**Prospectus**
Dated**:** September 21, 2017
Please read Section 26 and of the Companies Act, 2013
**100% Fixed Price Issue**

# Tirupati Forge Limited

Our Company was incorporated under the provisions of Companies Act, 1956 as 'Tirupati Forge Private Limited' in Gujarat vide Certificate of Incorporation issued by Registrar of Companies, Gujarat on August 17, 2012. Consequently, it was converted into a public limited company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on July 31, 2017 and the name of our Company was changed to Tirupati Forge Limited and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited dated August 11, 2017 was issued by Registrar of Companies, Gujarat, Ahmedabad. The Corporate Identification Number of our Company is U27320GJ2012PLC071594.For further details of Incorporation, Change of Name and Registered Office of our company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 59 and page 127 of this Prospectus.

**Registered Office**: Plot No. 1-5, Survey No. 92/1, Near Shan Cement, Hadamtala Industrial Area, Tal: Kotda Sangani Hadamtala, Rajkot 360311, Gujarat
**Corporate Identification Number:** U27320GJ2012PLC071594
**Tel. No.**: 02827-270512/13; **Fax No.** Not Available
**Contact Person:** Banashri Joshi, Company Secretary and Compliance Officer
**Email:** info@tirupatiforge.com; **Website:** www.tirupatiforge.com

**PROMOTERS OF OUR COMPANY: HITESH THUMMAR, AJAY SARDHARA AND BHARGAVI THUMMAR**

**THE ISSUE**

**PUBLIC ISSUE OF 18,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF TIRUPATI FORGE LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 29/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 19/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS. 522.00 LAKHS ("THE ISSUE"), OF WHICH 92,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 29/- PER EQUITY SHARE, AGGREGATING RS. 26.68 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 17,08,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 29/- PER EQUITY SHARE, AGGREGATING RS. 495.32 LAKHS IS HEREINAFTER REFERED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.97% AND 29.39% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE OF RS. 29 IS 2.9 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.**

**In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same.** For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 221 of this Prospectus. A copy has been delivered for registration to the Registrar as required under Section 26 of the Companies Act, 2013.

**THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI (ICDR) REGULATIONS").** For further details please refer the section titled '*Issue Information'* beginning on page 212 of this Prospectus.

**RISKS IN RELATION TO FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs. 10 and the Issue price of Rs. **29**/- per Equity Share are 2.9 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in the chapter titled '*Basis for issue Price*' beginning on page 88 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and / or sustained trading in the Equity Shares 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 issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the Company and this issue, including the risks involved. The Equity Shares issued in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. **Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 16 of this Prospectus.**

**COMPANY'S ABSOLUTE RESPONSIBILITY**

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this issue, which is material in the context of this Issue, 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 or inclusion 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.

**LISTING**

The Equity Shares of our Company issued through this Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (''NSE EMERGE"'). In terms of the Chapter XB of the SEBI ICDR Regulations, 2009 as amended from time to time, our Company has received an approval letter dated September 20, 2017 from National Stock Exchange of India Limited for using its name in this issue document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this issue, EMERGE Platform of the National Stock Exchange of India Limited shall be the Designated Stock Exchange.

| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|---|---|
| **PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**<br>406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India<br>**Tel**: +91-22 61946719<br>**Fax**: +91-22 2659 8690<br>**Website:**www.pantomathgroup.com<br>**Email:** ipo@pantomathgroup.com<br>**Investor Grievance Id:** ipo@pantomathgroup.com<br>**Contact Person:** Bharti Ranga<br>**SEBI Registration No:**INM000012110 | **LINK INTIME INDIA PRIVATE LIMITED**<br>C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400 083<br>India<br>**Tel:** 022-49186200<br>**Fax:** 022-49186195<br>**Email:** tirupatifoge.ipo@linkintime.co.in<br>**Website:** www.linkintime.co.in<br>**Investor Grievance Id**: tirupatiforge.ipo@linkintime.co.in<br>**Contact Person:** Shanti Gopalkrishnan<br>**SEBI Registration Number:** INR000004058 |

**ISSUE PROGRAMME**

| | |
|---|---|
| **ISSUE OPENS ON : FRIDAY, SEPTEMBER 29, 2017** | **ISSUE CLOSES ON : WEDNESDAY, OCTOBER 4, 2017** |

## Contents

SECTION I GENERAL ..... 3
DEFINITION AND ABBREVIATION ..... 3
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA ..... 13
FORWARD LOOKING STATEMENT ..... 15
SECTION II – RISK FACTOR ..... 16
SECTION III- INTRODUCTION ..... 38
SUMMARY OF INDUSTRY ..... 38
SUMMARY OF OUR BUSINESS ..... 49
SUMMARY OF FINANCIAL STATEMENTS ..... 52
THE ISSUE ..... 57
GENERAL INFORMATION ..... 59
CAPITAL STRUCTURE ..... 68
OBJECT OF THE ISSUE ..... 83
BASIS FOR ISSUE PRICE ..... 89
STATEMENT OF POSSIBLE TAX BENEFIT ..... 92
SECTION IV- ABOUT THE COMPANY ..... 95
OUR INDUSTRY ..... 95
OUR BUSINESS ..... 109
KEY INDUSTRIES REGULATION AND POLICIES ..... 116
OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS ..... 128
OUR MANAGEMENT ..... 132
OUR PROMOTER AND PROMOTER GROUP ..... 142
OUR GROUP COMPANIES ..... 146
RELATED PARTY TRANSACTIONS ..... 147
DIVIDEND POLICY ..... 148
SECTION V- FINANCIAL STATEMENTS ..... 149
FINANCIAL STATMENTS AS RESTATED ..... 149
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS ..... 178
FINANCIAL INDEBTNESS ..... 189
SECTION VI- LEGAL AND OTHER INFORMATION ..... 191
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT ..... 191
GOVERNMENT AND OTHER STATUTORY APPROVALS ..... 197
OTHER REGULATORY AND STATUTORY DISCLOUSRES ..... 202
SECTION VII- ISSUE INFORMATION ..... 213
TERMS OF THE ISSUE ..... 213
ISSUE STRUCUTRE ..... 219
ISSUE PROCEDURE ..... 222
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES ..... 265
SECTION VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION ..... 269
SECTION IX – OTHER INFORMATION ..... 312
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION ..... 312
DECLARATION ..... 313

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States of America 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale 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 application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## SECTION I GENERAL
## DEFINITION AND ABBREVIATION

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings as provided below. References to any legislation, act or regulation shall be to such legislation, act or regulation as amended from time to time. The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in *"Statement of Tax Benefits"*, *"Financial Statements as Restated"* and *"Main Provisions of the Articles of Association"* on pages 91, 148 and 268, respectively, shall have the meaning given to such terms in such sections. In case of any inconsistency between the definitions given below and definitions contained in the General Information Document, the definitions given below shall prevail.

### General Terms

| Term | Description |
|---|---|
| "Tirupati Forge Limited", or "the Company" ,or "our Company" or "we", "us", "our", or "Issuer" or the "Issuer Company" | Tirupati Forge Limited, a Public Limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Plot No. 1-5, Survey No. 92/1,Near Shan Cement, Hadamtala Industrial Area, Tal: Kotda Sangani Hadamtala, Rajkot 360311, Gujarat, India. |

### Company Related Terms

| Term | Description |
|---|---|
| Articles or Articles of Association or AOA | The Articles of Association of our Company, as amended from time to time |
| Auditor or Statutory Auditor | The Statutory Auditor of our Company, being M B Sardhara Chartered Accountants |
| Banker to our Company | The Banker to our Company, being Indian Overseas Bank |
| "Board" or "Board of Directors" or "our Board" | The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company being Banashri Joshi |
| CIN | Company Identification Number U27320GJ2012PLC071594 |
| Director(s) | The Director(s) of our Company, unless otherwise specified |
| Equity Shares | Equity Shares of our Company of face value of Rs. 10/- each fully paid up |
| Equity Shareholders | Persons / Entities holding Equity Shares of our Company |
| Group Companies | Such Companies as are included in the chapter titled "*Our Group Companies"* beginning on page no. 145 of this Prospectus |
| Independent Director | A non-executive, independent Director as per the Companies Act, 2013 and the Listing Regulations |
| Key Management Personnel | Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013 and as disclosed in *"Our Management"* from page 131 |
| Materiality Policy | Policy on Group Companies, material creditors and material legal proceedings adopted by the Board pursuant to its resolution dated August 3, 2017 |
| Memorandum of Association or Memorandum or MOA | The Memorandum of Association of our Company, as amended from time to time |

| Term | Description |
|---|---|
| Peer Reviewed Auditor | The Peer Reviewed Auditor of our Company, being M N Manwar & Co. Chartered Accountants |
| "Promoter", "Promoters" or "our Promoters" | Promoters of our Company being Hitesh Thumar, Ajay Sardhara and Bhargavi Thummar. |
| Promoters' Contribution | Pursuant to Regulation 32 and 36(a) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer capital of our Company held by our Promoters which shall be considered as the minimum promoters' contribution and shall be locked-in for a period of three years from the date of Allotment |
| Promoter Group | Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations and as disclosed in the chapter titled *"Our Promoters and Promoter Group"* on page no. 141 of this Prospectus |
| Registered Office | The Registered office of our Company situated at Plot No. 1-5, Survey No. 92/1, Near Shan Cement, Hadamtala Industrial Area, Tal: Kotda Sangani Hadamtala, Rajkot 360311, Gujarat, India. |
| Restated Financial Information | Collectively, the Restated Consolidated Financial Information and the Restated Standalone Financial Information |
| RoC / Registrar of Companies | Registrar of Companies, Gujarat, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India |
| Shareholders | Shareholders of our Company |
| Wilful Defaulter(s) | Wilful defaulter as defined under Regulation 2(zn) of the SEBI Regulations |

**Issue Related Terms**

| Term | Description |
|---|---|
| Allocation/ Allocation of Equity Shares | The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants |
| Allotment/ Allot/ Allotted | Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants |
| Acknowledgement slip | Slip or document issued by designated Intermediary to a bidder as a proof of registration of the Bid |
| Allottee(s) | Successful Applicant(s) to whom Equity Shares of our Company have been allotted |
| Applicant | Any prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus. All the applicants should make application through ASBA only. |
| Allotment Advice | The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus |
| Application Collecting Intermediaries | 1. a SCSB with whom the bank account to be blocked, is maintained<br>2. a syndicate member (or sub-syndicate member) If any<br>3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock |

| Term | Description |
|---|---|
| | exchange as eligible for this activity)('broker') if any<br>4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)<br>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) |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue |
| ASBA / Application Supported by Blocked Amount | Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB |
| ASBA Account | Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount |
| ASBA Application Location(s) / Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad and Rajkot |
| ASBA Investor/ASBA applicant | Any prospective investor(s) / applicants(s) in this Issue who apply(ies) through the ASBA process |
| Banker/Refund Banker to the Issue/ Public Issue Bank | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being ICICI Bank Limited. |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled "*Issue Procedure*" beginning on page 221 of this Prospectus |
| Broker Centres | Broker centres notified by the Stock Exchanges, where the applicants can submit the Application forms to a Registered Broker. |
| CAN/Confirmation of Allocation Note | Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares after Bid/Issue Period |
| Collecting Centres | Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs |
| Controlling Branch | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and 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, occupation and bank account details |
| Depositories | Depositories 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 |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996 |
| Depositories Act | The Depositories Act, 1996 as amended from time to time |
| Designated 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 http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility |
| Designated Date | The date on which the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the amount is |

| Term | Description |
|---|---|
| | unblocked in the ASBA Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted to the successful Applicants |
| Designated RTA Locations | Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective website of the Stock Exchange (www.nseindia.com and www.bseindia.com) updated from time to time |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange Of India Limited |
| Draft Prospectus | The Draft Prospectus dated September 4, 2017 issued in accordance with section 26 of the Companies Act, 2013 and filed with the NSE Emerge under SEBI (ICDR) Regulations |
| Eligible NRIs | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein |
| General Information Document | 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. |
| First/ Sole Applicant | The Applicant whose name appears first in the Application Form or Revision Form |
| 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. |
| Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO | Public Issue aggregating up to 18,00,000 Equity Shares of face value of Rs. 10 each fully paid of Tirupati Forge Limited for cash at a price of Rs 29/- per Equity Share (including a premium of Rs. 19/- per Equity Share) aggregating Rs. 5.22 lakhs. |
| Issue Agreement | The agreement dated September 2, 2017 between our Company and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Closing date | The date on which Issue Closes for Subscription |
| Issue Opening Date | The date on which Issue Opens for Subscription |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application |
| Issue Price | The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 29/- per Equity Share of face value of Rs. 10/- each fully paid |
| Issue Proceeds/Gross Proceeds | Proceeds from the Issue that will be available to our Company, being Rs. 522.00 Lakhs |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| IFRS | International financial reporting standard |
| Lead Managers / LM | Lead Managers to the Issue in this case being Pantomath Capital Advisors Private Limited (PCAPL). |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited |
| Market Making Agreement | Market Making Agreement dated September 2, 2017 between our Company, Lead Managers and Market Maker. |
| Market Maker | Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Broker Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares |

| Term | Description |
|---|---|
| | or for any other period as may be notified by SEBI from time to time |
| Market Maker Reservation Portion | The Reserved Portion of 92,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 29/- per Equity Share aggregating Rs. 26.68 lakhs for the Market Maker in this Issue |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time |
| NIF | National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India |
| Net Issue | The Issue (excluding the Market Maker Reservation Portion) aggregating 17,08,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 29/- per Equity Share aggregating Rs. 495.32 lakhs by our Company |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. |
| Non Institutional Investors | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000 |
| 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 as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue |
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable |
| Person/ 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 RoC containing, *inter-alia*, the issue size, the issue opening and closing dates and other information |
| Public Issue Account | Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date. |
| Public Issue Account Agreement/ Banker to the Issue Agreement | Agreement entered on September 2, 2017 amongst our Company, Lead Managers, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Application Amount on the terms and conditions thereof. |
| Qualified Institutional Buyers or QIBs | Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations 2009 |
| Refund Account | Account to which Application monies to be refunded to the Applicants in case of failure of the Issue |
| Refund Bank(s) / Refund Banker(s) | Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened, in this case being ICICI Bank Limited |
| Refund through electronic transfer of funds | Refund through ASBA process |
| Registered Broker | Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid |

| Term | Description |
|---|---|
| | 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.bseindia.csom/members/MembershipDirectory.aspx & http://www.nseindia.com/membership/dynaContent/find_a_broker.htm |
| Registrar /Registrar to the Issue | Registrar to the Issue, in this case being Link Intime India Private Limited |
| Registrar Agreement | Agreement dated September 2, 2017 entered into among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue |
| Retail Individual Investor | Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their *Karta*), who apply for an amount less than or equal to Rs 2,00,000 |
| Revision Form | The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s) |
| SCSB/ Self Certified Syndicate Banker | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| SME Exchange | Emerge Platform of National Stock Exchange of India Limited |
| Specified Locations | Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time. |
| Shareholder director | A director not being an independent director who represents the interest of shareholder's appointed as per the terms of SECC regulation |
| Underwriter | Pantomath Capital Advisors Private Limited |
| Underwriting Agreement | The agreement dated September 2, 2017 entered into between the Underwriter and our Company |
| US GAAP | Generally accepted accounting principal (United states) |
| Working Day | (i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday;<br>(ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 |

