling Shareholder will not sell, transfer, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered in the Offer for Sale; and

5) The Selling Shareholder will take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer for Sale are available for transfer in the Offer for Sale.
6) they shall take all such steps as may be required to ensure that the Equity Shares being sold by them pursuant to the Offer are available for transfer in the Offer within the time specified under applicable law; and

7) they shall comply with all applicable laws, in India, including the Companies Act, the SEBI Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by them in the Offer.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) Agreement dated February 11, 2011 between NSDL, the Company and the Registrar to the Issue;
b) Agreement dated February 23, 2011 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE900L01010

PART - B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/ Prospectus before investing in the Issue

Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken inter-alia through the Fixed Price Issue. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009"**) as amended.

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies **("RoC").** Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India **("SEBI")** at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section "Glossary and Abbreviations".

Section 2: Brief Introduction to IPOs on SME Exchange

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009 if applicable. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under Chapter XB of SEBI (ICDR) regulations, wherein as per,

- Regulation 106M(1) : An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M(2) : An issuer whose post-issue face value capital is more than ten crore rupees and upto twenty five crore rupees, may also issue its specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M(2) of Chapter XB of SEBI (ICDR) Regulation.

2.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable ("the Companies Act), the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

a) In accordance with Regulation 106(P) of SEBI (ICDR) Regulation, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
b) In accordance with regulation 106(R) of SEBI (ICDR) Regulation, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be unblocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.
c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulation, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
e) The Issuer shall have Net Tangible Assets of atleast Rs. 1 crore as per the latest audited financial result.
f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 1 crore as per the latest audited financial result.
g) The issuer should have a tract record of distributable profits in terms of Section 123 of Companies Act, 2013 for two out of immediately preceding three financial years
h) The post –issue paid up capital of the issuer shall be at least Rs. 1 crore.
i) The issuer shall mandatorily facilitate trading in demat securities
j) The issuer should not been referred to Board for Industrial and Financial Reconstruction as on date.
k) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.
l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
m) The company should have a website
n) There has been no change in the promoter(s) of the company in the 1 year preceding the date of filing application to NSE for listing on SME segment.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3) , Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Offer.

Thus the Company is eligible for the Offer in accordance with Regulation 106M(2) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post-Offer face value capital is more than ten crore rupees and upto twenty five crore rupees. Company also complies with the eligibility conditions laid by the SME Platform of NSE for listing of our Equity Shares.

2.3 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built Issue")** or undertake a Fixed Price Issue **("Fixed Price Issue").** An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this Daft Prospectus

(in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 Issue Period

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

2.5 Migration To Main Board

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

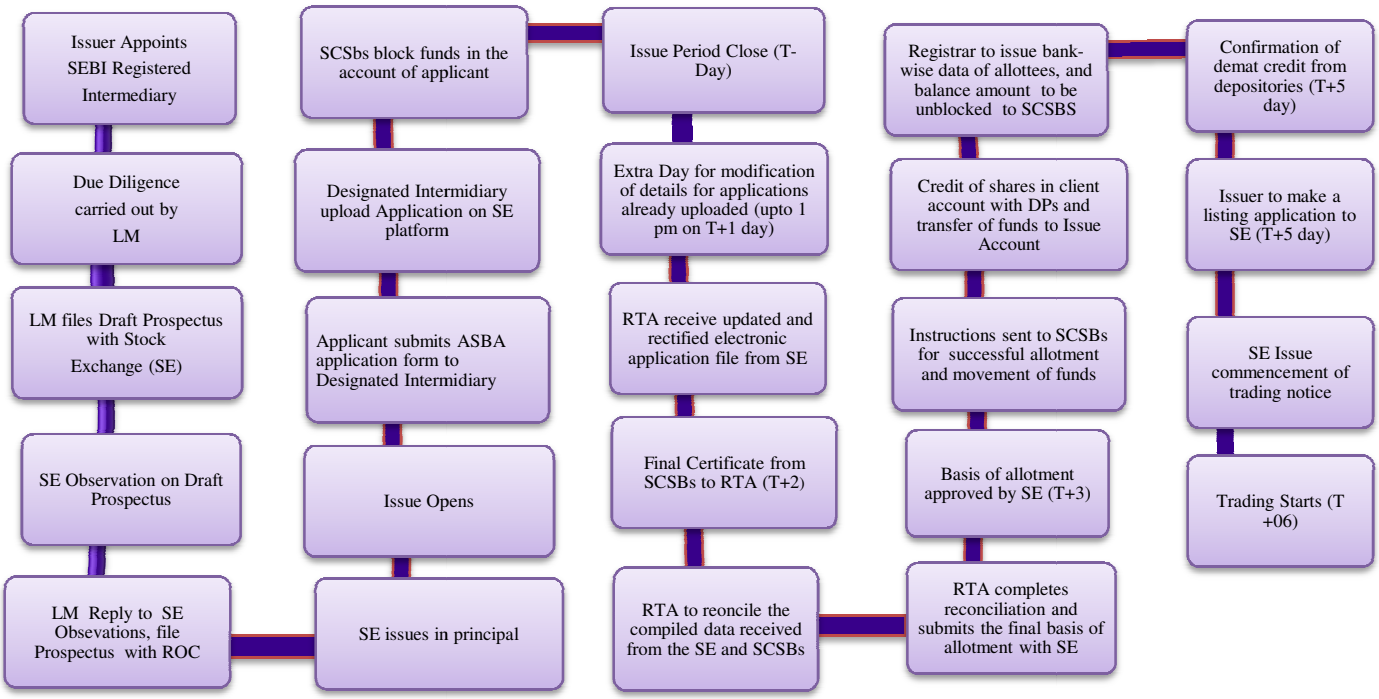
a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), The Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6 Flowchart Of Timelines

A flow chart of process flow in Fixed Price Issue is as follows:



Section 3: Category of Investors Eligible to Participate in an Issue

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three) or in the names of minors as natural / legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law; NRIs other than Eligible NRIs are not eligible to participate in this Offer.
- Indian Financial Institutions, scheduled commercial banks regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, VCFs and FVCIs registered with SEBI.
- Limited liability partnerships registered in India and authorized to invest in equity shares.
- State Industrial Development Corporations.
- Trusts/societies registered under the Societies Registration Act, 1860, as amended or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;
- Scientific and/ or Industrial Research Organizations authorized to invest in equity shares.
- Insurance Companies registered with IRDA;

- Provident Funds and Pension Funds with minimum corpus of Rs. 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no F.No.2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy, air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply to this Offer, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian Laws.

As per the existing regulations, OCBs are not allowed to participate in an Offer.

Section 4: Applying in the Offer

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Designated Intermediariesas available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the registeredoffice of the Issuer, and office of the RTA and at the office of the LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Color of the Application
Resident Indian, Eligible NRIs applying on a non -repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), FPIs on a repatriation basis	Blue

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 Instructions For Filing Application Form (Fixed Price Issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

Application form for Residents

COMMON BID CUM APPLICATION FORM | **XYZ LIMITED - INITIAL PUBLIC ISSUE - R** | **FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS**

Address : ..... Contact Details: ..... CIN No .....

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE

INE0000000000

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. INVESTOR'S STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - M F
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through *Karta* (*Application by HUF would be treated on par with Individual*)

7. PAYMENT DETAILS | PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED 'ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorise the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)

Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

Application Form for Non-Residents

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR
Address : ..... Contact Details: ..... CIN No .....

For Eligible NRI, FII, FVCI, applying on Registration Basis

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE

INE0000000000

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**ESCROW BANK/SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY
☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. Investor Status

☐	Non-Resident Indians (Repatriation Basis)	NRI
☐	Foreign Institutional Investor	FII
☐	Foreign Venture Capital Investor	FVCI
☐	FII Sub Account Corporate/ Individual	FII SA
☐	Others (Please Specify)	OTH

7. PAYMENT DETAILS **PAYMENT OPTION : FULL PAY**

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	I/We authorize the SCSB to do all acts as are necessary to make the Application in the line 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile Email

Stamp & Signature of SCSB Branch

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			

Amount Paid (₹)

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

ASBA Bank A/c No.

Bank & Branch

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including letters notifying the unblocking of the bank accounts of \Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in theApplication Form may be used by the Issuer,

b) The Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

c) **Joint Applications**: In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders All communications may be addressed to suchApplicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

d) **Impersonation:** Attention of the Applicants 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:

- **makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- **otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."**

e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLEFIRSTAPPLICANT

a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. A Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.

e) Applications by Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**

b) Applicants should ensure that the beneficiary account provided in the Application Form is active.

c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.

d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

a) The Company may mention Price in the Draft Prospectus. However a Prospectus registered with RoC contains one price.

b) Minimum and Maximum Application Size

i. For Retails Individual Applicants

The Application must be for a minimum of 6000 equity shares. As the application price payable by the retail individual applicants cannot exceed Rs. 200000 they can make Application for only minimum Application size i.e for 6000 equity shares.

ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of equity shares such that the Application Amount exceeds Rs. 200000 and in multiples of 6000 equity shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision of Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 200000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of equity shares that can be held by them under prescribed law or regulation or as specified in this Prospectus.

c) **Multiple Applications:** An applicant should submit only one Application Form. Submission of a second Application Form to either the same or to theDesignated Intermediariesand duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

d) Applicants are requested to note the following procedures may be followed by the Registrar to the issue to detect multiple applications:
   i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and PFI sub-accounts, applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
   ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN,as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

e) The following applications may not be treated as multiple applications:

   i. Application by Reserved Categories in their respective reservation portion as well as that made by them in the Net Offer portion in public category.
   ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Application clearly indicates the scheme for which the application has been made.
   iii. Application by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs, and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

a) The categories of Applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, Individual applicants other than RIIs, and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

b) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.

c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation Applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

b) Certain categories of Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.

d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

a) All Applicants are required to use ASBA facility to blockthe full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and thefunds shall be blockedfor Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

b) All categories of investors can participate in the Offer only through ASBA mechanism.

c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.1.7.1 Payment instructions for Applicants

(a) Applicants may submit the Application Form eitherin physical mode or online mode to any Designated Intermediaries.

(b) Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Applicant should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicant shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Application Forms can be submitted.

(f) Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

(g) Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.

(h) ASBA Applicant applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form may upload the details on the Stock Exchange Platform.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(l) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(m) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Application, as the case may be.

(n) SCSBs applyingin the Offer must apply through an Account maintained with any other SCSB; else their Applicationis liable to be rejected.

4.1.8 Unblocking of ASBA Account

a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted, if any, against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ non allotment / partial allotment ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs to unblock the respective bank accounts.

b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

   In the event of withdrawal or rejection of the Application Form and for unsuccessful Application, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

a) The Discount is stated in absolute rupee terms.
b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Offer, Applicants may refer to the Prospectus.
c) For the Applicants entitled to the applicable Discount in the Offer the Application Amount less Discount (if applicable) shall be blocked.

4.1.8.2 Additional Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Application by NRIs applying on a repatriation basis, blocking of funds in their NRO account shall not be accepted.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorization has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form.
d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by the Designated Intermediary, fas applicable, for submission of the Application Form.

a) All communications in connection with Applications made in the Offer should be addressed as under:

   i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.

ii. In case of Applications submitted to the Designated Branches of the SCSBsor Registered Brokers or Registered RTA/DP, the Applicants should contact the relevant Designated Branch of the SCSBor Registered Brokers or Registered RTA/DP, as the case maybe.

iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Offer.

b) The following details (as applicable) should be quoted while making any queries –

i. Full name of the sole or Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.

ii. name and address of the Designated Intermediary, where the Application was submitted; or

iii. In case of ASBA Applications, ASBA Account number in which the amount equivalent to the Application Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISIONFORM

a) During the Offer Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately.

b) RII may revise their applications till closure of the Offer period or withdraw their applications until finalization of allotment.

c) Revisions can be made in both the desired number of Equity Shares and the application Amount by using the Revision Form.

d) The Applicant can make this revision any number of times during the Offer Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : ..... Contact Details: ..... CIN No .....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : .....

Bid cum Application Form No.

TEAR HERE

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	EXCHANGE/BANK/SCSB BRANCH STAMP & CODE	Mr. /Ms. ..... Address ..... Email ..... Tel. No (with STD code) / Mobile .....
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	2. PAN OF SOLE / FIRST BIDDER
		3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL
		For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

6. PAYMENT DETAILS — PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Additional Amount Paid (₹ in figures) ..... (₹ in words) .....

ASBA Bank A/c No. .....

Bank Name & Branch .....

WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE BID REVISION FORM AND THE ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND THE BIDDERS UNDERTAKING GIVEN UNDER ABOVE. WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date	I/We authorize the SCSB to do all acts as are necessary to make the Application in the form 1) ..... 2) ..... 3)	

TEAR HERE

LOGO

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID .....

PAN of Sole / First Bidder .....

Additional Amount Paid (₹) ..... Bank & Branch .....

ASBA Bank A/c No. .....

Received from Mr./Ms. .....

Telephone / Mobile ..... Email .....

Stamp & Signature of SCSB Branch

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R BID REVISION FORM

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder .....

Acknowledgement Slip for Bidder

ASBA Bank A/c No. .....

Bank & Branch .....

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.

b) In case of revision of Applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, should not exceed Rs.200,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

4.2.3FIELD 6: PAYMENT DETAILS

Applicant may Issue instructions to block the revised amount in the ASBA Account, to the Designated Branch through whom such Applicant had placed the original Application to enable the relevant SCSB to block the additional Application Amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/APPLICATION FORM

Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investor Applications	To the Designated Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively

SECTION 5: OFFER PROCEDURE IN FIXED PRICE ISSUE

5.1 Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.

As the Offer Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form. Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Designated Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Offer Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

5.2 GROUNDS FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:-

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.

- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications at a price other than the Fixed Price of the Offer;
- Applications for number of Equity Shares which are not in multiples of 6000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Offer Opening Date advertisement and Prospectus as per the instructions in the Prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or " qualified institutional buyers" as defined in Rule 144Aunder the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision thereof by QIB Applicants , Non Institutional Applicants where the Application Amount is in excess of Rs. 200000 received after 3.00 pm on the Offer Closing date unless the extended time is permitted by NSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such ApplicationAmount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBAprocess;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the ApplicationForm.
- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: OFFER PROCEDURE IN BOOK BUILT ISSUE

This being the Fixed Price Issue this section is not applicable for this Offer.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 Basis of Allotment

Allotment will be made in consultation with SME Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
c) For applications where the proportionate allotment works out to less than 6000 Equity Shares the allotment will be made as follows:
   i. Each successful applicant shall be allotted 6000 Equity Shares;
   ii. The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 6000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 6000 Equity Shares subject to a minimum allotment of 6000 Equity Shares.
e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 6000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 105% of the size of the issue specified under the Capital Structure mentioned in this Prospectus.
f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
   i. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as the Retail Individual Investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
   ii. Remaining to Individual applicants other than retail individual investors and Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
   iii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of NSE.

The Executive Director/ Managing Director of the SME Platform of NSE, Designated Stock Exchange in addition to Lead Merchant Banker and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Sharesthat may be allotted to them pursuant to the Issue.** Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Offer.
c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5Working Days of the Offer Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within6 Working Daysof the Offer Closing Date,

SECTION 8: INTEREST AND UNBLOCKING

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Offer Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6Working Days of the Offer Closing Date.

8.2 GROUNDS FOR UNBLOCKING OF FUNDS

8.2.1 Non Receipt of Listing Permission

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalized.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith initiate action to unblock the application amount from the Investors accounts.If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of Companies Act, and disclosed in the Prospectus.

8.2.2 Minimum Subscription

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten.

As per Section 39 of Companies Act, 2013 if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our company does not receive the 100% subscription of the offer through the Offer Document including devolvement of underwriters , if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblocked the entire application amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations, the Companies Act, 2013.

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50 no allotment will be made pursuant to this Offer and the amounts in the ASBA Account shall be unblocked within 6working days of closure of the Offer.

Further in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.100000/- (Rupees One Lakh) per application.

The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be unblocked forthwith.

8.3 **Mode of Unblocking of Funds**
8.4
Within 6 Working Days of the Offer Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1Mode of making refunds for Applicants

In case of ASBA Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Offer.