**Technical and Industry Related Terms**

| Term | Description |
|---|---|
| Bn | Billion |
| CAD | computer-aided design |
| CAM | computer-aided manufacturing |
| CNC | Computer numerical control |
| EMDEs | Emerging Market and Developing Economies |
| EPFO | Employees' Provident Fund Organisation |

| Term | Description |
|---|---|
| ESI | Employee State Insurance |
| EU | European Union |
| FCNR | Foreign Currency Non-Resident |
| FDI | Foreign Direct Investment |
| FICCI | The Federation of Indian Chambers of Commerce and Industry |
| FIPB | Foreign Investment Promotion Board |
| FMCG | Fast Moving Consumer Goods |
| FSC | Forest Stewardship Council |
| FY | Financial Year |
| GDP | Gross Domestic Product |
| GSM | Grams per Square Meter |
| GST | Goods and Services Tax |
| GVA | Gross Value Added |
| HTC | HTC Corporation |
| IBEF | India Brand Equity Foundation |
| IIP | Index of Industrial Production |
| IMF | International Monetary Fund |
| INR | Indian Rupees |
| IT | Information Technology |
| L&T | Larsen & Toubro |
| LCD | Liquid Crystal Display |
| M&A | Mergers & Acquisitions |
| MAT | Minimum Alternate Tax |
| M-SIPS | Modified Special Incentive Package Scheme |
| MSMEs | Micro, Small & Medium Enterprises |
| MYEA | Mid-Year Economic Analysis |
| NITI Aayog | The National Institution for Transforming India |
| NMP | National Manufacturing Policy |
| PMGKY | Pradhan Mantri Garib Kalyan Yojana |
| PMMY | Pradhan Mantri MUDRA Yojana |
| RBI | Reserve Bank of India |
| SAD | Special Additional Duty |
| SEBs | State Electricity Boards |
| SED | Strategic Engineering Division |
| SEZ | Special Economic Zone |
| SPL | Sound Pressure Level |
| TADF | Technology Acquisition and Development Fund |
| TASL | Tata Advanced Systems Ltd |
| UDAY | Ujwal DISCOM Assurance Yojana Scheme |
| UNIDO | United Nations Industrial Development Organisation |
| US/ U.S./ USA | United States of America |
| WEO | World Economic Outlook |
| WPI | Wholesale Price Index |
| YOY | Year-on-year |

**Conventional and General Terms / Abbreviations**

| Term | Description |
|---|---|
| A/C | Account |
| AGM | Annual General Meeting |
| AIF | Alternative Investments Fund |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants |

| Term | Description |
|---|---|
| | of India |
| A.Y. | Assessment Year |
| NSE | National Stock Exchange of India Limited |
| CAGR | Compounded Annual Growth Rate |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CMD | Chairman and Managing Director |
| CIN | Corporate Identification Number |
| Companies Act | Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013. |
| Companies Act, 2013 | The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections |
| Depositories | NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| DIN | Director Identification Number |
| DP | Depository Participant |
| DP ID | Depository Participant's Identity |
| EBIDTA | Earnings before interest, depreciation, tax, amortization and extraordinary items |
| ECS | Electronic Clearing Services |
| EGM | Extraordinary General Meeting |
| ESIC | Employee State Insurance Corporation |
| ESOP | Employee Stock Ownership Plan |
| ESPS | Employee Stock Purchase Scheme |
| EPS | Earnings Per Share |
| FDI | Foreign Direct Investment |
| FCNR Account | Foreign Currency Non Resident Account |
| FEMA | Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under |
| FII(s) | Foreign Institutional Investors |
| FIs | Financial Institutions |
| FIPB | The Foreign Investment Promotion Board, Ministry of Finance, Government of India |
| FPI(s) | Foreign Portfolio Investor |
| FVCI | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 |
| F.Y./FY | Financial Year |
| GAAP | Generally Accepted Accounting Principles |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry number |
| GoI/ Government | Government of India |
| HNI | High Net worth Individual |
| HUF | Hindu Undivided Family |
| ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| ICAI | Institute of Chartered Accountants of India |

| Term | Description |
|---|---|
| IFRS | International Financial Reporting Standards |
| IPO | Initial Public Offering |
| IT Rules | The Income Tax Rules, 1962, as amended from time to time |
| INR | Indian National Rupee |
| Key Managerial Personnel/KMP | The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled "*Our Management*" beginning on page 131 of this Prospectus |
| LPH | litre per hour |
| Ltd. | Limited |
| MD | Managing Director |
| Mtr | Meter |
| N/A or N.A. | Not Applicable |
| NAV | Net Asset Value |
| NECS | National Electronic Clearing Services |
| NEFT | National Electronic Fund Transfer |
| Net Worth | The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account |
| NOC | No Objection Certificate |
| NR | Non Resident |
| NRE Account | Non Resident External Account |
| NRI | Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time |
| NRO Account | Non Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| p.a. | per annum |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| Pvt. | Private |
| PBT | Profit Before Tax |
| P/E Ratio | Price Earnings Ratio |
| QIB | Qualified Institutional Buyer |
| RBI | Reserve Bank of India |
| RBI Act | The Reserve Bank of India Act, 1934, as amended from time to time. |
| RoNW | Return on Net Worth |
| Rs. / INR | Indian Rupees |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SCSB | Self Certified Syndicate Bank |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended from time to time |
| SEBI Insider Trading Regulations | The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time |
| SEBI Takeover Regulations / Takeover Regulations / Takeover | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |

| Term | Description |
|---|---|
| Code | |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time |
| SME | Small Medium Enterprise |
| SSI Undertaking | Small Scale Industrial Undertaking |
| Stock Exchange(s) | Emerge Platform of National Stock Exchange of India Limited |
| Sq. | Square |
| Sq. mtr | Square Meter |
| TAN | Tax Deduction Account Number |
| TRS | Transaction Registration Slip |
| TIN | Taxpayers Identification Number |
| TNW | Total Net Worth |
| u/s | Under Section |
| UIN | Unique Identification Number |
| US/ U.S./ USA/ United States | United States of America |
| USD or US$ | United States Dollar |
| U.S. GAAP | Generally accepted accounting principles in the United States of America |
| UOI | Union of India |
| WDV | Written Down Value |
| WTD | Whole-time Director |
| w.e.f. | With effect from |
| YoY | Year over year |

Notwithstanding the following: -

i. In the section titled "*Main Provisions of the Articles of Association"* beginning on page 268 of this Prospectus, defined terms shall have the meaning given to such terms in that section;

ii. In the chapter titled "*Financial Statements as Restated*" beginning on page 148 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter;

iii. In the section titled "*Risk Factors*" beginning on page 16 of this Prospectus, defined terms shall have the meaning given to such terms in that section;

iv. In the chapter titled *"Statement of Possible Tax Benefits"* beginning on page 91 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter; and

v. In the chapter titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on page 177 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" are to the Republic of India and all references to the "Government" are to the Government of India.

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled *'Financial Statements'* beginning on page 148 of this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Any percentage amounts, as set forth *in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations"* and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled 'Financial Statements' beginning on page 148 of this Prospectus.

### CURRENCY OF PRESENTATION

In this Prospectus, references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "$", "US$", "USD", "U.S. $"or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America.

All references to 'million' / 'Million' / 'Mn' refer to one million, which is equivalent to 'ten lacs' or 'ten lakhs', the word 'Lacs / Lakhs / Lac' means 'one hundred thousand' and 'Crore' means 'ten million' and 'billion / bn./ Billions' means 'one hundred crores'.

### INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Prospectus have been obtained from internal Company reports and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

Further the extent to which the market and industry data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling

such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD LOOKING STATEMENT

This Prospectus contains certain "forward-looking statements". These forward looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar meaning. Similarly, statements that 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 and property valuations to differ materially from those contemplated by the relevant forward looking statement.

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

General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in industry which we operate;
- Factors affecting the industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, 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;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 16 and 177 respectively of this 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.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Lead Manager, Underwriters 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, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

## SECTION II – RISK FACTOR

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

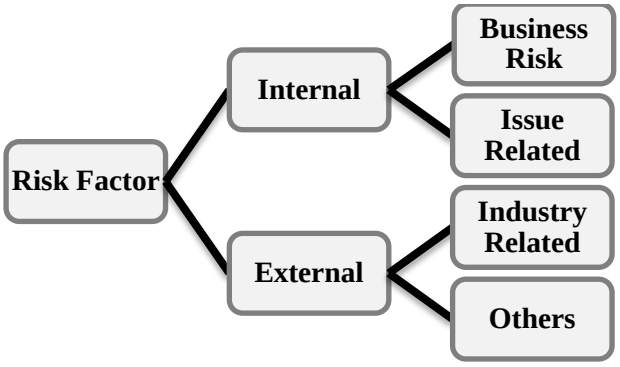
*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 108, "Industry Overview" beginning on page 94 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 177 respectively, of this Prospectus as well as other financial information contained herein.*

*The following factors have been considered for determining the materiality of Risk Factors:*

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

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled "Definitions and Abbreviation" beginning on page* 3 *of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

*The risk factors are classified as under for the sake of better clarity and increased understanding:*




**Internal Risk Factors**

1. ***We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of Tirupati Forge Limited from Tirupati Forge Private Limited pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.***

   We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. Also, we were a private limited company in the name of "Tirupati Forge Private Limited" which was carrying business of forge and flange manufacturing. Subsequently the name of the Company was changed to "Tirupati Forge Limited" vide Certificate of Incorporation dated August 11, 2017 as the Company was converted to public limited Company. We shall be taking necessary steps for transferring the approvals in new name of our Company. In case we fail to transfer/obtain the same in name of the Company same may adversely affect our business or we may not be able to carry our business. The Company is in the process for applying for change of name of these approvals. In case of delay or failure to obtain the same, it could affect our business operations. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. Additionally, our Company has not applied for change of name of the approval/s mentioned in pending approvals section of Government and Other Statutory Approvals Chapter. For more information, see chapter *"Government and Other Statutory Approvals"* on page 196 of this Prospectus.

2. ***There exists an investigation for anti dumping duty and countervailing duty for exports of carbon steel flange to USA and in our revenue may be largely affected in case the order for countervailing duty is passed by the USA Government.***

   An investigation has been initiated by USA regulatory bodies against manufacturers and exporters of India for carbon steel flange to USA. The USA regulatory bodies have preliminary determined that carbon steel flange is dumped and subsidies are provided by Indian Government which causes a material injury to local manufacturers in USA. The Government has levied preliminary Anti Dumping and Countervailing Duty. However, final outcome of the duty shall be declared by the USA regulatory bodies in due course. Revenue from sale of carbon steel flange for the year financial year 2014-15 is Rs. 2,577.42 lakhs, which has dipped to Rs. 1,133.22 lakhs in the financial year 2015-16 and further dipped to Rs. 64.59 lakhs in the financial year 2016-17 due to anti dumping and countervailing duties. Our revenues have been derived from exports to USA and levy of anti dumping and countervailing duty in USA would affect exports of carbon steel

flange. Tariffs are often driven by local political pressure in a particular country and therefore there can be no assurance that quotas or tariffs will not be imposed on our Company. Our exports could further reduce and such restrictions could have a negative impact on our business from operations, profit margins and cash flow.

3. ***Our revenue from operation has dropped from Rs. 3,023.12 lakhs in financial year 2014-15 to Rs. 1,797.11 lakhs in financial year 2015-16 and Rs. 1,617.42 lakhs 2016-17.***

   Our revenue from operations has seen a downward trend and has dropped from Rs. 3,023.12 lakhs in financial year 2014-15 to Rs. 1,797.11 lakhs in financial year 2015-16 and Rs. 1,617.42 lakhs 2016-17. The revenue has dropped as we have been facing issue with export of carbon steel flange to USA from January 2016. There is an investigation going for anti dumping duty and countervailing duty for exports made from India to USA. Our revenue from operations was highly dependent on USA for carbon steel flange. Though, we have started exporting to other countries like Morocco, United Arab Emirates and Italy, we cannot assure the investors for consistent growth in revenues. In case we do not received adequate order from these regions, our revenue from operations may decrease further and in turn affect our cash flows and profitability.

4. ***We generate our major portion of sales from our operations in certain geographical regions especially United States of America. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

   We generated major sales from our customers situated in United States of America till the financial year 2014-15 and first three quarters of financial year 2015-16. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as political, economic, policy and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. In recent past there is an on going investigation for material injury to manufacturers in USA of carbon steel flange and thus a proposed anti dumping duty and countervailing duty is imposed resulting in dip of our exports to USA since January 2016. We may not be able to leverage our experience in United States of America to expand our operations in other parts of world and domestic markets. Though we have started to export to other countries like Morocco, United Arab Emirates and Italy, factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside United States of America may adversely affect our business prospects, financial conditions and results of operations. However, our Company at present is supplying goods to domestic market and few other countries and has started strengthening its customer base in other regions, but we are yet to scale our operations there. While our management believes that Company has requisite expertise to mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance.

5. ***We are exposed to foreign currency exchange rate fluctuations, which may harm our results of operations, impact our cash flows and cause our financial results to fluctuate.***

   Our financial statements are presented in Indian Rupees. However, our sales are influenced by the currencies of geographies to where we export our products. The exchange rate between the Indian Rupee and these currencies, primarily the USD, has fluctuated in the past and our results of operations and cash flows have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. As a significant part of our revenue is generated from

export, we believe that price of our products may depreciate during a sustained appreciation of the Indian Rupee against the USD. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period, due to other variables impacting our business and results of operations during the same period. We currently do not hedge transactions and thus face foreign currency exchange. We may, therefore, suffer losses on account of foreign currency fluctuations.

6. ***A portion of the proceeds of the Issue will be utilized for pre-payment of loans availed by our Company from our Indian Overseas Bank.***

One of the Objects of the Issue is for pre-payment of term loan aggregating to Rs. 125.00 lakhs availed by our Company from Indian Overseas Bank at rate of 11.15% interest p.a. The funds were utilised by our Company for purchase of plant machinery and the loan was sanctioned in the financial year 2013-14**.** For further details, please see the chapter titled *"Objects of the Issue"* beginning on page 82 of this Prospectus.

7. ***The shortage or non-availability of power facilities may adversely affect our manufacturing process and have an adverse impact on our results of operations and financial condition.***

Our manufacturing process requires substantial amount of power facilities. The quantum and nature of power requirements of our industry and Company very high and thus to meet our electricity requirements, we have a sanctioned load power capacity of 1300 KVA from Paschim Gujarat Vij Company Limited. Any disruption / non availability of power or failure on our part to arrange alternate sources of electricity, in a timely manner and at an acceptable cost shall directly affect our production which in turn shall have an impact on operations and results of our Company.

8. ***The industry in which we operate is labour intensive and our manufacturing operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

Our industry being labour intensive is dependent on labour force for carrying out its manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We also have entered into an agreement with contract labours that provide us the necessary labours on contract basis. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however 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. 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. 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.

9. ***Any significant decline in the demand for our products or introduction of alternative technology or consumer habits may adversely affect our profitability and business prospects.***

Our products are mainly used in the automobile industry, refineries, oil pipeline industry, etc. Our customers' decision to seek alternative technology coupled with the development of more alternatives and our inability to respond to these changes, may adversely affect our business and results of operations. Our ability to anticipate changes in technology and to supply new and enhanced products successfully and on a timely basis will be a significant factor in our ability to grow and to remain competitive. In addition, our business, operations and prospects may be affected by various policies and statutory and regulatory requirements and developments that affect our customer's industry in India and abroad. In the event of a significant decline in the demand for our products, our business, results of operations and financial condition may be materially and adversely affected.

10. ***Volatility in the supply and pricing of our steel may have an adverse effect on our business, financial condition and results of operations. We do not generally enter into agreements with our raw material or traded goods suppliers. Any disruption in supplies from them may adversely affect our production process.***

Our Company meets its demand of raw material i.e. Mild Steel, Alloy Steel, Carbon Steel, Stainless Steel, etc. by purchasing the same from the domestic market. For the financial year 2016-17, our steel consumption was around 94.96% of our total cost of raw material. Our dependence on local suppliers may adversely affect our purchase and thus affect profitability in future.