8.4 Interest In Case Of Delay in Allotment

The Issuer may pay interest at the rate of 15% per annum ifdemat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the6 Working days of the Offer Closing Date.
The Issuer may pay interest at 15% per annum for any delay beyond 6 workingdays from the Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Applicants to make aApplicationauthorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the ApplicationAmount of the ASBA Applicant
ASBA Application	A Applicationmade by an ASBA Applicant
Applicant	Prospective Applicants in the Issue who apply through ASBA
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue

Term	Description
Bid	An indication to make an offer during the Issue Period by a prospective Applicant pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto.
Offer Closing Date	The date after which the SCSBs may not accept any application for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Offer Closing Date
Offer Opening Date	The date on which the SCSBs may start accepting application for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Offer Opening Date
Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Application, inclusive of any revisions thereof. The Issuer may consider closing the Offer Period for QIBs one working day prior to the Offer Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Offer Period
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application (except for Anchor Investors), less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes aApplication pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009,
Broker Centres	Broker centres notified by the Stock Exchanges, where Applicants can submit the Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
DP	Depository Participant

Term	Description
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated Date	The date on or after which funds are transferred by the SCSBs to the Public Issue Account of the Issuer.
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers,the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Discount	Discount to the Offer Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	This Draft Prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014

Term	Description
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Offer Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Applied for Equity Shares for an amount of more than ` 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs
OCB/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
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the Prospectus through an offer for sale by the Selling Shareholder

Term	Description
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Pricing Date	The date on which the Issuer in consultation with the Lead Manager(s), finalize the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act, 1956 read with section 26 of Companies Act 2013 after the Pricing Date, containing the Offer Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTA	Registrar to the Issue and Share Transfer Agent
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than Rs. 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html

Term	Description
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Application from ASBA Applicants)
Syndicate Member(s)/SM	The Synd icate Member(s) as disclosed in the Prospectus
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our company.
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or publicholidays, on which commercial banks in India are open for business,provided however, with reference to announcement Issue Period, "Working Days" shall mean all days, excluding Saturdays,Sundays and public holidays, which are working days for commercial banks inIndia.

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, unless specifically restricted, foreign investment is freely permitted in all sectors of 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.

India‘s current Foreign Direct Investment (“FDI”) Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI (“DIPP”) by Consolidated FDI Policy Circular of 2015 with effect from May 12, 2015 (“Consolidated FDI Policy Circular of 2015”) consolidates and subsumes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Consolidated FDI Policy Circular of 2015 will be valid until the DIPP issues an updated circular.

Subscription by foreign investors (NRIs/FPIs)

FPIs are permitted to subscribe to Equity Shares of an Indian Company in a public offer without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. SEBI registered FPIs have been permitted to purchase shares of an Indian company through offer, subject to total FPI investment being within the individual FPI/sub account investment limit of 10 per cent subject to the total sectoral cap of all FPIs/sub-accounts put together being 24 per cent of the paid-up capital of the Indian company.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

Representation from the Applicants

No person shall make an application in the Issue, unless such person is eligible to acquire Equity Shares of our Company in accordance with applicable laws, rules, regulations, guidelines and approvals.

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

There is no reservation for Non Residents, NRIs, FPIs, foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor. All Non Residents, NRIs, FPIs and foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs also cannot participate in any Public Issue.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S promulgated under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to,

the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act.

Our Company, LM and the Issue Management Team are not making any selling efforts in any jurisdiction outside India.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule II of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

ARTICLE NO.	INTERPRETATION	READING
1.	The regulations contained in Table F in the First Schedule to the Companies Act, 2013 shall apply to the Company except in so far as such regulations are embodied in these following Articles.	**CONSTITUTION**
2.	In these presents, the following words and expression shall have the following meanings unless excluded by the subject or context; words importing the singular shall include the plural and vice versa; words importing the masculine gender shall include the feminine gender and vice versa; and words importing person shall include bodies corporate.	**INTERPRETATION**
	a) "The Act" means Companies Act, 2013 its rules and any statutory modifications or reenactments thereof and every relevant Companies Act for the time being in force concerning Joint Stock Companies; and the word "Section" relates to the relevant Section in the Companies Act, 2013.	**THE ACT AND SECTION**
	b) "The Company" or "This Company" means MADHYA BHARAT AGRO PRODUCTS LIMITED	**'THE COMPANY' OR 'THIS COMPANY'**
	c) "Auditors" means Auditor or Auditors for the time being of the Company.	**AUDITORS**
	d) "The Board" or "Board of Directors" means a meeting of the Directors duly called and constituted, as the case may be, the Directors assembled as a Board or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.	**THE BOARD OR BOARD OF DIRECTORS**
	e) "Debenture" includes debenture stocks	**DEBENTURE**
	f) "In Writing" includes printing, lithography, typewriting and other usual substitutes for writing.	**IN WRITING**
	g) "Members" means a member as defined under Section 2(55) of the Act.	**MEMBERS**
	h) "Month" shall mean Calendar Month.	**MONTH**
	i) "Office" means the Registered Office for the time being of Company.	**OFFICE**
	j) "Person" shall include any corporation as well as individual.	**PERSON**
	k) "These Presents or Regulations" mean these Articles of Association as originally framed or altered from time to time including the Memorandum where the context so requires.	**THESE PRESENTS OR REGULATIONS**
	l) "The Seal" means the Common Seal for the time being of Company.	**THE SEAL**
	m) "Secretary" means any individual possessing qualification prescribed for the time being by any rule made under the Act and appointed by the Board to perform the duties which may be performed by a Secretary under the Act and any other ministerial or administrative duties.	**SECRETARY**
	n) "Special Resolution" shall have the meaning assigned therein by Section 114 of the act.	**SPECIAL RESOLUTION**
	o) "Beneficial Owner" shall mean the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.	**BENEFICIAL OWNER**
	q) "Depository" shall mean Depository as defined under clause (e) of subsection (1)	**DEPOSITORIES**

	of Section 2 of the Depositories Act, 1996.	**ACT, 1996**
3.	The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the company.	**SHARE CAPITAL**
4.	The Company in General Meeting, may from time to time, by an Ordinary Resolution increase the capital by the creation of new shares, the increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any share of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Directors shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company in conformity with Sections 47 of the Act.	**INCREASE IN CAPITAL**
5.	Except so far as otherwise provided by the conditions of issue or by these resents, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions herein contained, with reference, to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	**NEW CAPITAL SAME AS EXISTING CAPITAL**
6.	Subject to the provision of Section 55 of the Act, the Company shall have the power to issue Preference shares which are, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.	**REDEEMABLE PREFERENCE SHARES**
7.	On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof the following provisions shall take effect: a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of other proceeds of fresh issue of shares made for the purpose of redemption. b) no such shares shall be redeemed unless they are fully paid. c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed. d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall out of profits which would otherwise have been available for dividends be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provision of the Act relating to the reduction of the share capital of the Company shall except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.	**PROVISION TO APPLY ON ISSUE OF REDEEMABLE PREFERENCE SHARES**
8.	a) The Company may (subject to the provisions of Sections 52, 55, 66 the Act) from time to time by Special Resolution reduce its capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorized by law, and in particular capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted b) Notwithstanding anything contained in sub-clause (a) above, in the event it is permitted by the Law and subject to such limits, terms, conditions and consents as may be prescribed and laid down for the purpose, the Company shall have the power to buy-back its own shares, whether or not there is any consequent reduction of Capital. If and to the extent permitted by Law, the Company shall also have the	**REDUCTION OF CAPITAL**

	power to re-issue the shares so bought back.	
9.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, consolidate all or any of its share capital into shares of larger amount than its existing shares or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the memorandum and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others or other. Subject to as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	**SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARES**
10.	If at any time, share capital of the company, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise provided, by the terms of issue of the shares of that class) may subject to the provisions of Sections 48 of the Act and whether or not the Company is being wound-up be varied, modified commuted, affected or abrogated with the consent in writing of the holders of three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. This Article shall not derogate from any power which the Company would have if these Articles were, omitted. The provision of these articles relating to general meetings shall mutatis mutandis, apply to every such separate meeting but so that if at any adjourned meeting of such holders a quorum as defined above is not present, those persons who are present shall be the quorum.	**MODIFICATION OF RIGHTS**
11.	Subject to the provisions of Sections 66 (inclusive) of the Act, the Board may accept from any member on such terms and conditions as shall be agreed a surrender of all or any of his shares	**BOARD MAY ACCEPT SURRENDER OF SHARES**
12.	The Company shall keep a Register and Index of Members in accordance with Section 88 of the Act and the details of the members holding shares both in material and dematerialized form in any media as permitted by law including electronic media. The Company shall also be entitled to keep in any state or country outside India a Branch Register of Members resident in that state or country	**SHARES AND CERTIFICATES** **REGISTER AND INDEX OF MEMBERS**
13.	a) The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. b) Nothing contained in sub-clause (a) above, shall apply to shares held in the Depository form.	**SHARES TO BE NUMBERED PROGRESSIVELY AND NO SHARE TO BE SUB-DIVIDED**
14.	The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely: I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date. (b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.	**FURTHER ISSUE OF CAPITAL**

	(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right. d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company. II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any. III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by: (a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and (b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.	
15.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.	**SHARES UNDER CONTROL OF DIRECTORS**
16.	In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 14 and 15, the Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.	**POWER ALSO TO COMPANY IN GENERAL MEETING TO ISSUE SHARES**
17.	Subject to these Articles and the provisions of the Act, the Board may issue and allot shares in the capital of the Company as payment or in consideration or as part payment or in part consideration of the purchase or acquisition of any property or for services rendered to the Company in the conduct of its business and shares which may be so issued or allotted shall be credited or deemed to be credited as fully paid up shares. As regards all allotments, from time to time made, the Board	**ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH**

	shall duly comply with Section 39 of the Act.	
18.	Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Articles be a Member.	**ACCEPTANCE OF SHARES**
19.	The money, if any, which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall, immediately on the insertion of the name or the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.	**DEPOSIT AND CALL ETC., TO BE A DEBT PAYABLE IMMEDIATELY**
20.	Amount paid in advance of calls may entail a right for interest but will not confer a right to dividend or to participate in the profits of the company.	**CALL IN ADVANCE**
21.	Every, member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amount, at such time or times, and in such manner as the Company's, regulations require or fix for the payment thereof.	**LIABILITY OF MEMBERS**
22.	The company will have a first and paramount lien upon all the shares (other than full paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys whether presently payable or not) called or payable at fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonus from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause	
23.	(a) Every member or allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issue of letters of acceptance or of renunciation or in case of issue of bonus shares. Every such certificate shall subject to the provisions of the Act be issued within a period of two months from the date of allotment and within fifteen days after application for registration of the transfer of any share or debenture under the seal of the company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two directors or their Attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or a whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. b) Any two or more joint allottees of a share shall for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to anyone of such joint owners on	**SHARE CERTIFICATES**

	behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound to prescribe charge not exceeding Rupee one. The Company shall comply with the provisions of the Act. c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipments or other material used for the purpose. d) Share/Debenture Certificates shall be issued in marketable lots and where Share/Debenture Certificate are issued for either more or less than marketable lots, subdivision/ consolidation into marketable lots shall be done free of charge. e) The Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialized form. f) Notwithstanding anything contained in these articles, the Board shall not accept application(s) for subdivision or consolidation of shares or debentures or bonds into denominations of less than marketable lots except when such a subdivision or consolidation is required to be made to comply with a statutory order or an order of a competent court of law or a request from a member to convert his holding of odd lots of shares or debentures or bonds into transferable/marketable lot subject, however to verification by the Company.	
24.	a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or where the cages on the reverse for recording transfer have been duly utilized, unless the certificate in lieu of which it is issued is surrendered to the Company. b) When a new share Certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "issued in lieu of share certificate No. sub-divided/replaced/on consolidation of shares". c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity as to the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit. d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate" issued in lieu of share certificate No. The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate. e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column. f) All blank forms to be issued for issue of share certificate shall be printed and the	**RENEWAL OF SHARE CERTIFICATE**

	printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of those forms to the Board. g) The Managing Director of the Company for the time being or if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificate referred to in clause (f) of this Article. h) All books referred to in clause (g) of this Article shall be preserved in good order permanently.	
25.	If any share stands in the names of two or more persons, the person first named in the Register shall, as regards receipts of dividends or bonus or service of notice and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all installment and calls due in respect of such share and for all incidents thereof according to the Company's regulations.	**THE FIRST NAMED OF JOINT-HOLDERS DEEMED SOLE HOLDER**
26.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more person or the survivor or survivors of them.	**COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER**
27.	a)Notwithstanding anything herein contained, a person whose name is at any time entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share, shall, within such time and in such form as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in such manner as may be provided in Section 89ofthe Act. b) A person who holds a beneficial interest in a share or a class of shares of the Company shall, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in Section 89 of the Act. c) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall, within the time prescribed from the date of such, change make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 89 of the Act. d) Notwithstanding anything contained in the Act and Articles hereof, where any declaration referred to above is made to the Company, the Company shall make a	**DECLARATION BY PERSON NOT HOLDING BENEFICIAL INTEREST IN ANY SHARE**

	note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration. e) Nothing contained in Section 89 of the Companies Act, 2013 shall apply to transfer of security affected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository	
28.	Subject to the provision of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company or procuring, or agreeing to procure subscription (whether absolute or conditional) for any share or debentures in the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	**UNDERWRITING AND BROKERAGE COMMISSION MAY BE PAID**
29.	Subject to provisions of the act, The Company may pay a reasonable sum for brokerage.	**BROKERAGE**
30.	Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant.	**INTEREST OUT OF CAPITAL INTEREST MAY BE PAID OUT OF CAPITAL**
31.	The Company shall keep a Register of Transfers and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share.	**TRANSFER AND TRANSMISSION OF SHARES AND REGISTER OF TRANSFERS**
32.	A transfer of shares in the Company shall be by an instrument of transfer in writing in the prescribed form and shall be duly stamped and delivered to the Company in accordance with the provisions of the Act.	**INSTRUMENT OF TRANSFER**

33.	a) The instrument of transfer shall be accompanied by such evidence as the board may require to prove the title of transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the company until destroyed by order of the Board. The transferor shall be deemed to be the older of such shares until the name of the transferee shall have been entered in the register of Members in respect thereof. Before the registration of transfer the certificate of the shares must be delivered to the Company. Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. b) The company shall effect transfer, transmission, sub-division or consolidation within 15 days from the date of lodgement of documents. c) Notwithstanding anything contained in the Articles of Association, in the case of transfer of shares or other marketable securities, where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply.	**TRANSFER FORM TO BE COMPLETED AND PRESENTED TO THE COMPANY**
34.	The Board shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated to close the Transfer Books, Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year	**TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED**
35.	Where in the case of partly paid shares, an application for registration is made by the transferor; the Company shall give notice of the application to the transferee in accordance with the provisions of the Act.	**NOTICE OF APPLICATION WHEN TO BE GIVEN**
36.	In case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other persons.	**DEATH OF ONE OR MORE JOINT-HOLDERS OF SHARES**
37.	The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint-holders) shall be the only persons recognized by the Company as having any title to the share registered in the name of such member and the Company shall not be bound to recognize such executors or administrators or holder or a Succession Certificate or the legal representatives unless they have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be from a duly constituted Court in the Union of India, provided that in any case where the Board in its absolute discretion, thinks fit, it may dispense with production of Probate or Letters of Administration or Succession Certificate upon such terms as to indemnify or otherwise as the Board in its absolute discretion may think necessary and under Article 36, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member.	**TITLE OF SHARES OF DECEASED MEMBER**
38.	No share shall in any circumstance be subscribed for transfer to any infant, minor, insolvent or person of unsound mind.	**NO TRANSFER TO MINOR ETC**

39.	Subject to the provisions of the Act and Articles 34 and 35 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some persons nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.	**REGISTRATION OF PERSONS ENTITLED TO SHARES OTHERWISE THAN BY TRANSFER**
40.	A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends of money as hereinafter provided, be entitled to receive any and may give discharge for any dividends or other moneys payable in respect of the share.	**PERSONS ENTITLED MAY RECEIVE DIVIDEND WITHOUT BEING REGISTERED AS MEMBER**
41.	a) No fee shall be charged for : i) Registration of transfer of the Company's shares and debentures; ii) sub-division and consolidation of shares and debenture certificates and for subdivision of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations corresponding to the market units of trading; iii) Sub-division of renounceable letters of right; iv) issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfer have been fully utilized; v) Registration of any power of attorney, probate, letters of administration or similar other documents. b) Fees as agreed upon with the Stock Exchanges will be charged for i) issue of new certificates in replacement of those that are torn, defaced, lost or destroyed; ii) Sub-division and consolidation of shares and debenture certificates and for subdivision of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations other than those fixed for the market unit of trading.	**FEE ON REGISTRATION OF TRANSFER, PROBATE, ETC**
42.	The company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or to be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.	**COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF A TRANSFER**
43.	The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary	**BORROWING POWERS POWER TO**

	loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security. Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.	**BORROW**
44.	Any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at general meetings, appointment of Directors and otherwise. Bonds or debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a Special Resolution.	**TERMS OF ISSUE OF BONDS, DEBENTURES**
45.	The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of, Sections 77 to 85 of the Act in that behalf to be duly complied with so far as they fall to be complied with by the Board.	**REGISTER OF MORTGAGES, ETC. TO BE KEPT**
46.	The Company shall, if at any time issues debentures, keep a Register and Index of debenture- holders in accordance with Section 88 of the Act and the details of the members holding debentures both in material and dematerialized form in any media as permitted by law including electronic media. The Company shall also be entitled to keep in any state or country outside India a Branch Register of debenture-holders resident in that state or country.	**REGISTER AND INDEX OF DEBENTURE HOLDER**
47.	The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and the next Annual General Meeting shall be held within six months after the expiry of the financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that	**MEETINGS OF MEMBERS ANNUAL GENERAL MEETING**

	of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of 96 of the Act to extend the time within which any Annual General Meeting may be held.	
48.	The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as at that date arries the right of the voting in regard to the matter in respect of which the requisition has been made.	**EXTRAORDINARY GENERAL MEETING**
49.	Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requistionists and be eposited at the office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.	**REQUISITION OF MEMBERS TO STATE OBJECT OF MEETING**
50.	Upon receipt of any such requisition, the Board shall forthwith call an extraordinary General Meeting and if they do not proceed within twenty one days from the date of the requisition being deposited at the office cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.	**ON RECEIPT OF REQUISITION, DIRECTORS TO CALL MEETING, IN DEFAULT REQUISITIONISTS MAY DO SO**
51.	Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.	**MEETING CALLED BY REQUISITIONISTS**
52.	a. Twenty-one days' notice at least of every General Meeting, Annual, Extraordinary, and by whomsoever called specifying the day, date, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting. b. All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid. c. Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that	**LENGTH OF NOTICE AND NATURE OF BUSINESS**

	other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.	
53.	The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.	**OMISSION TO GIVE NOTICES NOT TO INVALIDATE A RESOLUTION PASSED**
54.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.	**MEETING NOT TO TRANSACT BUSINESS NOT MENTIONED IN NOTICE**
55.	The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business: Number of member's up to 1000: 5 members personally present Number of members 1000-5000: 15 members personally present Number of members more than 5000: 30 members personally present.	**QUORUM AT GENERAL MEETING**
56.	A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.	**BODY CORPORATE DEEMED TO BE PERSONALLY PRESENT**
57.	If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company— (a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or (b) The meeting, if called by requisitionists under section 100, shall stand cancelled If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum. In case of an adjourned meeting or of a change of day, time or place of meeting under clause (a), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.	**IF QUORUM NOT PRESENT, MEETING TO BE DISSOLVED OR ADJOURNED**
58.	The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting, whether annual or extraordinary. If at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair, then the Vice-Chairman of the Board of Directors shall be entitled to take the chair, at such General Meeting. If at any meeting the Vice- Chairman shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair, then the Directors present shall elect any Director present and willing to take the chair as Chairman, and if no Director be present or if all the Directors present decline to take the chair, then the members present shall elect one of their member to be the Chairman of such meeting.	**CHAIRMAN OF GENERAL MEETING**

59.	No business shall be discussed at any General Meeting except the election of a Chairman whilst the chair is vacant.	**BUSINESS CONFINED TO THE ELECTION OF CHAIRMAN WHILST CHAIR VACANT**
60.	The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city or town in which the office of the company is for the time being situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	**CHAIRMAN WITH CONSENT MAY ADJOURN MEETING**
61.	At any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on declaration of the result of the show of hands/e-voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution.	**QUESTIONS AT GENERAL MEETING HOW DECIDED**
62.	In the case of an equality of votes, the Chairman shall, both on a show of hands or electronically and at poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member	**CHAIRMAN'S CASTING VOTE**
63.	If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.	**POLL TO BE TAKEN IF DEMANDED**
64.	Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting forthwith.	**IN WHAT CASE POLL BE TAKEN WITHOUT ADJOURNMENT**
65.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	**DEMAND FOR POLL NOT TO PREVENT TRANSACTION OF OTHER BUSINESS**
66.	a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board. b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company. c) The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, for such period not being less in the aggregate than two hours in each days as the Directors determine to inspection of any member without charge.	**MINUTES OF MEETINGS MINUTES OF GENERAL MEETING AND INSPECTION THEREOF BY MEMBERS**
67.	Subject to the provisions of the Companies Act, 2013, the number of Directors shall not be less than three and not more than fifteen	**DIRECTORS NUMBER OF DIRECTORS**

68.	The following persons are the first Directors of Company: 1) JAIN MOTI LAL 2) JAIN SUKHNANDAN 3) JAIN SHAILENDRA 4) JAIN SUNIL	**FIRST DIRECTORS**
69.	Subject to the provisions of Section 152 of the Act, not less than two-thirds of total number of Directors of the Company shall: a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and b) save as otherwise expressly provided in the Act, be appointed by the Company in General Meeting.	**DIRECTORS OF THE COMPANY**
70.	Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Banks or a State Finance Corporation or any Financial Institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by Central Government or State Government by themselves or by any agency nominated by the central government (each of the above is hereinafter this Article referred to as "the Corporation") out of any loan/debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/ Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non whole-time (which Director or Directors, is/are hereinafter referred to as Nominee Directors) on the board of the Company and to remove from such office any person or persons so appointed and to appoint any person in his or their place/s. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The corporation shall also be entitled to receive all such notices and minutes. The Board of Directors of the company shall have no power to remove from office the Nominee Director/s. Subject as aforesaid; the Nominee Director/s shall be entitled to the same rights privileges and subject to the same obligations as any other Director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Directors so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to Corporation or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation. The company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fees, commission monies and remuneration in the relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the company directly to Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer	**APPOINTMENT OF NOMINEE DIRECTORS**

	of the Corporation, the sitting fees in relation to such Nominee Director/s shall also accrue to the corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided also that in the event of the Nominee Director/s being appointed as whole time Director/s, such Nominee Director/s shall exercise such power and duties as may be approved by the Corporation and have such rights as are exercised or available to whole time director in the management of the affairs of the Company. Such whole-time Director(s) shall be entitled to receive such remuneration, fee, commission, and monies as may be approved by the Corporation.	
71.	Whenever the Directors enter into a contract with any Government, Central, State or local authority, Institution or any person or persons for borrowing any money or for providing any guarantee of security or for technical collaboration of assistance or for underwriting or enter into any other arrangement whatsoever, the Directors shall have subject to the provisions of the Act, the power to agree that such government authority, institution, person or persons shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may also agree that any such Director or Directors may be removed from time to time by the Government, institution, person or persons entitled to appoint or nominate them and such person or persons may appoint another or others in his or their place and also fill in any vacancy, which occurs as a result of any such Director or Directors ceasing to hold that office for any reason whatever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including the payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with such person or persons aforesaid.	**POWER TO APPOINT EX-OFFICIO DIRECTORS**
72.	If it is provided by the Trust Deed securing or otherwise, in connection with any issue of debenture of the Company that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be liable to retire by rotation.	**DEBENTURE DIRECTORS**
73.	The Board may, in accordance with and subject to the provision of Section 161of the Act, appoint an Alternate Director to act for a Director during latter's absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office, if and when the original Director returns, to India. If the term of office of the original Director is determined before he so returns, any provisions in the Act or in these Articles for the automatic reappointment of a retiring Director in default of another appointment shall apply to the original Director and not the alternate Director.	**APPOINTMENT OF ALTERNATE DIRECTOR**
74.	Subject to the provisions of 161 of the Act the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 67. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting.	**DIRECTOR'S POWER TO ADD TO THE BOARD**