We do not have long term agreements with any of our raw material suppliers and we purchase such raw materials on spot order basis. Though we maintain good relations with them, there can be no assurance that we shall be able to continue such relations with any or all of them. Any disruption in supplies from these parties may require us to find additional suppliers. There can be no assurance that we shall be able to find additional suppliers in time or transact business with them on favourable terms and conditions or the quality of products supplied by these suppliers will be at par with those of our existing suppliers. Since such suppliers are not contractually bound to deal with us exclusively, we may face the risk of losing their services to our competitors. Any disruption in supplies from our suppliers due to inexistence of contracts may adversely affect our production process, trading activity and consequently our results of operations.

11. ***Our Company, Directors and our Promoters are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

There are no legal proceedings by or against our Company, Promoters, Directors and Group Companies. A classification of legal proceedings is mentioned below:

There is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; any adverse decision in such future legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company and Subsidiaries see the chapter titled "Outstanding Litigation and Material Developments" on page 190 of this Prospectus.

| **Name of Entity** | **Criminal Proceedings** | **Civil/ Arbitration Proceedings** | **Tax Proceedings** | **Labour Disputes** | **Consumer Complaints** | **Complaints under Section 138 of NI Act, 1881** | **Aggregate amount involved (Rs. In lakhs)** |
|---|---|---|---|---|---|---|---|
| **Company** | | | | | | | |
| **By the** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Company** | | | | | | | |
| **Against the Company** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Promoters** | | | | | | | |
| **By the Promoter** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Against the Promoter** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Group Companies** | | | | | | | |
| **By Group Companies** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Against Group Companies** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Directors other than promoters** | | | | | | | |
| **By the Directors** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Against the Directors** | **Nil** | **Nil** | **1** | **Nil** | **Nil** | **Nil** | **0.09** |
| **Subsidiaries** | | | | | | | |
| **By the Subsidiaries** | **N.A.*** | **N.A.** | **N.A.** | **N.A.** | **N.A.** | **N.A.** | **N.A.** |
| **Against the Subsidiaries** | **N.A.** | **N.A.** | **N.A.** | **N.A.** | **N.A.** | **N.A.** | **N.A.** |

*N.A. = Not Applicable

12. ***We are dependent upon few suppliers for our raw material for our current manufacturing facilities. In an eventuality where our suppliers are unable to deliver us the required materials in a time-bound manner it may have a material adverse effect on our business operations and profitability***

Our top 10 suppliers for the financial year 2016-17, 2015-16 and 2014-15 have contributed 81.43%, 90.25% and 95.71% respectively, of our total purchases. While we are not significantly dependent on any single raw material supplier, raw material supply and pricing can be volatile due to a number of factors beyond our control, including demand and supply, general economic and political conditions, transportation and labour costs, labour unrest, natural disasters, competition, import duties, tariffs and currency exchange rates, and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Therefore, we cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them on commercially acceptable terms.

Further, there may be volatility in prices of our raw material and if we are not able to compensate for or pass on our increased costs to customers, such price increases could have a material adverse impact on our result of operations, financial condition and cash flows. Additionally, we may not be able to pass on every instance of increase in input cost and may have to pursue internal cost control measures.

13. ***Our historical revenues have been significantly dependent on few customers. We have not entered into any long term or definitive agreements with our customers. If our customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.***

A significant proportion of our revenues have historically been derived from a limited number of customers. Over the last three financial years, our top ten customers contributed 56.28%, 86.01% and 90.48% of our total revenue from operations for financial year 2016-17, 2015-16 and 2014-15 respectively**.** The loss of orders from any of these significant customers will result in a considerable reduction in our revenue. Our business from customers is dependent on our continuing relationship with such customers, the quality of our products, competitive pricing and our ability to timely deliver on their orders, and there can be no assurance that such customers will continue to do business with us in the future on commercially acceptable terms or at all. If our customers do not continue to purchase products from us, or reduce the volume of products purchased from us, our business prospects, results of operations and financial condition may be adversely affected. Significant dependence on them may increase the potential volatility of our results of operations and exposure to individual contract risks. In the event that any of these customers discontinue purchase of products from us, our results of operations and financial condition may be adversely affected. We have not entered into any long term or definitive agreements with our customers, and instead rely on purchase orders to govern the volume, pricing and other terms of sales of our products. However, such orders may be amended or cancelled prior to finalization, and should such an amendment or cancellation take place, we may be unable to seek compensation for any surplus un purchased products that we manufacture. Our customers do not, typically, place firm purchase orders until a short time before the products are required from us as a result of which, we do not hold a significant order book at any time, making it difficult for us to forecast revenue, production or sales. Consequently, there is no commitment on the part of the customer to continue to source their requirements from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers' vendor preferences. Any failure to meet our customers' expectations could result in cancellation of orders. There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates or replace their

existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

14. ***Our Company is dependent on third party logistics service providers, with whom we have no formal arrangements, for the delivery of our finished goods and any disruption in their operations or a decrease in the quality of their services or an increase in the transportation costs could adversely affect our Company's reputation and results of operations.***

We primarily depend on third party logistics service providers to deliver our finished goods to our customer. Such logistics providers are arranged on spot basis and in certain cases may not be insured for the full value of the load that they are carrying in case of domestic sale. We also rely on third parties logistic service providers, with whom we have no formal arrangement, to provide trucking, shipping and other transportation facilities for the transfer of finished goods to port or customer's country depending upon the requirement. These transportation facilities may not be adequate to support our existing and future operations and there may be disruptions of transportation and logistics services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and seaport facilities. Also we do not own any trucks or commercial transport vehicles and primarily use third-party logistics providers for all operations. Further, we primarily undertake our export activities from Mundra Port located at Gujarat and are therefore heavily dependent on the smooth functioning of the Mundra Port. In addition, any increase in the charges imposed by the operators of transportation and logistics facilities would significantly impact our costs and results of our operations. Any disruption of any of our transportation routes or facilities may adversely affect our business, financial condition, results of operations and cash flows.

15. ***Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.***

Our business requires a significant amount of working capital for smooth functioning. We meet our requirement for working capital majorly through banking facilities; inter corporate deposits or internal accruals. In future, our inability, if any to meet our working capital requirements or inability to renew our existing working capital requirements through banking arrangements can adversely impact our business operations and financial position. For further details regarding working capital requirement, please refer to the chapters titled *"Objects of the Issue"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operation"* beginning on page 177 of this Prospectus"

Our business is working capital intensive. A significant portion of our working capital is utilized towards trade receivables and inventories. Summary of our working capital position is given below:-

*Amount (Rs. in lakhs)*

| **Particulars** | **As at March 31,** | | | | |
|---|---|---|---|---|---|
| | **2017** | **2016** | **2015** | **2014** | **2013** |
| **A. Current Assets** | | | | | |
| Current Investment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Inventories | 271.01 | 238.00 | 371.46 | 180.71 | 0.00 |
| Trade receivables | 194.03 | 125.32 | 303.95 | 104.78 | 0.00 |
| Cash and cash equivalents | 10.45 | 23.89 | 19.28 | 20.10 | 10.51 |
| Short term loans & advances | 64.14 | 62.31 | 181.41 | 154.32 | 143.89 |
| Other current assets | 0.02 | 0.03 | 0.05 | 0.07 | 4.55 |

| Particulars | As at March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **B. Current Liabilities** | | | | | |
| Trade Payables | 216.66 | 130.39 | 504.34 | 124.93 | 12.48 |
| Other Current Liabilities | 126.48 | 137.55 | 68.33 | 69.85 | - |
| Short Term Provisions | 32.46 | 20.21 | 60.22 | 5.28 | - |
| **Working Capital (A-B)** | 164.06 | 161.39 | 243.25 | 259.92 | 146.48 |
| **Inventories as % of total current assets** | 50.22% | 52.94% | 42.40% | 39.29% | 0.00% |
| **Trade receivables as % of total current assets** | 35.96% | 27.88% | 34.69% | 22.78% | 0.00% |

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of current assets particularly trade receivables and inventories. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapters titled *"Objects of the Issue"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operation"* beginning on page 82 and 177 respectively, of this Prospectus.

16. ***Our manufacturing operations are critical to our business and any shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.***

Our manufacturing facility is located at, Hadamtala, Rajkot, Gujarat. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Our manufacturing facility is also susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. It is also subject to operating risk arising from compliance with the directives of relevant government authorities. In past, there have been two instances where our facility met with a fire situation. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties.

If our Company experiences delays in production or shutdowns at our facility due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

Further, continuous addition of industries in and around our manufacturing facilities without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure therein, which may adversely affect our business.

17. ***Underutilization of capacity of our additional manufacturing facility may adversely affect our business, results of operations and financial condition.***

We currently operate at around 44.01% of our total installed capacity of forged products and its by products and flange and other machined products. We cannot assure that we shall be able to utilize our proposed manufacturing facility to their full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition. Even use of the proposed production capacity is subject to several variables like availability of raw material, power, water, proper working of machinery, orders on hand, supply/demand, manpower, etc.

18. ***Our Company has not complied with certain statutory provisions under Companies Act. Such non-compliances/lapses may attract penalties.***

Our Company is required to make filings under various rules and regulations as applicable under the Companies Act, 2013 and under the applicable provisions of the Companies Act, 1956 some of which has not been done within the stipulated time period at some instances Due to these delays in filings, our Company had on several occasions paid the requisite late fees.

No show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent. Such delay/noncompliance may in the future render us liable to statutory penalties and disallowing the resolutions, which may have consequence of violation of statutory provisions concerned.

While this could be attributed to technical lapses and human errors, our Company is in the process of setting up a system to ensure that requisite filings are done appropriately with the requisite timeline.

19. ***The industry segments in which we operate being fragmented, we face competition from other players, which may affect our business operations and financial conditions.***

We compete in forging industry on the basis of the quality of our products, price, and distribution. The industry in which we operate is highly competitive. Factors affecting our competitive success include, amongst other things, price, demand for our products, availability of raw materials, brand recognition and reliability. Our competitors vary in size, and may have greater financial, production, marketing, personnel and other resources than us and certain of our competitors have a longer history of established businesses and reputations in the Indian market as compared with us. Competitive conditions in some of our segments have caused us to incur lower net selling prices and reduced gross margins and net earnings. These conditions may continue indefinitely. Changes in the identity, ownership structure, and strategic goals of our competitors and the emergence of new competitors in our target markets may impact our financial performance. New competitors may include foreign-based companies and domestic producers who could enter our markets. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

20. ***Any adverse events in the industries which we cater to could have a material impact on the performance of our Company.***

We cater primarily to the bulk stockists who in turn supply to automobile industry, refineries, oil and pipeline industry which requires us to maintain certain norms in relation to quality standards. Our business growth depends on continued demand for our products from users of this industry. A slowdown or reversal of demand of our products in this industry or introduction of regulations that restrict or discourage companies from using our products could result in a decrease in the demand and materially adversely affect our business, financial condition and results of operations. For example, a worsening of economic conditions of refineries and significant consolidation in that industry may reduce the demand for products and negatively affect our revenues and profitability. Other developments in the industry in which we operate may also lead to a decline in the demand for our products and we may not be able to successfully anticipate and prepare for any such changes.

21. ***Our Company has negative cash flows from its operating activities, investing activities as well as financing activities in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.***

Our Company had negative cash flows from our operating activities, investing activities as well as financing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

*(Rs. in lakhs)*

| Cash Flow | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|
| Cash Flow from / (used in) Operating Activities | 156.35 | 257.15 | 263.24 | (28.56) | (137.46) |
| Cash Flow from / (used in) Investing Activities | (61.41) | (79.81) | (105.41) | (547.08) | (20.53) |
| Cash Flow from / (used in) Financing Activities | (108.38) | (172.73) | (158.66) | 585.23 | 168.50 |

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 make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

22. ***Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture and trade inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows. We estimate our sales based on the forecast, demand and requirements and also on the customer specifications. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts may adversely impact the supply of raw material and local transportation. Should our supply of raw materials be disrupted, we may not be able to procure an alternate source of supply in time to meet the demands of our customers. Such disruption to supply would materially and adversely affect our business, profitability and reputation. In addition, disruptions to the delivery of product to our customer may occur for reasons such as poor handling, transportation bottlenecks, or labour strikes, which could lead to delayed or lost deliveries or damaged products and disrupt supply of these products. To improve our line capability, we try to stock our inventory at our manufacturing facility. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we over-stock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation

23. ***Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition. The success of our business will depend greatly on our ability to effectively implement our business and growth strategy.***

Our growth strategy requires us to develop and strengthen relationships with existing customers for our business who may drive high volume orders on an ongoing basis.

Our success in implementing our growth strategies may be affected by:

- our ability to maintain the quality of our products;

- our ability to increase our customer base;
- the general condition of the global economy (particularly of United States of America and India and the other markets that we currently or may operate in);
- our ability to compete effectively with existing and future competitors,
- changes in the Indian or international regulatory environment applicable to us.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategy. Separately, our growth strategy also involves expanding into new geographic markets which will involve additional risk.

Further, our plan is to add sources for renewable source of energy and reduce our electricity costs. Such addition shall require additional resources, capital investment, etc. For information on the Company's strategy in relation to renewable source of energy for power requirements, see the chapter *"Our Business"* beginning on page 108 of the Prospectus. Further we do not have any operational experience in handling of sources of renewable energy in the past. Any failure on our part to be aware and keep up with the latest trends in such energy may adversely affect our competitiveness and ability to reduce power and electricity costs.

While we have successfully executed our business strategy in the past, there can be no assurance that we will be able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could adversely impact our results of operations. We expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and growth strategy could have a material adverse effect on our business, financial condition and profitability.

***24. Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations.***

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. While we have not yet experienced any material delay, cancellation, execution difficulty, payment postponement or payment default with regard to the orders placed with us, or disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income.

***25. Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at any of our manufacturing facilities may adversely affect our production schedules, costs, sales and ability to meet customer demand.***

Our business operations are subject to hazards such as risk of equipment failure, work accidents, fire or explosion and require individuals to work under potentially dangerous circumstances or with flammable materials. Although we employ safety procedures in the operation of our facilities and maintain what we believe to be adequate insurance, there is a risk that an accident or death may occur in one of our facilities. An accident may result in destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our

operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

In particular, if operations at our manufacturing facility were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labour dispute, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products.

Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations, cash flows and prospects.

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

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

***27. We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of defects in our products, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.***

Any failure or defect in our products could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. We currently carry no products liability insurance with respect to our products. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or products, including those arising from a drop in quality of merchandise from our vendors, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

***28. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable properties while immovable properties owned by Chunni Sardhara; our lessee. The total amounts outstanding and payable by us as secured loans were Rs. 275.12 lakhs as on March 31, 2017. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or

results of operations. For further information on the "*Financial Indebtedness"* please refer to page 188 of this Prospectus.

29. ***Unsecured loans in form of inter corporate deposits taken by our Company from various Companies can be recalled by the lenders at any time.***

As on March 31, 2017, our Company has unsecured loans amounting to Rs. 164.80 lakhs from corporates that are repayable on demand to the relevant lender. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled *"Financial Statements as Restated*" beginning on page 148 of this Prospectus.

30. ***Our loan agreements with various lenders have several restrictive covenants and certain unconditional rights in favour of the lenders, which could influence our ability to expand, in turn affecting our business and results of operations.Further as on date of the Prospectus, our Company has not received consent from some of our lenders to undertake this Issue. Non receipt of such consent could lead to non-compliance of the terms of loan agreements entered into by our Company with said lenders.***

We have entered into agreements for short term and long term borrowings with Indian Overseas Bank and Auto Loan from ICICI Bank. The credit facilities availed by our Company are secured by way of mortgage of fixed assets, hypothecation of current assets (both present and future), and personal guarantees given by our Individual Promoter, Directors and Maternal Uncle of Hitesh Thummar. In case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered and the loans granted to the Company may be recalled with penal interest. This could severely affect our operations and financial condition. In addition to the above, our loan documentation includes certain conditions and covenants that require us to obtain consents from the aforesaid bank prior to carrying out certain activities like entering into any amalgamation, demerger, merger and corporate reconstruction, changing our management and operating structure, making any fresh borrowings or creating fresh charges on assets, etc. Further, as on the date of the Prospectus, we have not received consent and no objection certificate from the Bankers/Lenders to the Company. We cannot assure you that the Bankers to the Company will grant us the consent for this Issue. Failure or delay in obtaining such consents can have significant consequences on our capacity to expand and therefore adversely affect our business and operations. Any failure to comply with the requirement to obtain a consent, or other condition or covenant under our financing agreements that is not waived by the lending banks or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under the said credit facility, which may adversely affect our ability to conduct our business and operations or implement our business plans. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lending banks refuse to renew / enhance the credit facilities and/or cancels / suspends / reduces the said credit facilities and/or alters the terms and conditions to the derogation of our Company, our existing operations as well as our future business prospects and financial condition may be severely affected.

31. ***Our Directors, Promoter and Maternal Uncle of our Promoter have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.***

Our Directors, Promoter and relative of our Promoter have provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts

outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

32. ***Our Promoters and some of our Directors have interests in our Company other than the reimbursement of expenses and normal remuneration or benefits. Any such interests may result in a conflict of interest, which may have an adverse effect on our business.***

Our Promoters and some of our Directors being Hitesh Thummar and Ajay Sardhara may be deemed to be interested in our Company, in addition to regular remuneration or benefits and reimbursements of expenses, to the extent of Equity Shares held by them, their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company, and to the extent of sitting fee payable to them for attending each of our Board and Committee meetings. Therefore, some of the above interests may conflict with the duties of these persons as Promoters / Directors of the Company. For further details, please see the chapters titled *"Our Management"* and *"Our Promoters and Promoter Group"* beginning on pages 131 and 141, respectively of this Prospectus.

33. ***Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and terrorism. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.***

Our Company has obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, Standard Fire and Special Perils Insurance and Private Car Policy in respect of our plant and machineries, building, stocks, office equipment and other business operations. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits, losses due to terrorism, etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

34. ***We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled *"Objects of the Issue"* beginning on page 82 of this Prospectus.

35. ***Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our 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 deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see *"Dividend Policy"* on page 147 of this Prospectus.

***36. Our Company's management will have flexibility in applying the proceeds of this Issue within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 82 of this Prospectus.***

We intend to use Net Issue Proceeds towards working capital requirements, repayment/prepayment of certain loans and general corporate purposes. We intend to deploy the Net Issue Proceeds in financial year 2017-18 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. There can be no assurance that the funds raised from the Issue may not remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled *"Objects of the Issue"* beginning on page 82 of this Prospectus.

***37. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

Since the Issue size is less than Rs. 10,000 lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

***38. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

***39. Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.***

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the

services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

***40. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

After completion of the Issue, our Promoters and Promoter Group will collectively own majority of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

***41. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

Modernization and technology up gradation is essential to provide better products. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

***42. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors 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. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents 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.

***<u>Issue Specific Risks</u>***

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

The Issue Price of our Equity Shares will be determined before filing of Prospectus with RoC by our Company in consultation with Lead Manager. The price will be based on numerous factors (For further information, please refer chapter titled *"Basis for Issue Price"* beginning on page 88 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;

- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

***44. The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.***

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as may be decided by the Company in consultation with the LM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the section titled *"Risk Factors – Prominent Notes"* on page 16 of this Prospectus.

**External Risk Factors**

***Industry Risks*:**

***45. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

***Other Risks***

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

Under the Income-tax Act, 1961, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India except any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the STT has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of shares on a stock exchange held for a period of 12 months or less will be subject to short term capital gains tax. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. By way of the Finance Bill, 2017, the Government of India has proposed to introduce certain anti-abuse measures, pursuant to which, the aforesaid exemption from payment of capital gains tax for income arising on transfer of equity shares shall only be available if STT was paid at the time of acquisition of the equity shares. While the said provision has not been notified as on date, it is expected to take effect from April 1, 2018 and will, accordingly, apply in relation to the assessment year 2018-19 and subsequent assessment years. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own

jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

47. ***Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.***

As stated in the reports of the Auditor included in this Prospectus under chapter *"Financial Statements as restated"* beginning on page 148, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, 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, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

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

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- custom duties on imports of raw materials and components;
- excise duty on certain raw materials and components;
- central and state sales tax, value added tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

49. ***The nationalized goods and services tax (GST) regimes by the Government of India may have material impact on our operations.***

The Government of India has implemented a comprehensive national goods and service tax (GST) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Given the limited liability of information in the public domain covering the GST we are unable to provide/ measure the impact this tax regime may have on our operations.

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

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

could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

51. ***We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in this Prospectus.***

While facts and other statistics in this Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled *'Industry Overview'* beginning on page 94 of this 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, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

53. ***Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

India's physical 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 physical 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.

55. ***Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by 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 may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

56. ***Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

57. ***Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**Prominent Notes**

Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc. All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the

Bid cum Application Form and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case maybe , quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum- Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker, Depository Participant, RTA, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked. All grievances relating to Bids submitted through the Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

1. Public Issue of 18,00,000 Equity Shares of face value of Rs. 10/- each of our Company for cash at a price of Rs. 29/- per Equity Share ("Issue Price") aggregating up to Rs. 522.00 lakhs. The Issue and the Net Issue will constitute 30.96% and 29.38%, respectively of the post Issue paid up equity share capital of the Company.

2. Investors may contact the Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "*General Information*" beginning on page 59 of this Prospectus.

3. The pre-issue net worth of our Company was Rs. 270.71 as of March 31, 2017. The book value of each Equity Share was Rs 24.49 as at March 31, 2017 before Bonus while book value of Equity Share post Bonus effect was Rs. 10.78 as at March 31, 2017 as per the restated financial statements of our Company. For more information, please refer to section titled *"Financial Statements"* beginning on page 148 of this Prospectus.

4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|---|---|---|
| Hitesh Thummar | 7,39,000 | 10.20 |
| Ajay Sardhara | 38,400 | NA* |
| Bhargavi Thummar | 11,04,200 | 10.12 |

   The consideration received by way of transfer is more than consideration paid for acquisition of shares and thus average cost of acquisition is not applicable. For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled *"Capital Structure"* beginning on page 66of this Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer to *"Financial Statements, as restated – Annexure XXXI – Restated Statement of Related Parties Transactions"* on page 146 under chapter titled *"Financial Statements, as restated"* beginning on page 148 of this Prospectus.

6. Except as disclosed in the chapter titled *"Capital Structure", "Our Promoter and Promoter Group*", "*Our Management*" and *"Financial Statements, as restated – Annexure XXXI – Restated Statement of Related Parties Transactions"* beginning on pages 66, 141, 131 and 146 respectively, of this Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.

7. Except as disclosed in the chapter titled *"Capital Structure"* beginning on page 66 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.

8. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.

9. Investors are advised to refer to the chapter titled *"Basis for Issue Price"* beginning on page 88 of this Prospectus.

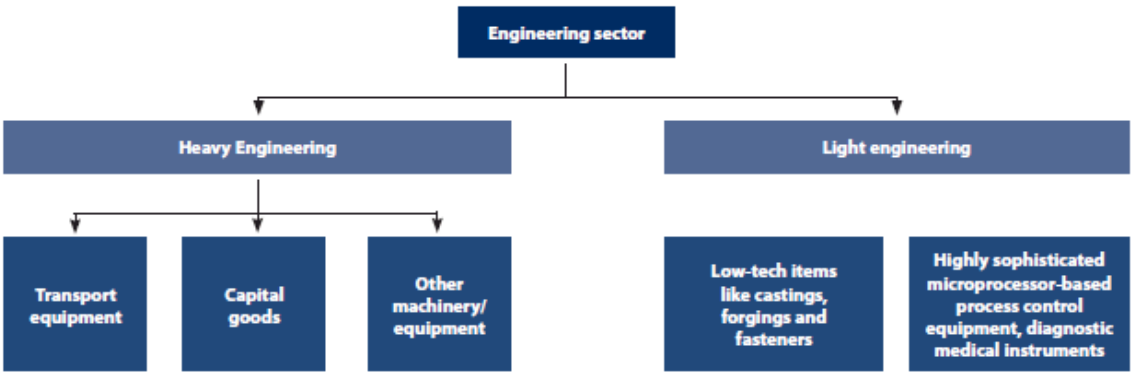
10. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Prospectus with Stock Exchange.

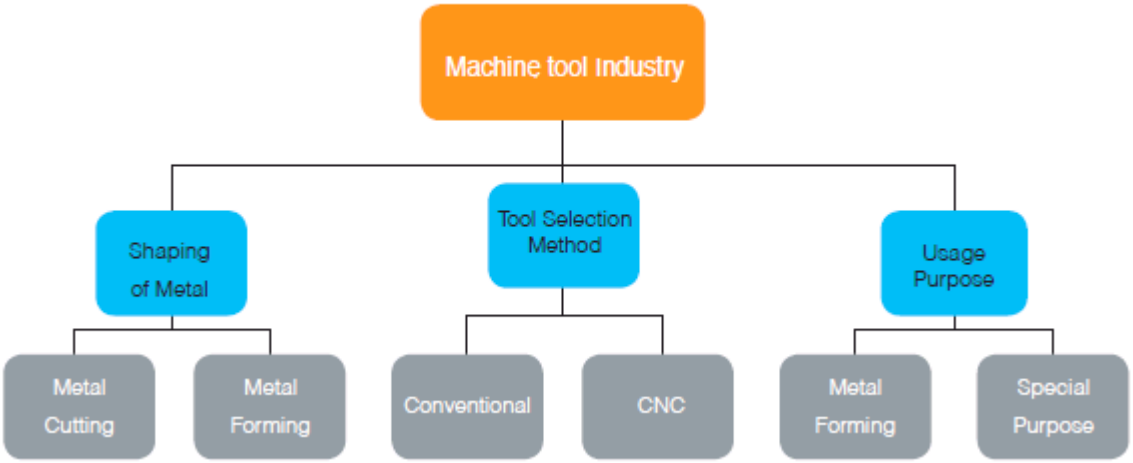
## SECTION III- INTRODUCTION
## SUMMARY OF INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on pages 16 and 148 respectively of this Prospectus before deciding to invest in our Equity Shares.*

### INDUSTRY OVERVIEW

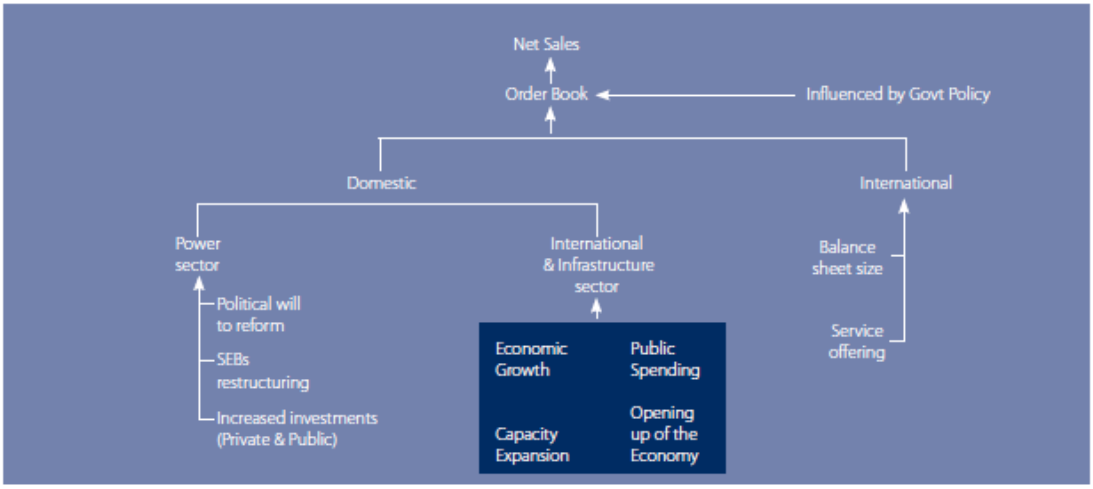
Growth in India's manufacturing sector has provided a stimulus for the engineering industry to develop capabilities in product development and advanced manufacturing technology. India manufactures the entire range of industrial machinery. Apart from demand from user industries, the availability of technical education infrastructure that provides an increased number of technically trained human resources, each year has been another key factor aiding the engineering industry in India. Based on their installed The bulk of capital goods required for power projects, fertilizer, cement, steel and petrochemical plants and mining equipment are made in India. The country also makes construction machinery, equipment for irrigation projects, diesel engines, tractors, transport vehicles, cotton textile and sugar mill machinery. The recent spurt in the domestic construction and infrastructure industry has accelerated the demand for most of the products. India also exports a range of heavy and light engineering goods. India has a strong engineering and capital goods base. The engineering sector is the largest segment of Indian Industry. The important groups within the engineering industry include machinery & instruments, castings, forgings, fasteners, electronic goods and project exports. The engineering sector employs over 4 million skilled and semi-skilled workers (direct and indirect) 1. For the quarter ended June 2007, the total engineering production was about US$ 5 billion.






*(Source: Engineering Market & Opportunities- India Brand Equity Foundation [www.ibef.org)](www.ibef.org)*

**Demand Drivers for the Engineering Sectors in India**



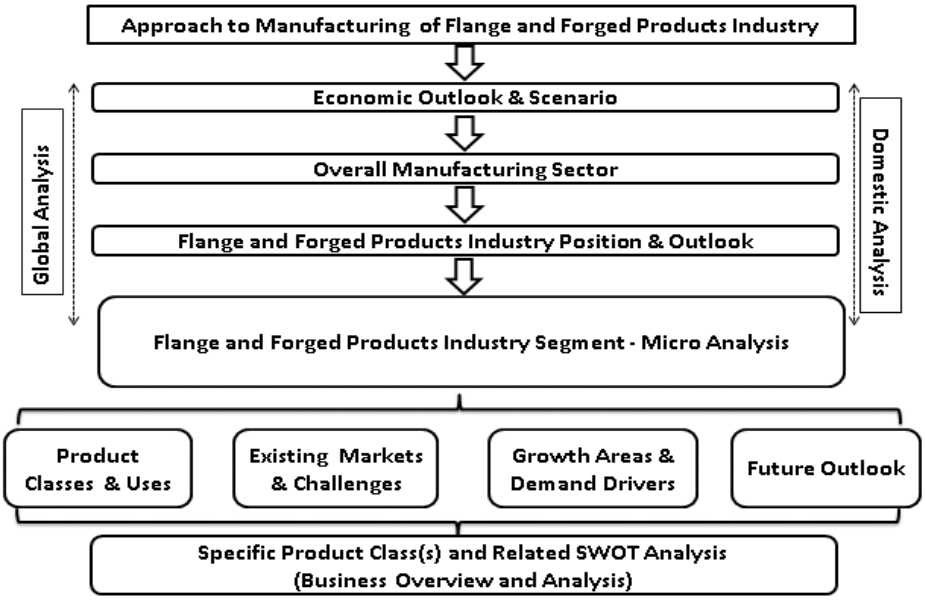

*(Source: Engineering Market & Opportunities- India Brand Equity Foundation [www.ibef.org)](www.ibef.org)*

## APPROACH TO INDUSTRY ANALYSIS

Analysis of manufacturing of flange and forged products industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Flange and forged products industry forms part of manufacturing sector at a macro level. Hence, broad picture of manufacturing sector should be at preface while analysing the cables and wires industry. If the entire manufacturing sector is likely to be impacted by a specific set of factors, so would, most likely, be the Flange and forged product industry as well.

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall manufacturing sector is 'Flange and forged products', which in turn encompasses various components one of them being 'Flange and forged products'.