75.	The Board of Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or Clause 49 of Listing Agreement, whichever is higher, from time to time) Independent directors shall possess such qualification as required under Section 149 of the Companies Act, 2013 and Clause 49 of Listing Agreement. Independent Director shall be appointed for such period as prescribed under relevant provisions of the Companies Act, 2013 and Listing Agreement and shall not be liable to retire by rotation	**INDEPENDENT DIRECTORS**
76.	The Board of Directors shall appoint one women director as per the requirements of Section 149 of the Act.	**WOMEN DIRECTOR**
77.	Subject of the provisions of the Act, the Board shall have power at any time to appoint any other person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only upto the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.	**DIRECTOR'S POWER TO FILL CASUAL VACANCIES**
78.	a. Subject to the provisions of the Act, a chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of are solution of the Board. b. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer subject to provisions of the Act. c. The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.	**KEY MANAGERIAL PERSONNEL**
79.	a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made there under. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings. b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit. c. Subject to the provisions of the Act, the Company in General Meeting may by pecial Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held	**REMUNERATION OF DIRECTORS**

	office respectively as such Directors. d. Subject to the provisions of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.	
80.	The continuing Director may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the minimum, the continuing Directors not being less than two may act for the purpose of increasing the number of Director to that number, or of summoning a General Meeting, but for no other purpose.	**DIRECTOR MAY ACT NOTWITHSTANDING ANY VACANCY**
81.	The office of a Director shall be vacated if: 1. He is found to be unsound mind by a Court of competent jurisdiction; 2. He applies to be adjudicated as an insolvent; 3. He is an undercharged insolvent; 4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence; 5. He fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the Payment of the call; 6. An order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force. 7. He has not complied with Subsection (3) of Section 152 8. He has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years. 9. He absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board; 10. He acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184. 11. He becomes disqualified by an order of a court or the Tribunal 12. He is removed in pursuance of the provisions of the Act, 13. Having been appointed a Director by virtue of holding any office or other employment in the company, he ceases to hold such office or other employment in the Company; notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect: 1. for thirty days from the date of the adjudication, sentence or order; 2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or 3. Where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.	**WHEN OFFICE OF DIRECTORS TO BECOME VACANT**

82.	Subject to the provisions of Section 188 of the Act and other limitations, if any, prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.	**DIRECTOR MAY CONTRACT WITH COMPANY**
83.	A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in 184 of the Act. Provided that it shall not be necessary for a director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.	**DISCLOSURE OF INTEREST**
84.	A general notice given to the Board by the directors to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any notice shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.	**GENERAL NOTICE OF DISCLOSURE OF INTEREST**
85.	At every Annual General Meeting of the Company, one third of such of the Directors, for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. In the following Articles 'a Retiring Director' means a Director retiring by rotation. The Company shall company with the provisions of Section 152 in this regard.	**RETIREMENTS AND ROTATION OF DIRECTORS**
86.	a) If the place of the retiring Director is not so filled up and the meeting had not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place. b) If at the adjourned meeting also it has been not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless, i. at that meeting or at the previous meeting resolution for the reappointment of such Director has been put to the meeting and lost; ii. The retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed; iii. He is not qualified or is disqualified for appointment; iv. A resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or v. the provision to 162 of the Act is applicable to the case.	**PROVISION IN DEFAULT OF APPOINTMENT**
87.	Subject to of the Act, the Company may, by ordinary resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may (subject to the provision of Section 169 of the Act) remove any Director before the expiration of his period of office and appoint another person instead. The person so appointed shall hold office during such time as Director in whose place he is appointed would have held the same if he had not been removed.	**COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS**

88.	a) No person not being a retiring Director shall be eligible for appointment to the office of Director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office along with deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director gets more than 25% of total valid votes cast either on show of hands or on poll on such resolution. b) Every person other than a Director or a person who has left at the office of the Company a notice under 160 of the Act signifying his candidature for the office of a Director posted as a candidate for the office of a Director shall sign and file with the Company, the consent in writing to act as a Director, if appointed. c) A person other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of Director under the Act immediately on the expiry of his term of office, shall not act as a Director of the Company, unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.	**NOTICE OF CANDIDATE FOR OFFICE OF DIRECTOR EXCEPT IN CERTAIN CASES**
89.	a) The company shall keep at its office a Register containing the particulars of its Directors, Manager, Secretary and other persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respect.	**REGISTER OF DIRECTORS ETC., AND NOTIFICATION OF CHANGE TO REGISTRAR**
90.	Every Director including a person deemed to be a Director by virtue of the Explanation to 170 of the Act, Manager, or Secretary of the Company shall within twenty days of his appointment to any of the above office in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under Section 170 of the Act.	**DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE**
91.	The Company shall not appoint any person as its Director if: a) He has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force; b) He is an undischarged insolvent; c) He has applied to be adjudicated as an insolvent and his application is pending; d) He has been convicted by a Court of any offence whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not Less than six months, and a period of five years has not elapsed from the date of expiry of the sentence; e) he has not paid any call in respect of shares of the Company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call; or f) An order disqualifying him for appointment as Director has been passed by a Court and it is in force g) He has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years h) He has not complied with sub-section (3) of section 152 No person who is or has been a director of a company which— (a) Has not filed financial statements or annual returns for any continuous period of	**DISQUALIFICATIO N OF DIRECTORS**

	three financial years; or (b) has failed to repay the deposits accepted by it or pay interest thereon or toredeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.	
92.	Subject to the provisions of the Act and of these Articles, the Board shall have the power to appoint from time to time any of its members as Managing Director or Managing Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and subject to the provisions of the act, the Board may by resolution vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director may be by way of monthly payment, fee for such meeting or participation in profits or by any or all of these modes or any other mode not expressly prohibited by the Act.	**THE BOARD MAY APPOINT MANAGING DIRECTOR**
93.	A Managing Director shall not while he continues to hold that office be subject to retirement by rotation in accordance with Article 85 if he ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director	**SPECIAL POSITION OF MANAGING DIRECTOR**
94.	a) The Directors may meet together as a Board for dispatch of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year with a maximum time gap of 120 days between two meetings. The Directors may adjourn and other wise regulate their meetings as they think fit. b) Subject to the provisions of Section 173, the Board and/or the Committees of the Board may, if the circumstances warrant, meet and/or discuss, resolve by means of telephone, fax, electronic mail, television or through any other audio-visual links known as audio and/or video conferencing instead of physical meetings.	**PROCEEDINGS OF THE BOARD OF DIRECTORS MEETING OF DIRECTORS**
95.	At least seven days notice of every meeting of the Board shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director provided however that in the case of a Director resident outside India, notice of every meeting of the Board shall also be given to such Director at his address outside India and to his alternate, if any, in India at his usual address in India. Such notice shall be accompanied by the agenda setting out the business proposed to be transacted at the meeting of the Board. Provided that a meeting of the Board may be convened in accordance with Article 52 by a shorter notice in the case of an emergency or if special circumstances so warrant, subject to compliance with provisions of the Act.	**NOTICE OF MEETINGS**
96.	Subject to provisions of the Act, the quorum for a meeting of the Board shall be one third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one-third being rounded of as one) or two Directors, whichever is higher, provided, that where at any time the number of interested Director exceeds or is equal to two-thirds of the total strength in number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time.	**QUORUM**

97.	If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned to such other date and time (if any) as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.	**ADJOURNMENT OF MEETING FOR WANT OF QUORUM**
98.	The Secretary shall, as and when directed by the Chairman or Vice Chairman or by a Director or Directors to do so, convene a meeting of the Board by giving a notice in writing to every Director.	**WHEN MEETING TO BE CONVENED**
99.	a) The Board may appoint from amongst its members a Chairman, and a Vice Chairman. b) The Chairman of the Board shall be entitled to take the chair at every meeting of the Board. If at any meeting of the Board the Chairman shall not be present within fifteen minutes of the time appointed for holding the same or if he be unable or unwilling to take the chair then the Vice Chairman shall be entitled to take the chair at such Board Meeting.	**CHAIRMAN AND VICE CHAIRMAN**
100.	A meeting of the Board for the time being in which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.	**POWERS OF THE BOARD MEETING**
101.	Subject to the provisions of the Act and the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to committees of the Board consisting of such members or of its body as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise shall have the like force and effect as if done by the Board.	**DIRECTORS MAY APPOINT COMMITTEE**
102.	No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed and has been approved by a majority of the directors or members, who are entitled to vote on the resolution. Company shall comply with provisions of Section 175 in this regard.	**RESOLUTIONS BY CIRCULATION**
103.	All acts done by any meeting of the Board or by a committee of the Board, or by any person acting, as a Director shall notwithstanding that it shall afterwards be discovered that there is some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated, provided that nothing in this Article shall be deemed to give validity to Acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.	**ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT**
104.	i) The company shall cause minutes of all proceedings of every meeting of the Board and committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered. ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of every meeting in such books shall be dated and signed by	**MINUTES OF PROCEEDINGS OF MEETINGS OF BOARD**