Thus, Flange and forged product industry segment should be analysed in the light of 'Manufacturing' industry. An appropriate view on flange and forged product industry, then, calls for the overall economy outlook, performance and expectations of manufacturing sector, position of electronic industry and micro analysis.




*This Approach Note is developed by Pantomath Capital Advisors Pvt. Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of cables and wires industry and/ or any other industry, may entail legal consequences.*

## GLOBAL ECONOMIC ENVIRONMENT

For India, three external developments are of significant consequence. In the short run, the change in the outlook for global interest rates as a result of the US elections and the implied change in expectations of US fiscal and monetary policy will impact on India's capital flows and exchange rates. Markets are factoring in a regime change in advanced countries, especially US macroeconomic policy, with high expectations of fiscal stimulus and unwavering exit from unconventional monetary policies. The end of the 20-year bond rally and end to the corset of deflation and deflationary expectations are within sight. Second, the medium-term political outlook for globalisation and in particular for the world's "political carrying capacity for globalisation" may have changed in the wake of recent developments. In the short run a strong dollar and declining competitiveness might exacerbate the lure of protectionist policies. These follow on on-going trends— documented widely— about stagnant or declining trade at the global level. This changed outlook will affect India's export and growth prospects

Third, developments in the US, especially the rise of the dollar, will have implications for China's currency and currency policy. If China is able to successfully re-balance its economy, the spill over effects on India and the rest of the world will be positive. On, the other hand, further declines in the yuan, even if dollar-induced, could interact with underlying vulnerabilities to create disruptions in China that could have negative spill overs for India. For China, there are at least two difficult balancing acts with respect to the currency. Domestically, a declining currency (and credit expansion) props up the economy in the short run but delay rebalancing while also adding to the medium term challenges. Internationally, allowing the currency to weaken in response to capital flight risks creating trade frictions but imposing capital controls discourages FDI and undermines China's ambitions to establish the Yuan as a reserve currency. China with its underlying vulnerabilities remains the country to watch for its potential to unsettle the global economy.

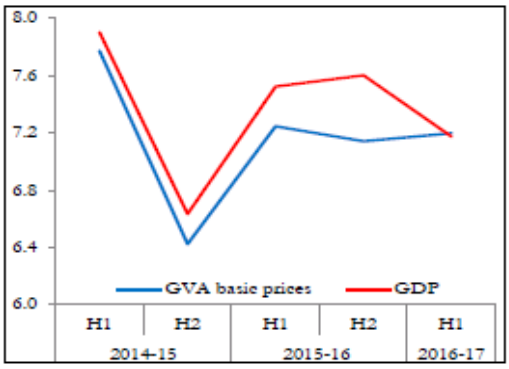
*(Source: Economic Survey 2016-17 www.indiabudget.nic.in)*

## REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. Real GDP growth in the first half of the year was 7.2 percent, on the weaker side of the 7.0-7.75 per cent projection in the Economic Survey 2015-16 and somewhat lower than the 7.6 percent

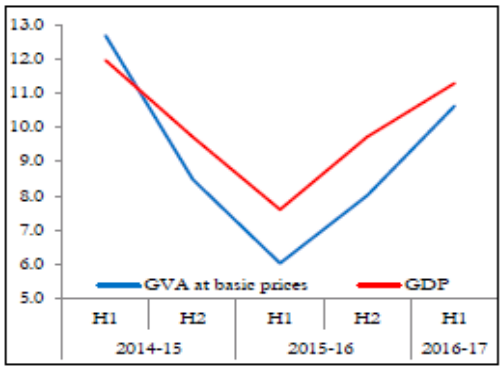
rate recorded in the second half of 2015-16 (Figure 1a). The main problem was fixed investment, which declined sharply as stressed balance sheets in the corporate sector continued to take a toll on firms' spending plans. On the positive side, the economy was buoyed by government consumption, as the 7th Pay Commission salary recommendations were implemented, and by the long-awaited start of an export recovery as demand in advanced countries began to accelerate. Nominal GDP growth recovered to respectable levels, reversing the sharp and worrisome dip that had occurred in the first half of 2015-16 (Figure 1b).

**Figure 1a. GVA and GDP Growth (Constant Prices)**




*Source:* CSO

**Figure 1b. GVA and GDP Growth (Current Prices)**




*Source:* CSO

The major highlights of the sectoral growth outcome of the first half of 2016-17 were: (i) moderation in industrial and nongovernment service sectors; (ii) the modest pick-up in agricultural growth on the back of improved monsoon; and (iii) strong growth in public administration and defence services—dampeners on and catalysts to growth almost balancing each other and producing a real Gross Value Addition (GVA) growth (7.2 percent), quite similar to the one (7.1 per cent) in H2 2015-16 (Figure 1b).

Inflation this year has been characterized by two distinctive features. The Consumer Price Index (CPI)-New Series inflation, which averaged 4.9 per cent during April-December 2016, has displayed a downward trend since July when it became apparent that kharif agricultural production in general, and pulses in particular would be bountiful. The decline in pulses prices has contributed substantially to the decline in CPI inflation which reached 3.4 percent at end-December. The second distinctive feature has been the reversal of WPI inflation, from a trough of (-)5.1 percent in August 2015 to 3.4 percent at end-December 2016, on the back of rising international oil prices. The wedge between CPI and WPI inflation, which had serious implications for the measurement of GDP discussed in MYEA (Box 3, Chapter 1, MYEA 2015-16), has narrowed considerably. Core inflation has, however, been more stable, hovering around 4.5 percent to 5 percent for the year so far. The outlook for the year as a whole is for CPI inflation to be below the RBI's target of 5 percent, a trend likely to be assisted by demonetisation.

**External Sector**

Similarly, the external position appears robust having successfully weathered the sizeable redemption of Foreign Currency Non-Resident (FCNR) deposits in late 2016, and the volatility associated with the US election and demonetisation. The current account deficit has declined to reach about 0.3 percent of GDP in the first half of FY2017.Foreign exchange reserves are at comfortable levels, having have risen from around US$350billion at end-January 2016 to US$ 360 billion at end-December 2016 and are well above standard norms for reserve adequacy. In part, surging net FDI inflows, which grew from 1.7percent of GDP in FY2016 to 3.2 percent of GDP in the second quarter of FY2017, helped the balance-of-payments

The trade deficit declined by 23.5 per cent in April-December 2016 over corresponding period of previous year. During the first half of the fiscal year, the main factor was the contraction in imports, which was far steeper than the fall in exports. But during October- December, both exports and imports started a long-awaited recovery, growing at an average rate of more than 5 per cent. The

improvement in exports appears to be linked to improvements in the world economy, led by better growth in the US and Germany. On the import side, the advantage on account of benign international oil prices has receded and is likely to exercise upward pressure on the import bill in the short to medium term. Meanwhile, the net services surplus declined in the first half, as software service exports slowed and financial service exports declined. Net private remittances declined by $4.5 bn in the first half of 2016-17 compared to the same period of 2015-16, weighed down by the lagged effects of the oil price decline, which affected inflows from the Gulf region.

**Fiscal Position**

Trends in the fiscal sector in the first half have been unexceptional and the central government is committed to achieving its fiscal deficit target of 3.5 percent of GDP this year. Excise duties and services taxes have benefitted from the additional revenue measures introduced last year. The most notable feature has been the over-performance (even relative to budget estimates) of excise duties in turn based on buoyant petroleum consumption: real consumption of petroleum products (petrol) increased by 11.2 percent during April-December 2016 compared to same period in the previous year. Indirect taxes, especially petroleum excises, have held up even after demonetisation in part due to the exemption of petroleum products from its scope. More broadly, tax collections have held up to a greater extent than expected possibly because of payment of dues in demonetised notes was permitted. Non-tax revenues have been challenged owing to shortfall in spectrum and disinvestment receipts but also to forecast optimism; the stress in public sector enterprises has also reduced dividend payments.

State government finances are under stress. The consolidated deficit of the states has increased steadily in recent years, rising from 2.5 percent of GDP in 2014-15 to 3.6 percent of GDP in 2015-16, in part because of the UDAY scheme. The budgeted numbers suggest there will be an improvement this year. However, markets are anticipating some slippage, on account of the expected growth slowdown, reduced revenues from stamp duties, and implementation of their own Pay Commissions. For these reasons, the spread on state bonds over government securities jumped to 75 basis points in the January 2017 auction from 45 basis points in October 2016. For the general government as a whole, there is an improvement in the fiscal deficit with and without UDAY scheme.

*(Source: Economic Survey 2016-17 www.indiabudget.nic.in)*

## OUTLOOK FOR 2016-17

This year's outlook must be evaluated in the wake of the November 8 action to demonetize the high denomination notes. But it is first important to understand the analytics of the demonetisation shock in the short run. Demonetisation affects the economy through three different channels. It is potentially: 1) an aggregate demand shock because it reduces the supply of money and affects private wealth, especially of those holding unaccounted money; 2) an aggregate supply shock to the extent that economic activity relies on cash as an input (for example, agricultural production might be affected since sowing requires the use of labour traditionally paid in cash); and 3) an uncertainty shock because economic agents face imponderables related to the magnitude and duration of the cash shortage and the policy responses (perhaps causing consumers to defer or reduce discretionary consumption and firms to scale back investments).

Demonetisation is also very unusual in its monetary consequences. It has reduced sharply, the supply of one type of money— cash—while increasing almost to the same extent another type of money—demand deposits. This is because the demonetized cash was required to be deposited in the banking system. In the third quarter of FY2017 (when demonetisation was introduced), cash declined by 9.4 percent, demand deposits increased by 43 percent, and growth in the sum of the two by 11.3 percent.

The price counterparts of this unusual aspect of demonetisation are the surge in the price of cash (inferred largely through queues and restrictions), on the one hand; and the decline in interest rates on the lending rate (based on the marginal cost of funds) by 90 basis points since November 9; on deposits (by about 25 basis points); and on g-secs on the other (by about 32 basis points).

There is yet another dimension of demonetisation that must be kept in mind. By definition, all these quantity and price impacts will self-correct by amounts that will depend on the pace at which the

economy is remonetized and policy restrictions eased. As this occurs, consumers will run down their bank deposits and increase their cash holdings. Of course, it is possible, even likely that the self-correction will not be complete because in the new equilibrium, aggregate cash holdings (as a share of banking deposits and GDP) are likely to be lower than before.

Anecdotal and other survey data abound on the impact of demonetisation. But we are interested in a macro-assessment and hence focus on five broad indicators: Agricultural (Rabi) sowing; Indirect tax revenue, as a broad gauge of production and sales; Auto sales, as a measure of discretionary consumer spending and two-wheelers, as the best indicator of both rural and less affluent demand; Real credit growth; and Real estate prices. Contrary to early fears, as of January 15, 2017 aggregate sowing of the two major rabi crops—wheat and pulses (gram)—exceeded last year's planting by 7.1 percent and 10.7 percent, respectively. Favourable weather and moisture conditions presage an increase in production. To what extent these favourable factors will be attenuated will depend on whether farmers' access to inputs—fertilizer, credit, and labour—was affected by the cash shortage.

To estimate a demonetisation effect, one needs to start with the counterfactual. Our best estimate of growth in the absence of demonetisation is 11¼ percent in nominal terms (slightly higher than last year's Survey forecast because of the faster rebound in WPI inflation, but lower than the CSO's advance estimate of 11.9 percent) and 7 percent in real terms (in line with both projections).

Finally, demonetisation will afford an interesting natural experiment on the substitutability between cash and other forms of money. Demonetisation has driven a sharp and dramatic wedge in the supply of these two: if cash and other forms are substitutable, the impact will be relatively muted; if, on the other hand, cash is not substitutable the impact will be greater.

*(Source: Economic Survey 2016-17 www.indiabudget.nic.in)*

## OUTLOOK FOR 2017-18

Turning to the outlook for 2017-18, we need to examine each of the components of aggregate demand: exports, consumption, private investment and government.

As discussed earlier, India's exports appear to be recovering, based on an uptick in global economic activity. This is expected to continue in the aftermath of the US elections and expectations of a fiscal stimulus. The IMF's January update of its World Economic Outlook forecast is projecting an increase in global growth from 3.1 percent in 2016 to 3.4 percent in 2017, with a corresponding increase in growth for advanced economies from 1.6 percent to 1.9 percent. Given the high elasticity of Indian real export growth to global GDP, exports could contribute to higher growth next year, by as much as 1 percentage point.

The outlook for private consumption is less clear. International oil prices are expected to be about 10-15 percent higher in 2017 compared to 2016, which would create a drag of about 0.5 percentage points. On the other hand, consumption is expected to receive a boost from two sources: catch-up after the demonetisation-induced reduction in the last two quarters of 2016-17; and cheaper borrowing costs, which are likely to be lower in 2017 than 2016 by as much as 75 to 100 basis points. As a result, spending on housing and consumer durables and semi-durables could rise smartly. It is too early to predict prospects for the monsoon in 2017 and hence agricultural production. But the higher is agricultural growth this year, the less likely that there would be an extra boost to GDP growth next year.

Since no clear progress is yet visible in tackling the twin balance sheet problem, private investment is unlikely to recover significantly from the levels of FY2017. Some of this weakness could be offset through higher public investment, but that would depend on the stance of fiscal policy next year, which has to balance the short-term requirements of an economy recovering from demonetisation against the medium-term necessity of adhering to fiscal discipline—and the need to be seen as doing so. Putting these factors together, we expect real GDP growth to be in the 6¾ to 7½ percent range in FY2018. Even under this forecast, India would remain the fastest growing major economy in the world.

There are three main downside risks to the forecast. First, the extent to which the effects of demonetisation could linger into next year, especially if uncertainty remains on the policy response. Currency shortages also affect supplies of certain agricultural products, especially milk (where procurement has been low), sugar (where cane availability and drought in the southern states will restrict production), and potatoes and onions (where sowings have been low). Vigilance is essential to prevent other agricultural products becoming in 2017-18 what pulses was in 2015-16.

Second, geopolitics could take oil prices up further than forecast. The ability of shale oil production to respond quickly should contain the risks of a sharp increase, but even if prices rose merely to $60-65/barrel the Indian economy would nonetheless be affected by way of reduced consumption; less room for public investment; and lower corporate margins, further denting private investment. The scope for monetary easing might also narrow, if higher oil prices stoked inflationary pressure.

Third, there are risks from the possible eruption of trade tensions amongst the major countries, triggered by geo-politics or currency movements. This could reduce global growth and trigger capital flight from emerging markets. The one significant upside possibility is a strong rebound in global demand and hence in India's exports. There are some nascent signs of that in the last two quarters. A strong export recovery would have broader spill over effects to investment.

**Fiscal outlook**

The fiscal outlook for the central government for next year will be marked by three factors. First, the increase in the tax to GDP ratio of about 0.5 percentage points in each of the last two years, owing to the oil windfall will disappear. In fact, excise-related taxes will decline by about 0.1 percentage point of GDP, a swing of about 0.6 percentage points relative to FY2017.

Second, there will be a fiscal windfall both from the high denomination notes that are not returned to the RBI and from higher tax collections as a result of increased disclosure under the Pradhan Mantra Garib Kalyan Yojana (PMGKY). Both of these are likely to be one-off in nature, and in both cases the magnitudes are uncertain.

A third factor will be the implementation of the GST. It appears that the GST will probably be implemented later in the fiscal year. The transition to the GST is so complicated from an administrative and technology perspective that revenue collection will take some time to reach full potential. Combined with the government's commitment to compensating the states for any shortfall in their own GST collections (relative to a baseline of 14 percent increase), the outlook must be cautious with respect to revenue collections. The fiscal gains from implementing the GST and demonetisation, while almost certain to occur, will probably take time to be fully realized. In addition, muted non-tax revenues and allowances granted under the 7th Pay Commission could add to pressures on the deficit.