	the Chairman of the said meeting or the Chairman of the next succeeding meeting. iii) In no case shall the minutes of proceedings of a meeting be attached to any such books as aforesaid by pasting or otherwise. iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. v) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings. vi) The minutes shall also contain: a. the names of the Directors present at the meeting; and b. in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution. vii) Nothing contained in sub-clauses (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting; a. is or could reasonably be regarded as defamatory of any person. b. is irrelevant or immaterial to the proceedings, or c. is detrimental to the interests of the company The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in minutes on the grounds specified in this sub clause. viii) Minutes of meeting kept in accordance with aforesaid provisions shall be evidence of the proceedings recorded therein	
105.	The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of this Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.	**POWERS OF DIRECTORS**
106.	Without prejudice to the general powers conferred by the Article 105 and so as not in any way to limit or restrict those powers conferred by these Articles, but subject to the restrictions contained in the Article 105, it is hereby declared that the Directors shall have the following powers, that is to say, power: 1. To pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the company. 2. To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of the Act. 3. Subject to the provisions of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit, and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. 4. At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures, mortgages, or other securities of the Company, and any such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital	**CERTAIN POWERS OF THE BOARD**

	or not so charged. 5. To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit. 6. To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed. 7. To appoint any person to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purpose, and to execute and do all such deeds and things as may be required in relation to any trust and to provide for the remuneration of such trustee or trustees. 8. To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon. 9. To act on behalf of the Company in all matters relating to bankrupts and insolvents. 10. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company. 11. Subject to the provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being shares of this Company), or without security and in such manner as they may think fit and from time to vary or realize such investments, save as provided in 187 of the Act, all investments shall be made and held in the Company's own name. 12. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability, whether as principal or surety, for the benefit of the Company, such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon. 13. To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases contracts and documents and to give the necessary authority for such purpose. 14. To distribute by way of bonus amongst the staff of the Company a share or shares in the profit of the Company and to give to any officer or other persons employed by the Company a commission on the profits of any particular business or transactions and to charge such bonus or commission as part of the working expenses of the Company. 15. To provide for the welfare of Directors or ex-Directors or ex-employees of the Company and their wives, widow and families or dependents or connections of such persons, by building or contributing to the building of houses, dwellings or\ chaws, or by grants of money, pension, gratuities, allowances, bonus or other payments, or	

	by creating, and from time to time subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the company, either by reason of locality of operation, or of public and general utility or otherwise. 16. Before recommending any dividend, to set aside out of the profits of the Company, such sum as they may think proper for depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture-stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Board may, in its absolute discretion think conducive to the interest of the Company and subject to the provisions of the Act to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the reserve fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the funds including the depreciation of debentures or debenture-stock and without being bound to pay interest on the same with power, however, to the Board at its discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine per cent per annum. 17. To appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following subclasses shall be without prejudice to the general powers conferred by this sub clause. 18. To comply with the requirements of any local law which in their opinion it shall in the interest of the Company is necessary or expedient to comply with. 19. From time to time and at any time to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local boards, and to fix their remuneration. 20. Subject to provisions of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make call or to make loans or	

	borrow moneys, and to authorize the members for the time being of any such local board, or any of them, to fill up any vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed and may annul or vary any such delegation. 21. At any time and from time to time by power of attorney under the seal of the Company, to appoint, any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the members of any local board, established as aforesaid or in favour of any company, or the shareholders, directors, nominee or managers, of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such powers of the protection or convenience of persons dealing with such attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them. 22. Subject to the provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deed and things in the name and on behalf of the Company's they may consider expedient. 23. From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.	
107.	The Directors may from time to time appoint, and at their discretion, remove the Secretary provided that where the paid-up capital of the Company is more than or equal to the limit prescribed under Section 203 of the Act read with the relevant rules made there under and as amended from time to time, it shall have a whole time secretary. The Directors may also at any time appoint some person (who need not be the secretary) to keep the registers required to be kept by the Company.	**THE SECRETARY**
108.	a) The Board shall provide a common seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the seal for the time being, and the seal shall never be used except by the authority of the Board or a Committee of the Board previously given. b) The company shall also be at liberty to have an official seal in accordance with of the provisions of the Act, for use in any territory, district or place outside India.	**THE SEAL, ITS CUSTODY AND USE**
109.	Every deed or other instrument to which the seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose provided that in respect of the share certificate the seal shall be affixed in accordance with Articles hereof.	**DEEDS HOW EXECUTED**
110.	The Profits of the Company, subject to any special rights relating thereto created or authorized to be created by these Articles and subject to the provisions of these Articles and the Act shall be divisible among the members in proportion to the amount of capital paid or credited paid-up on the shares held by them respectively.	**DIVISIONS OF PROFITS**

111.	The company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the Company in General Meeting may declare smaller dividend.	**THE COMPANY IN GENERAL MEETING MAY DECLARE A DIVIDEND**
112.	No dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of 123 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that: a) If the Company has not provided for depreciation for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years; b) If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of 123 of the Act or against both.	**DIVIDENDS ONLY TO BE PAID OUT OF PROFITS**
113.	The Board may, from time to time, pay to the members such interim dividend as in their judgment the position of the Company justifies.	**INTERIM DIVIDEND**
114.	Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participation in profits.	**CAPITAL PAID - UP IN ADVANCE AND INTEREST, NOT TO EARN DIVIDEND**
115.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.	**DIVIDENDS IN PROPORTION TO AMOUNT PAID-UP**
116.	A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer	**TRANSFER OF SHARE MUST BE REGISTERED**
117.	Unless otherwise directed any dividend may be paid by cheques or warrant or by a pay slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint holders to that one of them first named in the register in respect of the joint holding. Every such cheque or warrant or pay slip or receipt lost in transmission, or for any dividend lost to the member or persons entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay slip or receipt or the fraudulent recovery of the dividend by any other means.	**DIVIDENDS HOW REMITTED**
118.	Subject to the provisions of 123 to 127 of the Act, no unpaid dividend shall bear interest as against the Company.	**INTEREST ON UNPAID DIVIDEND**
119.	No unclaimed dividend shall be forfeited by the Board and the dividends unclaimed will be dealt with in accordance with the provisions of 123, 124 or other provisions, if any of the Act as may be applicable from time to time.	**UNCLAIMED DIVIDEND**

120.	Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend may, if so arranged between the Company and the member, be set off against the calls.	**DIVIDEND AND CALL TOGETHER**
121.	a) The Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the reserve fund, or any Capital Redemption Reserve Accounts, or in the hands of the Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the Share Premium Account) be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum provided that a Share Premium Account and Capital Redemption reserve account may, for the purpose of this Article, only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus share. b) A General Meeting may resolve that any surplus money arising from the realization of any capital assets of the Company or any investment representing the same or any other undistributed profits of the Company not subject to charge for income-tax be distributed among the members on the footing that they receive the same as capital. c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Articles the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates.	**CAPITALISATION**
122.	The Company shall keep at the office or at such other place in India as the Board thinks fit, proper books of accounts in accordance with Section 128 of the Act with respect to: a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditures take place; b) all sales and purchases of goods by the Company. c) the assets and liabilities of the Company.	**ACCOUNTS** **DIRECTORS TO KEEP TRUE ACCOUNTS**
123.	Where the Board decides to keep all or any of the books of accounts at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such books of account. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office and proper summarized returns, made up-to-date at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's books of account are kept as aforesaid. The books of accounts shall give a true and fair view of the state of affairs of the Company or branch office as the case may be, and explain its transactions. The books of accounts and other books and papers shall be open to inspection by any Director during business hours.	**ACCOUNTS**