**The macroeconomic policy stance for 2017-18**

An economy recovering from demonetisation will need policy support. On the assumption that the equilibrium cash-GDP ratio will be lower than before November 8, the banking system will benefit from a higher level of deposits. Thus, market interest rates—deposits, lending, and yields on g-secs—should be lower in 2017-18 than 2016-17. This will provide a boost to the economy (provided, of course, liquidity is no longer a binding constraint). A corollary is that policy rates can be lower not necessarily to lead and nudge market rates but to validate them. Of course, any sharp uptick in oil prices and those of agricultural products, would limit the scope for monetary easing.

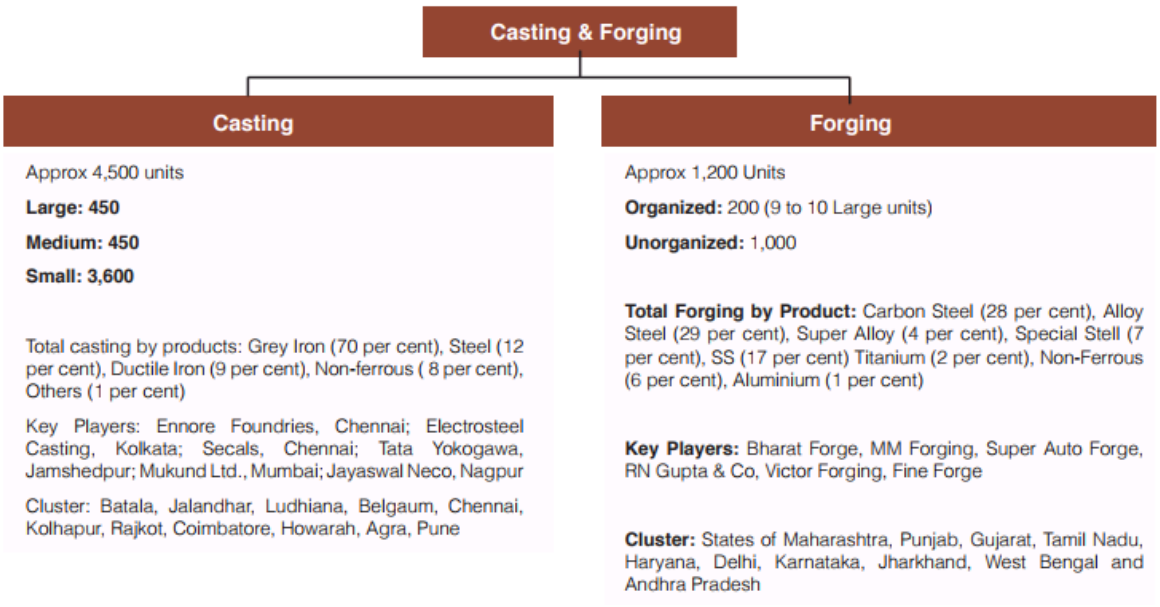
Fiscal policy is another potential source of policy support. This year the arguments may be slightly different from those of last year in two respects. Unlike last year, there is more cyclical weakness on account of demonetisation. Moreover, the government has acquired more credibility because of posting steady and consistent improvements in the fiscal situation for three consecutive years, the central government fiscal deficit declining from 4.5 percent of GDP in 2013-14 to 4.1 percent, 3.9 percent, and 3.5 percent in the following three years. But fiscal policy needs to balance the cyclical imperatives with medium term issues relating to prudence and credibility.

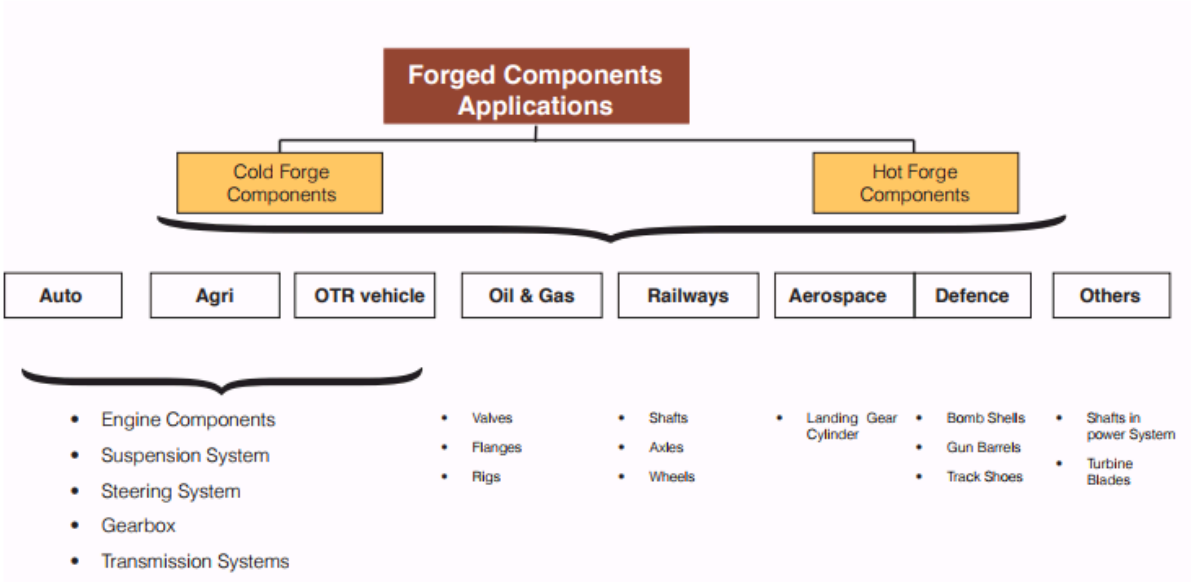
One key question will be the use of the fiscal windfall (comprising the unreturned cash and additional receipts under the PMGKY) which is still uncertain. Since the windfall to the public sector is both one off and a wealth gain not an income gain, it should be deployed to strengthening the government's balance sheet rather than being used for government consumption, especially in the form of programs that create permanent entitlements. In this light, the best use of the windfall would be to create a public sector asset reconstruction company so that the twin balance sheet problem can be addressed, facilitating credit and investment revival; or toward the compensation fund for the GST that would allow the rates to be lowered and simplified; or toward debt reduction. The windfall should not influence decisions about the conduct of fiscal policy going forward.

Perhaps the most important reforms to boost growth will be structural. In addition to those spelt out in Section 1—strategic disinvestment, tax reform, subsidy rationalization—it is imperative to address directly the twin balance sheet problem. The problem is large, persistent and difficult, will not correct itself even if growth picks up and interest rates decline, and current attempts have proved grossly inadequate. It may be time to consider something like a public sector asset reconstruction company.

Another area of reform relates to labour. Given the difficulty of reforming labor laws per se, the thrust could be to move towards affording greater choice to workers which would foster competition amongst service providers. Choices would relate to: whether they want to make their own contribution to the Employees' Provident Fund Organisation (EPFO); whether the employers' contribution should go to the EPFO or the National Pension Scheme; and whether to contribute to the Employee State Insurance (ESI) or an alternative medical insurance program. At the same time, there could be a gradual move to ensure that at least compliance with the central labour laws is made paperless, presence less, and cashless. One radical idea to consider is the provision of a universal basic income. But another more modest proposal worth embracing is procedural: a standstill on new government programs, a commitment to assess every new program only if it can be shown to demonstrably address the limitations of an existing one that is similar to the proposed one; and a commitment to evaluate and phase down existing programs that are not serving their purpose.

## INDUSTRY STRUCTURE AND PRODUCT CLASSIFICATION






*(Source :Indian Electronics Industry Analysis India Brand Equity Foundation [www.ibef.org)](www.ibef.org)*

The electronics market of India is one of the largest in the world and is anticipated to reach US$ 400 billion in 2022 from US$ 69.6 billion in 2012. The market is projected to grow at a compound annual growth rate (CAGR) of 24.4 per cent during 2012-2020.

Total production of electronics hardware goods in India is estimated to reach US$ 104 billion by 2020. The communication and broadcasting equipment segment constituted 31 per cent, which is the highest share of total production of electronic goods in India in FY13, followed by consumer electronics at 23 per cent.

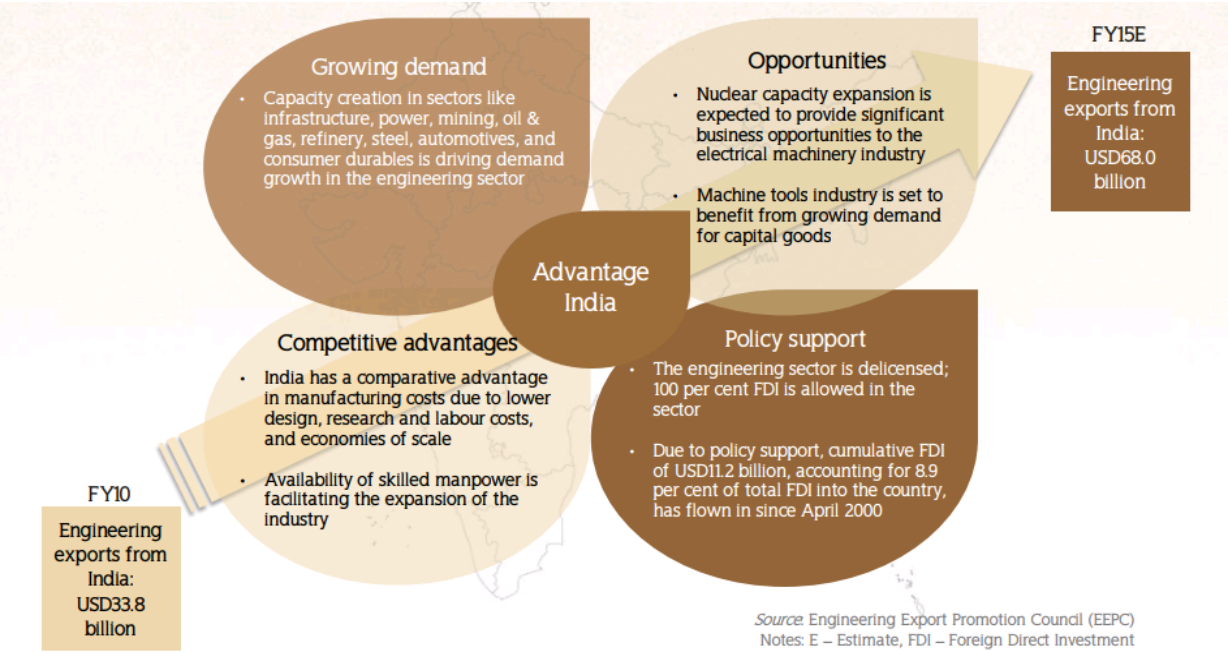
Electronic exports from India was expected to reach US$ 8.3 billion in FY13, a CAGR of 27.9 per cent during FY07–12. Technological improvements and competitively cost effectiveness are main drivers for demand of Indian electronics products abroad.

The Government of India has set up Electronic Hardware Technology Parks (EHTPs), Special Economic Zones (SEZs) and brought about a favourable climate for foreign direct investment (FDI). It has also increased liberalisation and relaxed tariffs to promote growth in the sector. In addition, the government gave its green signal to the Modified Special Incentive Package Scheme (MSIPS) under which the central government will be offering up to US$ 1.7 billion in benefits to the electronics sector in next five years.

The growing customer base and the increased penetration in consumer durables segment has provided enough scope for the growth of the Indian electronics sector. Also, digitisation of cable could lead to increased broadband penetration in the country and open up new avenues for companies in the electronics industry. Organization (UNIDO)

*(Source: Manufacturing Sector in India - India Brand Equity Foundation [www.ibef.org](www.ibef.org))*

## ADVANTAGES: INDIAN OVERVIEW




*(Source :Indian Electronics Industry Analysis India Brand Equity Foundation [www.ibef.org)](www.ibef.org)*

1. Capacity creation in sectors like infrastructure, power, mining, oil & gas, refinery, steel, automotives, and consumer durables is driving demand growth in the engineering sector
2. Nuclear capacity expansion is expected to provide significant business opportunities to the electrical machinery industry. Machine tools industry is set to benefit from growing demand for capital goods
3. India has a comparative advantage in manufacturing costs due to lower design, research and labour costs, and economies of scale
4. Availability of skilled manpower is facilitating the expansion of the industry
5. The engineering sector is delicensed; 100 per cent FDI is allowed in the sector. Due to policy support, cumulative FDI of USD11.2 billion, accounting for 8.9 per cent of total FDI into the country, has flown in since April 2000

*(Source: Manufacturing Sector in India - India Brand Equity Foundation [www.ibef.org](www.ibef.org)*

## KEY CAPABILITIES OF THE SECTOR

The forging & casting industry's continuous efforts in upgrading technologies and diversifying product range has enabled it to expand its customer-base in the domestic market. Newer target segments include aerospace, power, energy, oil and gas, and heavy engine parts, even though automotive industry continues to be its primary end-user.

The organized sector has been consistently incorporating latest technologies with added emphasis on CAD/CAM, simulation, semi-automatic and automatic manufacturing and other forms of computer-based technologies to produce quality forgings conforming to international standards and with better output. Companies are also using quality tools such as Sound Pressure Level (SPL) studies to reduce rejections. Bharat Forge along with Larsen & Toubro (L&T) and Tata Power are planning to locally develop the Indian prototype of the 155mm Bofors artillery gun system.

*(Source: Engineering Sector in India- India Brand Equity Foundation [www.ibef.org)](www.ibef.org)*

## GROWTH

The forging & casting industry's continuous efforts in upgrading technologies and diversifying product range has enabled it to expand its customer Growth of the engineering sector is linked to investments in the sectors of power, infrastructure, automobile, auto components etc. The growth in capital goods sector is also directly related to the overall engineering sector. Industry competition, rising infrastructure demand, export incentives and conducive policy environment are expected to

facilitate growth in this industry. Government projects such as the World Bank-funded Golden Quadrilateral Project and the North-South and East-West corridors, which are focus areas for infrastructure development, have fuelled growth in the construction industry as well as in the overall industrial sector. By the end of 2020, India is expected to have 590 million middle class, which will drive demand in the auto sector, consumer goods, infrastructure etc. Engineering firms need to ensure they address the requirements of this segment with products of adequate quality. This opens a large avenue for both domestic and international investment in this sector, especially in the large manufacturing & infrastructure projects. This is estimated to be over and above the mid-and innumerable small engineering projects expected to be announced in the next couple of years. The year 2014 alone witnessed more than 50 mergers & acquisitions (M&A) that addressed the requirements of the growing domestic market. Government projects such as the World Bank-funded Golden Quadrilateral Project and the North-South and East-West corridors, which are focus areas for infrastructure development, have fuelled growth in the construction industry as well as in the overall industrial sector. By the end of 2020, India is expected to have 590 million middle class, which will drive demand in the auto sector, consumer goods, infrastructure etc. Engineering firms need to ensure they address the requirements of this segment with products of adequate quality. This opens a large avenue for both domestic and international investment in this sector, especially in the large manufacturing & infrastructure projects. This is estimated to be over and above the mid-and innumerable small engineering projects expected to be announced in the next couple of years. The year 2014 alone witnessed more than 50 mergers & acquisitions (M&A) that addressed the requirements of the growing domestic market. India has close to 500 million workers in the labour force. Around 60 per cent of who are employed in agriculture, 28 per cent in services, and 12 per cent in manufacturing. This is expected to change over the next few years as more workers move from agricultural jobs to manufacturing, taking advantage of the growing manufacturing sector.

*(Source: Engineering Sector in India- India Brand Equity Foundation www.ibef.org)*

## SUMMARY OF OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled "Forward-Looking Statements" beginning on page 15 of this Prospectus, 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.*

*The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus including the information contained in the sections titled "Risk Factors" and "Financial Information" beginning on pages 165 and 148, respectively.*

### OVERVIEW

Incorporated in 2012, our Company, Tirupati Forge Limited is an ISO 9001:2008 certified Company engaged in manufacturing of closed die forged products like auto component, bearings, gears, etc and forged flanges of mild steel, carbon steel, stainless steel, etc. based out at Hadamtala Industrial Estate, Rajkot, Gujarat.

We started our operations in 2012, under the management of our Directors, Ajay Sardhara and Bhavesh Barsiya. Later on, Hitesh Thummar joined the board of our Company and under his guidance we have expanded our sales and operations to domestic market on long scale basis. Our Company was initially set up to cater the requirements of international market mainly to United States of America and gradually, we have started exporting our products to Italy, Morocco, etc and domestic market.

Out of our total revenue from operations, more than 88.04% was from exports in the financial year 2014-15. For the financial year 2015-16 and 2016-17, revenue from exports is 63.06% and 28.47% respectively while revenue from domestic sales is 36.94% and 71.53% respectively.

Our facility is equipped with CNC machines which enable us to supply products based on internationally recognized standards. Our manufacturing facilities are well equipped with required facilities including machinery, other handling equipment to facilitate smooth manufacturing process. We endeavour to maintain safety in our premises by adhering to key safety norms.

Our Company also complies with TUV Nord for Quality Assurance System besides ISO and strives to deliver quality products to the customers. We believe in manufacturing and delivering quality products and our manufacturing process is under constant supervision by Engineers. The entire system is backed by proper documentation, traceability until the end product, with full proof checks required as per ISO regulations. We are dedicated towards supply of quality products by controlling the procurement of our raw material, monitoring the process parameters and maintaining appropriate measures to comply with applicable statutory and regulatory requirements of our products.

Our Company is equipped with in-house testing laboratory for checking of our raw materials. Raw material purchased by us undergoes independent testing and quality check to ensure that they are of relevant quality and match the standards as specified. The finished products are checked in our in house testing laboratory to ensure that the same is of relevant standards and design as specified by the customer; the products are then packed and dispatched.

Our total revenues from operations for the financial year 2016-17 are Rs. 1,617.33 lakhs as compared to Rs. 1,797.11 and Rs. 3,023.12 lakhs in financial year 2015-16 and 2014-15 respectively. Our profit after tax for the financial year 2014-15 was Rs. 70.35 lakhs which decreased to Rs. 16.95 lakhs in financial year 2015-16 and subsequently increased to Rs. 50.50 lakhs in financial year 2016-17.

## COMPETITIVE STRENGTHS

***Quality Certifications***

Our Company adheres to various quality standards by manufacturing products having quality checks at various stages of production. Our Company complies with TUV Nord for Quality Assurance System besides ISO and strives to deliver quality products to the customers. We also have in house testing laboratory for testing each product at various stages.

***Equipped Plant***

We have equipped forge shop with all supporting facilities like in house die shop, ring rolling machines, CNC Machine Shop, CNC Drilling, Stamping Machine, Automated Paint Line, etc. We understand and believe that our ability to manufacture die and forged products based on customer requirement gives us the additional advantage over our customer. All export products are machined under precision through CNC Machines which provides competitive advantage over other unorganized players.

***Export Market***

Our marketing team develops and maintains cordial relations with our customers by continuously following-up with the existing customers and approaching new customers. We regularly have interactions with our customers and understand their demands and requirements. We are ISO 9001:2008 complied Company with various quality certifications as required by our customers. Our major market is United States of America where bulk stockist purchases our products and sells it to industrial customers worldwide. Our products are used by automobile industry, refineries, oil pipelines, etc.

***Experienced Promoters***

We are led by a dedicated senior management team with several years of experience in forging manufacturing. We believe our senior management team leverages our market position and their collective experience and knowledge in the industry, to execute our business strategies and drive our future growth. In addition, we believe the strength and entrepreneurial vision of our Promoters and senior management has been instrumental in driving our growth and implementing our strategies. In addition, we have an experienced team of employees.

## BUSINESS STRATEGY

***Improve and increase operational efficiencies***

We will continue to focus on further increasing our operations and improving operational effectiveness at our production facilities. Higher operational effectiveness results in greater production volumes and higher sales, and therefore allows us to spread fixed costs over a higher number of units sold, thereby increasing profit margins. We will also continue to identify various strategic initiatives to improve our operational efficiencies and reduce operating costs. We continue to focus on investing in automation, modern technology and equipment to continually upgrade our products including the quality of our products to address changing customer preferences as well as to improve operational efficiency. We continue to target economies of scale to gain increased negotiating power on procurement and to realize cost savings through centralized deployment and management of production, maintenance, accounting and other support functions.

***Pursue international growth opportunities besides USA***

We believe that there exist substantial opportunities to grow our business internationally. Further, we intend to mainly focus on the bulk stockist around Morocco, Malaysia, United Arab Emirates and Italy in the future in these geographies to scale up our revenues. Historically our revenue has been dependent on United States on America and domestic market.

***Installation of non conventional and renewable source of power/energy***

We plan to use renewable source of energy by installation of Solar Panels or Wind Mill around our manufacturing facility for generation of electricity. We plan to reduce our electricity and power

consumption cost by installing such machinery. Our power cost for the financial year 2016-17 was Rs. 163.26 lakhs which is 10.44% of our total revenue. We believe installing of such machines would significantly reduce our power cost and thus directly increase our profit margins.

***Undertaking Government Contracts***

We plan to apply for tender in government and railway department for supplying railway clamps. We are undergoing the process and have applied for various registrations for supplying to railways. We believe that besides our export market, domestic market of forged products and supply to government and railways would have material impact on our revenue from operations.

## PRODUCT RANGE

Our Company is engaged in manufacturing of forged and flanged products which cater to various industries such as Oil and Gas Industry, Refineries, Automobile, Water Transmission, Railways, Irrigation, etc.

Our products can majorly be divided into two categories:

| Category | Includes | End User |
|---|---|---|
| Open Die Forged products | Auto Components, Bearings, Gears, Crank Shaft | Automobile, Railways, Irrigation, Agriculture, etc. |
| Forged Flanges | Carbon Steel, Stainless Steel, Din Flange, Conical Flange, Plate Flange, Long Weld Neck | Oil and Gas Pipelines, Water Pipelines, Refineries, etc. |

## SUMMARY OF FINANCIAL STATEMENTS

## ANNEXURE I STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

***(Rs. in Lacs)***

| Sr. No. | Particulars | Annexure | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|
| | **Equity & Liabilities** | | | | | | |
| **1)** | **Shareholders funds** | | | | | | |
| | a. Share capital | V | 78.50 | 78.50 | 78.50 | 78.50 | 1.00 |
| | b. Reserves & surplus | VI | 192.21 | 141.71 | 124.76 | 54.41 | 0.00 |
| | **Sub Total – Shareholders Funds** | | **270.71** | **220.21** | **203.26** | **132.91** | **1.00** |
| **2)** | **Share Applicatiobn Money pending Allotment** | | **0.00** | **0.00** | **0.00** | **0.00** | **47.50** |
| **3)** | **Non current liabilities** | | | | | | |
| | a. Long term borrowings | VII | 249.91 | 350.60 | 425.62 | 508.98 | 120.00 |
| | b. Other Long Term Liabilities | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | d. Long Term Provisions | VIII | 5.06 | 2.89 | 0.93 | 0.00 | 0.00 |
| | **Sub Total – Non Current Liabilities** | | **254.97** | **353.49** | **426.55** | **508.98** | **120.00** |
| **4)** | **Current liabilities** | | | | | | |
| | a. Short term borrowings | IX | 131.74 | 109.82 | 152.94 | 144.94 | 0.00 |
| | b. Trade payables | X | 216.66 | 130.39 | 504.34 | 124.93 | 12.48 |
| | c. Other current liabilities | XI | 126.48 | 137.55 | 68.33 | 69.85 | 0.00 |
| | d. Short term provisions | XII | 32.46 | 20.21 | 60.22 | 5.28 | 0.00 |
| | **Sub Total –Current Liabilites** | | **507.33** | **397.97** | **785.83** | **345.00** | **12.48** |
| | **T O T A L Liabilities (1+2+3)** | | **1033.01** | **971.68** | **1415.65** | **986.89** | **180.98** |
| | **Assets** | | | | | | |
| **5)** | **Non current assets.** | | | | | | |
| | a. Fixed assets | | | | | | |
| | - Tangible Assets | XIII | 477.68 | 508.45 | 526.87 | 520.95 | 0.00 |
| | - Intangible Assets | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | - Capital Work In Progress | | 0.00 | 0.00 | 3.05 | 4.17 | 20.53 |
| | b. Non current Investments | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | c. Deferred Tax Asset | XIV | 15.45 | 13.45 | 9.35 | 0.26 | 0.00 |
| | d. Long-term loans and advances | XV | 0.24 | 0.24 | 0.24 | 1.54 | 1.50 |
| | e. Other Non Current Assets | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| Sr. No. | Particulars | Annexure | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|
| | **Sub Total – Non current Assets** | | **493.36** | **522.14** | **539.50** | **526.92** | **22.03** |
| **6)** | **Current assets** | | | | | | |
| | a. Current Investment | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | b. Inventories | XVI | 271.01 | 238.00 | 371.46 | 180.71 | 0.00 |
| | c. Trade receivables | XVII | 194.03 | 125.32 | 303.95 | 104.78 | 0.00 |
| | d. Cash and cash equivalents | XVIII | 10.45 | 23.89 | 19.28 | 20.10 | 10.51 |
| | e. Short term loans & advances | XIX | 64.14 | 62.31 | 181.41 | 154.32 | 143.89 |
| | f. Other current assets | XX | 0.02 | 0.03 | 0.05 | 0.07 | 4.55 |
| | **Sub Total Current Assets.** | | **539.65** | **449.54** | **876.15** | **459.98** | **158.96** |
| | **T O T A L (4+5)** | | **1033.01** | **971.68** | **1415.65** | **986.89** | **180.98** |

**ANNEXURE II: STATEMENT OF PROFIT AND LOSS AS RESTATED**

***(Rs. in Lacs)***

| Sr. No. | Particulars | Annexure | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|
| | **INCOME** | | | | | | |
| **A** | Revenue from Operations | XXI | 1617.42 | 1797.11 | 3023.12 | 679.37 | 0.00 |
| **B** | Other income | XXII | 19.35 | 30.45 | 13.83 | 24.13 | 0.00 |
| **A+B** | **Total revenue - I** | | 1636.77 | 1827.56 | 3036.96 | 703.50 | 0.00 |
| | **EXPENDITURE** | | | | | | |
| A | Cost of Materials Consumed | XXIII | 1044.34 | 1029.35 | 2090.97 | 597.43 | 0.00 |
| **B** | Purchase of stock-in-trade | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **C** | Changes in inventories of finished goods, traded goods and work-in-progress | **XXIV** | -27.50 | 51.44 | -100.15 | -156.01 | 0.00 |
| D | Employee benefit expenses | XXV | 60.56 | 74.40 | 82.08 | 30.49 | 0.00 |
| E | Finance costs | XXVI | 46.91 | 70.96 | 84.19 | 46.15 | 0.00 |
| F | Depreciation and amortisation expense | XIII | 92.18 | 101.27 | 100.61 | 42.48 | 0.00 |
| G | Other expenses | XXVII | 346.81 | 475.34 | 683.90 | 143.80 | 0.00 |
| | **Total expenses - II** | | 1563.30 | 1802.75 | 2941.59 | 704.35 | 0.00 |
| **H** | **Prior period items (net)** | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **I** | Profit before exceptional, extraordinary items and tax | | 73.47 | 24.80 | 95.37 | -0.85 | 0.00 |
| **J** | Exceptional items | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **K** | Profit before extraordinary items and tax | | 73.47 | 24.80 | 95.37 | -0.85 | 0.00 |
| **L** | Extraordinary items | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| M | Profit before tax | | 73.47 | 24.80 | 95.37 | -0.85 | 0.00 |
| N | Tax expense: | | | | | | |
| | (i) Current tax | | 24.97 | 11.96 | 34.10 | 0.00 | 0.00 |
| | (ii) MAT Credit Entitlement | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (iii) Deferred tax (asset)/liability | | -2.00 | -4.10 | -9.08 | -0.26 | 0.00 |
| | ***Total tax expense*** | | 22.97 | 7.86 | 25.01 | -0.26 | 0.00 |
| **M** | **Profit for the year/ period** | | 50.50 | 16.95 | 70.35 | -0.59 | 0.00 |

ANNEXURE II STATEMENT OF PROFIT AND LOSS AS RESTATED

***(Rs. in Lacs)***

| Sr. No. | Particulars | | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|
| **(A)** | **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | |
| | Net Profit Before taxes | | 73.47 | 24.80 | 95.37 | (0.85) | 0.00 |
| | **Adjustments for :** | | | | | | |
| | - Depreciation | | 92.18 | 101.27 | 100.61 | 42.48 | 0.00 |
| | - Preliminary Expenses | | 0.02 | 0.02 | 0.02 | 0.02 | 0.00 |
| | - Interest (Net) | | 29.61 | 54.60 | 83.29 | 33.70 | 0.00 |
| | - Provision for Gratuity | | 0.70 | 2.17 | 1.97 | 0.93 | 0.00 |
| | **Operating Profit Before Working Capital Change** | | | | | | |
| | (Increase)/Decrease in Inventory | | (33.01) | 133.46 | (190.75) | (180.71) | 0.00 |
| | (Increase)/Decrease in Trade and other receivables | | (68.72) | 178.63 | (199.17) | (104.78) | 0.00 |
| | (Increase)/Decrease in Long-term loans and advances | | 0.00 | 0.00 | 1.30 | (0.04) | (1.50) |
| | (Increase)/Decrease in Short-term loans and advances | | (1.83) | 119.10 | (27.09) | (10.43) | (143.89) |
| | (Increase)/Decrease in Other Current Assets | | 0.00 | 0.00 | 0.00 | 4.47 | (4.55) |
| | Increase/(Decrease) in Current Liabilities | | 73.91 | (324.52) | 399.59 | 186.65 | 12.48 |
| | CASH GENERATED FROM OPERATIONS | | 166.33 | 289.53 | 265.13 | (28.56) | (137.46) |
| | Income Tax Paid | | (9.98) | (32.38) | (1.88) | 0.00 | 0.00 |
| | **NET CASH FROM OPERATING ACTIVITIES** | | **156.35** | **257.15** | **263.24** | **(28.56)** | **(137.46)** |
| **(B)** | **CASH FLOW FROM INVESTING ACTIVITIES** | | | | | | |
| | Purchase of Fixed Assets | | (61.41) | (79.81) | (105.41) | (547.08) | (20.53) |
| | Sales of Fixed Assets | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | NET CASH FROM INVESTMENT ACTIVITIES | | (61.41) | (79.81) | (105.41) | (547.08) | (20.53) |
| **(C)** | **CASH FLOW FROM FINANCING ACTIVITIES** | | | | | | |
| | Increase / (Decrease) in Share capital | | 0.00 | 0.00 | 0.00 | 77.50 | 1.00 |
| | Increase / (Decrease) in Share allotment money | | 0.00 | 0.00 | 0.00 | (47.50) | 47.50 |
| | Increase / (Decrease) in Share Premium | | 0.00 | 0.00 | 0.00 | 55.00 | 0.00 |
| | Increase / (Decrease) in Short Term Borrowing | | 21.92 | (43.12) | 8.00 | 144.94 | 0.00 |

| Sr. No. | Particulars | | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|
| | Increase/(Decrease) in Long Term Borrowings | | (100.69) | (75.02) | (83.36) | 388.98 | 120.00 |
| | Interest Paid | | (29.61) | (54.60) | (83.29) | (33.70) | 0.00 |
| | **NET CASH FROM FINANCING ACTIVITIES** | | **(108.38)** | **(172.73)** | **(158.66)** | **585.23** | **168.50** |
| | Increase/(Decrease) in Cash and Cash Equivalents | | (13.43) | 4.61 | (0.82) | 9.59 | 10.51 |
| | Cash and Cash Equivalent at the begining of the year | | 23.89 | 19.28 | 20.10 | 10.51 | 0.00 |
| | Cash and Cash Equivalent at the end of the year | | 10.45 | 23.89 | 19.28 | 20.10 | 10.51 |

## THE ISSUE

| PRESENT ISSUE IN TERMS OF THIS PROSPECTUS | |
|---|---|
| **Particulars** | **Details of Equity Shares** |
| Public Issue of Equity Shares | 18,00,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 10/- per Equity Share aggregating Rs. 522.00 lakhs |
| **Of which:** | |
| Market Maker Reservation Portion | 92,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs 29/- per Equity Share aggregating Rs. 26.68 lakhs |
| Net Issue to the Public* | 17,08,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 29/- per Equity Share aggregating Rs. 495.32 lakhs |
| | *Of which:* |
| | 8,54,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 29/- per Equity Share aggregating Rs. 247.66 lakhs will be available for allocation for allotment to Retail Individual Investors of up to Rs. 2 lakhs |
| | 8,54,000 Equity Shares of face value of Rs. 10 /- each fully paid of the Company for cash at price of Rs. 29/- per Equity Share aggregating Rs. 247.66 lakhs will be available for allocation to investors above Rs. 2 lakhs |
| **Pre and Post Issue Equity Shares** | |
| Equity Shares outstanding prior to the Issue | 40,12,000 Equity Shares |
| Equity Shares outstanding after the Issue | 58,12,000 Equity Shares |
| Use of Proceeds(Objects of the Issue) | For further details please refer chapter titled *"Objects of the Issue"* beginning on page 82 of this Prospectus for information on use of Issue Proceeds |

**Notes:**

The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on June 30, 2017 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting held on July 31, 2017.