124.	The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being directors and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorized by the Board.	**INSPECTION OF ACCOUNTS OR BOOKS BY MEMBERS**
125.	The Directors shall from time to time, in accordance with Sections 129, 133, 134 and other provisions of the Act cause to be prepared and to be laid before the Company in General Meeting, such Financial Statements and other reports as are required by the Act.	**STATEMENT OF ACCOUNTS TO BE FURNISHED TO GENERAL MEETING**
126.	a) A copy of every such financial statement (including the Auditors' Report and every other documents required by law to be annexed or attached to them), shall at least twenty one days before the meeting at which the same are to be laid before the members be sent to the members of the company, to holders of debentures issued by the Company (not being debentures which ecstatic are payable to the bearer thereof), to trustees for the holders of such debentures and to all persons entitled to receive notice of General Meeting of the Company. b) Without prejudice to the generality of the above provisions the company may; if its shares are listed at any recognized Stock Exchange make available for inspection at its registered office for a period not exceeding twenty one days before the date of the meeting and send a statement containing the salient features of such documents in the prescribed forms or copies thereof as the Company may deem fit to every member of the Company and to every trustee for the holder of any debenture issued by the Company not less than 21 days before the date of the meeting	**COPIES SHALL BE SENT TO EACH MEMBER**
127.	Every financial statement of the Company when audited and approved by the Company at an Annual General Meeting shall be conclusive except as regards any error discovered therein. Whenever any such error is discovered the financial statement shall forthwith be corrected by the Board and henceforth shall be conclusive.	**AUDITED AND APPROVED FINANCIAL STATEMENT TO BE CONCLUSIVE EVIDENCE**
128.	Auditors shall be appointed and their rights and duties regulated in accordance with Sections 139 to 143, and 145 to 148 of the Act.	**AUDIT ACCOUNTS TO BE AUDITED**
129.	The Liquidator on any winding-up (whether voluntary, under supervision of the Court of compulsory) may, with the sanction of Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit.	**WINDING UP LIQUIDATOR MAY DIVIDE ASSETS IN SPECIE**
130.	Subject to Section of the Act, every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company, against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is granted to him by the Company.	**INDEMNITY AND RESPONSIBILITY DIRECTORS AND OTHERS RIGHT OF INDEMNITY**
131.	a) Every Director, (except institution/ex-officio director) Auditor, Trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors before entering upon his duties, sign a declaration pledging himself to observes strict secrecy respecting all transactions and affairs of the Company and all matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the	**SECRECY CLAUSE**

	Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained. b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the directors or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which, in the opinion of the Director, it would be inexpedient in the interest of the Company to disclose.	
132.	a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so. b. Any ,Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt o money.	**REGISTERS, INSPECTION AND COPIES THEREOF**
133.	Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorized by its Articles, this regulation hereby authorizes and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.	**GENERAL AUTHORITY**

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Prospectus) which are or may be deemed material have been entered or to be entered into by the Company. These contracts, copies of which have been attached to the copy of the Prospectus, delivered to the Registrar of Companies Rajasthan, Jaipur or registration and also the documents for inspection referred to hereunder, may be inspected at the Registered office of the Company from 11.00 a.m. to 5.00 p.m. on working days from the date of the Prospectus until the Offer Closing Date.

Material Contracts

1. Memorandum of Understanding dated June 15, 2016 between our Company, Selling Shareholders and Hem Securities Limited as Lead Manager (LM) to the Offer.
2. Memorandum of Understanding dated June 17, 2016 executed between our Company and the Registrar to the Offer (Bigshare Services Private Limited)
3. Market Making Agreement dated July 30, 2016 between our Company, the LM and Market Maker.
4. Banker to the Offer Agreement dated July 30, 2016 among our Company, the LM, Banker to the Offer and the Registrar to the Offer.
5. Underwriting Agreement dated July 30, 2016 between our Company, the selling Shareholders, the LM and Underwriter.
6. Share Escrow Agreement dated July 30, 2016 among our Company, the Selling Shareholders, the LM and Escrow Agent.
7. Tripartite Agreement dated February 23, 2011 among CDSL, the Company and the Registrar to the Offer.
8. Tripartite Agreement dated February 11, 2011 among NDSL, the Company and the Registrar to the Offer.

Material Documents

1. Certificate of Incorporation dated October 22, 1997 issued by the Registrar of Companies, Madhya Pradesh, Gwalior. Fresh Certificate of Incorporation dated June 11, 1999 issued by the Registrar of Companies, Madhya Pradesh, Gwalior consequent upon Conversion of the Company to Public Company.

2. Fresh certificate for change in registered office has issued by Registrar of Companies, Rajasthan, Jaipur dated May 05, 2009.

3. Changes in Object Clause of Memorandum of Association vide Certificate dated March 31, 2009 issued by Registrar of Companies, Madhya Pradesh and January 13, 2015 issued by the Registrar of Companies, Rajasthan, Jaipur.

4. Certified copies of the Memorandum and Articles of Association of the Company as amended.

5. Copy of the Board Resolution dated June 04, 2016 authorizing the Offer and other related matters.

6. Copies of the Authority letters/Board Resolution provided by the Selling Shareholders.

7. Copies of Audited Financial Statements of our Company for the years ended March 31, 2016, 2015, 2014, 2013 & 2012.

8. Peer Review Auditors Report dated June 10, 2016 on Restated Financial Statements of our Company for the years ended March 31, 2016, 2015, 2014, 2013 & 2012.

9. Copy of the Statement of Tax Benefits dated June 06, 2016 from the Statutory Auditor.

10. Consents of the Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to

the Issue, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Bankers to our Company, as referred to, in their respective capacities.

11. Copy of Certificate from the Peer Review Auditors of our Company, M/s Ravi Mansaka & Associates, Chartered Accountants, dated June 10, 2016 regarding the Eligibility of the Offer.

12. Board Resolution dated June 20, 2016 for approval of Draft Prospectus and dated August 17, 2016 for approval Prospectus.

13. Due Diligence Certificate from Lead Manager dated June 20, 2016 filed with NSE and dated August 17, 2016 filed with SEBI.

14. Approval from NSE vide letter dated July 26, 2016 to use the name of NSE in this Draft Prospectus and Prospectus for listing of Equity Shares on the SME Platform of the NSE.

DECLARATION

I, the person mentioned herein below, as the Selling Shareholder, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE SELLING SHAREHOLDER:

Mr. Pankaj Ostwal	**Sd/-**

Place: - Bhilwara

Date: August 17, 2016

DECLARATION

I, the person mentioned herein below, (as the Director of Ostwal Phoschem (India) limited) as the Selling Shareholder, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY FOR OSTWAL PHOSCHEM (INDIA) LIMITED:

Mr. Mahendra Kumar Ostwal *Director* *DIN:- 00412163*	**Sd/-**

Place: - Bhilwara

Date: August 17, 2016

DECLARATION

I, the person mentioned herein below, (as the Director of Chunri Prints Private Limited) as the Selling Shareholder, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY FOR CHUNRI PRINTS PRIVATE LIMITED:

Mr. Archana Dangi *Director* *DIN:- 03510693*	**Sd/-**

Place: - Surat

Date: August 17, 2016

DECLARATION

I, the person mentioned herein below, (as the Director of Paneri Textiles Private Limited) as the Selling Shareholder, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY FOR PANERI TEXTILES PRIVATE LIMITED:

Mr. Mukesh Ostwal *Director* *DIN:- 03510701*	**Sd/-**

Place: - Surat

Date: August 17, 2016

DECLARATION

I, the person mentioned herein below, (as the Director of Seasons Agro Chem India Private Limited) as the Selling Shareholder, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY FOR SEASONS AGRO CHEM INDIA PRIVATE LIMITED:

Mr. Rajendra Kumar Babeel *Director* *DIN:- 06376054*	**Sd/-**

Place: - Bhilwara

Date: August 17, 2016

DECLARATION

I, the person mentioned herein below, as the Selling Shareholder, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE SELLING SHAREHOLDER:

Mrs. Shashi Jain & Mr. Dharmesh Mehta	**Sd/-**

Place: - Surat

Date: August 17, 2016

DECLARATION

I, the person mentioned herein below, as the Selling Shareholder, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE SELLING SHAREHOLDER:

Mrs. Shashi Jain & Mrs. Amita Mehta	**Sd/-**

Place: - Surat

Date: August 17, 2016

DECLARATION

We, the persons mentioned herein below, as Directors or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY:

Sd/- **Mr. Pankaj Ostwal** *Chairman & Managing Director* *DIN: 02586806*	**Sd/-** **Mr. Sourabh Gupta** *Whole-time Director* *DIN: 07177647*
Sd/- **Mr. Praveen Ostwal** *Non- Executive Director* *DIN: 00412207*	**Sd/-** **Mr. Sushil Kumar Surana** *Non-Executive Independent Director* *DIN: 01918651*
Sd/- **Mr. Paras Mal Surana** *Non-Executive Independent Director* *DIN: 06367348*	**Sd/-** **Mr. Arvind Kothari** *Non-Executive Independent Director* *DIN: 03268623*
Sd/- **Mrs. Aruna Kothari** *Non-Executive Independent Director* *DIN: 07535756*	

SIGNED BY -

Sd/- **Mr. Sourabh Gupta** *Chief Financial Officer*	**Sd/-** **Ms. Pallavi Sukhwal** *Company Secretary and Compliance Officer*

Place: Bhilwara
Date: August 17, 2016