*This Issue 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, as present issue is a fixed price issue, the allocation in the net Issue to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and
b) Remaining to
i. Individual applicants other than retail individual investors; and
ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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 per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage*

**Note: Number of shares may need to be adjusted for lot size upon determination of issue price.*

For further details please refer to section titled *'Issue Information'* beginning on page 212 of this Prospectus

## GENERAL INFORMATION

Our Company was incorporated under the provisions of Companies Act, 1956 as 'Tirupati Forge Private Limited' in Gujarat *vide* Certificate of Incorporation issued by Registrar of Companies, Gujarat on August 17, 2012. Consequently, it was converted into a public limited company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on July 31, 2017 and the name of our Company was changed to Tirupati Forge Limited and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited dated August 11, 2017 was issued by Registrar of Companies, Gujarat, Ahmedabad. The Corporate Identification Number of our Company is U27320GJ2012PLC071594.

For further details of *"Our History and Certain Other Corporate Matters"* beginning on page 127 of this Prospectus.

**REGISTERED OFFICE OF OUR COMPANY:**

**Tirupati Forge Limited**
Plot No. 1-5, Survey No. 92/1,
Near Shan Cement,
National Highway 27,
Hadamtala Industrial Area,
Tal: Kotda Sangani Hadamtala,
Rajkot 360311, Gujarat.
**Tel:** 02827-270512/13
**Fax:** NA
**Email:** info@tirupatiforge.com
**Website:** www.tirupatiforge.com
**Corporate Identification Number:** U27320GJ2012PLC071594

*For details relating to changes in our registered office, see the section titled "History and Certain Corporate Matters - Changes in Registered Office" on page 127 of this Prospectus.*

**ADDRESS OF REGISTRAR OF COMPANIES:**

Our Company is registered with the RoC - Gujarat situated at the following address:

ROC Bhavan, Opp. Rupal Park Society,
Behind Ankur Bus Stop,
Naranpura, Ahmedabad-380013, Gujarat
**Website:** www.mca.gov.in

**BOARD OF DIRECTORS:**

| Name | DIN | Designation | Address, Age and Occupation |
|---|---|---|---|
| Hitesh Thummar | 02112952 | Chairman and Managing Director | ***Address***: 401 Shubham Appartment, 4th Floor 4-Narmada Park Corner, Vidhyakunj Society, Main Road Rajkot 360005 Gujarat, India.<br>***Age***: 35<br>***Occupation***: Business |
| Bhavesh Barsiya | 05332180 | Director | ***Address:*** Vidhyakunj Society 26B, Rajkot 360001, Gujarat, India.<br>***Age:*** 41<br>***Occupation***: Business |

| Name | DIN | Designation | Address, Age and Occupation |
|---|---|---|---|
| Ajay Sardhara | 06386557 | Whole Time Director | ***Address:*** 1/3, Bhakti Nagar Society Khodiyar Nivas Rajkot 360002, Gujarat, India.<br>***Age:*** 34<br>***Occupation:*** Business |
| Darshna Thummar | 07869257 | Non Executive Director | ***Address:*** 401 Shubham Appartment, 4th Floor 4-Narmada Park Corner, Vidhyakunj Society, Main Road Rajkot 360005 Gujarat, India.<br>***Age:*** 31<br>***Occupation:*** House Woman |
| Sachin Ravani | 07874835 | Independent Director | ***Address:*** B-401, Bilipatra Appartment, Nr. Dholakiya School, Off 150 Feet Ring Road, Nana Mava, Rajkot – 360 004<br>***Age:*** 40<br>***Occupation:*** Business |
| Ramesh Patel | 02738359 | Independent Director | ***Address:*** Flat No. 3, Somnath Appartment, Panchayatnagar, Rajkot<br>***Age:*** 37<br>***Occupation: Practicing Chartered Accountant*** |

For further details of our Directors, please refer to the chapter titled *"Our Management"* beginning on page 131 of this Prospectus.

**COMPANY SECRETARY & COMPLIANCE OFFICER**

**Banashri Joshi**
Plot No. 1-5, Survey No. 92/1,
Near Shan Cement,
National Highway 27,
Hadamtala Industrial Area,
Tal: Kotda Sangani Hadamtala,
Rajkot 360311, Gujarat.
**Tel:** 02827-270512/13
**Fax:** NA
**Email:** cs@tirupatiforge.com
**Website:** www.tirupatiforge.com

**CHIEF FINANCIAL OFFICER**

**Atul Natu**
Plot No. 1-5, Survey No. 92/1,
Near Shan Cement,
National Highway 27,
Hadamtala Industrial Area,
Tal: Kotda Sangani Hadamtala,
Rajkot 360311, Gujarat.
**Tel:** 02827-270512/13
**Fax:** NA
**Email:** cfo@tirupatiforge.com
**Website:** www.tirupatiforge.com

**Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt**

**of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.**

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case maybe , quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

**LEAD MANAGER:**

**Pantomath Capital Advisors Private Limited**
406-408, Keshava Premises
Bandra Kurla Complex, Bandra East
Mumbai – 400 051
**Tel**: +91 22 6194 6700
**Fax**: +91 22 2659 8690
**Email**: ipo@pantomathgroup.com
**Investor Grievance Email**: ipo@pantomathgroup.com
**Website**: www.pantomathgroup.com
**Contact Person**: Bharti Ranga
**SEBI Registration No**: INM000012110

**LEGAL COUNSEL TO THE COMPANY:**

**M. V. Kini Law Firm**

Kini House,
1st Floor, 261/263,
Near City Bank, D.N. Road,
Fort, Mumbai - 400001,
Maharashtra, India
**Tel:** 022-2261 2527/ 28/ 29
**Fax:** 022-2261 2530
**E-mail:** vidisha@mvkini.com
**Contact Person:** Vidisha Krishnan
**Website:** www.mvkini.com

**STATUTORY AUDITOR TO OUR COMPANY:**

**M B Sardhara & Associates**
Sardhara House, Kanta Stri Vikas
Gruh Road, Near Vrundavan Dairy,
Bhaktinagar Soc. Marg - 1,
Rajkot 360002, Gujarat.
**Tel:** 0762230 03300
**Fax:** NA
**E-mail:** mbsardhara@gmail.com

**Contact Person:** Mahendra B Sardhara
**Firm Registration No:** 127974W
**Membership No:** 120837

**PEER REVIEWED AUDITOR**

**M N Manwar and Co.,**
Chartered Accountants
503-504, Star Plaza, Phulchhab Chowk,
Nr. Circuit House, Rajkot – 360 001,
Gujarat, India.
**Tel No.:** 0281 6627070
**Fax No.:** N.A.
**Email:** ca.mnmanvar@gmail.com
**Contact Person:** Mohan Manvar
**Firm Registration No.:** 106047W
**Membership No.:** 036292

Our Peer Reviewed Auditor M N Manwar & Co., Chartered Accountant holds a peer reviewed certificate dated June 9, 2011 issued by the Institute of Chartered Accountants of India.

**REGISTRAR TO THE ISSUE**

**Link Intime India Private Limited**
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai 400083, Maharashtra, India
**Tel:** 022-49186200
**Fax:** 022-49186195
**Email:** tirupatiforge.ipo@linkintime.co.in
**Website:** www.linkintime.co.in
**Contact Person:** Shanti Gopalkrishnan
**SEBI Registration Number:** INR000004058

**BANKER TO THE COMPANY**

**Indian Overseas Bank**
Vaniyawadi Branch,
Near Bhakti Nagar Circle,
Rajkot – 360 002
**Tel:** 0281 2362867
**Email:** iob0427@iob.in
**Website:** www.iob.in
**Contact Person:** Pankaj Kumar

**BANKERS AND TO THE ISSUE AND REFUND BANKER:**

**ICICI BANK LIMITED**
Capital Market Division, 1st Floor,
122, Mistry Bhavan, Dinshaw Vachha Road,
Backbay Reclamation, Churchgate,
Mumbai – 400 020
**Tel:** 022 66818924/923/932
**Fax:** 022 22611138
**Email:** shradha.salaria@icicibank.com
**Website:** www.icicibank.com
**Contact Person:** Shradha Salaria
SEBI Regn : INBI00000004

**SELF CERTIFIED SYNDICATE BANKS:**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries as updated from time to time. For details of the Designated Branches of SCSBs which shall collect Bid cum Application Forms, refer to the above-mentioned link. Further, the branches of the SCSBs where the Syndicate at the Specified Locations could submit the Bid cum Application Form are provided on the aforementioned website of SEBI.

**REGISTERED BROKERS:**

Bidders can submit Bid cum Application Forms in the Issue using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. 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 National Stock Exchange of India Ltd., as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

**STATEMENT OF RESPONSIBILITIES**

Pantomath Capital Advisors Private Limited is the sole Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

**CREDIT RATING**

This being an Issue of Equity Shares, there is no requirement of credit rating for the Issue.

**IPO GRADING OF THE ISSUE**

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

**EXPERTS**

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

Our Company has received written consent from the Peer Review Auditor, who holds a valid peer review certificate, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the examination report dated August 28, 2017 of the Auditor on the Financial Information, as restated, of our Company as of and for Fiscals ended March 31, 2017, 2016, 2015 and 2014 and the statement of tax benefits dated August 28, 2017, included in this Prospectus and such consents have not been withdrawn as on the date of this Prospectus.

**TRUSTEES**

As this is an Issue of Equity Shares, the appointment of trustees is not required.

**MONITORING AND APPRAISING AGENCY:**

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000 Lakhs. Since the Issue size is only of Rs. 240.48 lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

**COLLECTING DEPOSITORY PARTICIPANTS**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs, including details such as postal address, telephone number and e-mail address, is provided on the websites of NSE at http://www.nseindia.com, respectively.

**COLLECTING RTAs**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of Collecting RTAs, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com and http://www.nseindia.com, respectively.

**All Bidders (excluding Anchor Investors) are mandatorily required to utilize the ASBA process to participate in the Issue. Anchor Investors are not permitted to participate through the ASBA process.**

**In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees can revise their Bids during the Bidding/Issue Period and withdraw their Bids until finalization of the Basis of Allotment. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date**. For further details, see the chapters titled *"The Issue"* and *"Issue Procedure"* beginning on pages 57 and 212, respectively, of this Prospectus.

Our Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for the Issue. In this regard, our Company has appointed the Pantomath Capital Advisors Private Limited, Lead Managers to manage the Issue and procure subscriptions to the Issue.

**UNDERWRITING AGREEMENT:**

Our Company has entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. The Underwriting Agreement is dated September 2, 2017. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

| Name, address, telephone number, fax number and e-mail address of the Underwriters | Indicative Number of Equity Shares to be Underwritten | Amount Underwritten (Rs in Lakhs) |
|---|---|---|
| **Pantomath Capital Advisors Private Limited**<br>406-408, Keshava Premises,<br>Bandra Kurla Complex, Bandra East<br>Mumbai – 400 051<br>**Tel**: +91 22 6194 6700<br>**Fax**: +91 22 2659 8690<br>**Email**: ipo@pantomathgroup.com<br>**Investor Grievance Email**: ipo@pantomathgroup.com<br>**Website**: www.pantomathgroup.com<br>**Contact Person**: Madhu Lunawat<br>**SEBI Registration No**: INM000012110 | Upto 18,00,000 | 522.00 |

The above mentioned is indicative underwriting and will be finalized after determination of the Issue Price and actual allocation subject to the provisions of the SEBI Regulations.

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12 (1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in the Issue, except for ASBA Bids procured by the Syndicate Member(s). The underwriting agreement shall list out the role and obligations of each Syndicate Member, and inter alia contain a clause stating that margin collected shall be uniform across all categories indicating the percentage to be paid as margin by the bidders at the time of Bidding.

Our Company, Market Maker and the Lead Manager have entered into a tripartite agreement dated August 11, 2017 with the following Market Maker, duly registered with National Stock Exchange of India Ltd. to fulfil the obligations of Market Making:

**Pantomath Stock Brokers Private Limited**
406-408, Keshava Premises, Behind Family Court
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051, Maharashtra, India
**Tel**: +91 22 61946700
**Fax**: +91 22 26598690
**E-mail**: broking@pantomathgroup.com
**Website**: www.pantomathbroking.com
**Contact Person**: Mahavir Toshniwal
**SEBI Registration No**.: INZ000068338

**Pantomath Stock Brokers Private Limited**, registered with EMERGE platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations. The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Ltd. and SEBI in 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. The spread (difference

between the sell and the buy quote) shall not be more than 10% or as specified 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 Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 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. Based on the IPO price of Rs. 25.00 the minimum lot size is 6,000 Equity shares thus minimum depth of the quote shall be Rs. 1,50,000 Lakhs until the same, would be revised by NSE.
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 Issue Size (including the 28,98,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue 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, National Stock Exchange of India Ltd. 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 the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.
7. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE Ltd. and market maker will remain present as per the guidelines mentioned under NSE Ltd. and SEBI circulars.
8. 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.
9. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

   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(s) 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 106V of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserves the right to appoint other Market Maker(s) 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 5 (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 Corporate Office from 11.00 a.m. to 5.00 p.m. on working days.
10. The spread (difference between buy and sale quote) shall no be more than 10% or as specified by the Stock Exchange

11. 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

12. Emerge Platform of NSE 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 Ltd. can impose any other margins as deemed necessary from time-to-time.

13. Emerge Platform of NSE Ltd. 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(s) 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.

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 issue 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 Rs. 20 Crores | 25% | 24% |
| Rs. 20 crores to Rs. 50 crores | 20% | 19% |
| Rs. 50 to Rs. 80 crores | 15% | 14% |
| Above Rs. 80 crores | 12% | 11% |

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/NSE from time to time.

## CAPITAL STRUCTURE

Our Equity Share capital, as at the date of this Prospectus and after the proposed Issue is set forth below: -

***( in lakhs, except share data)***

| Particulars | | Aggregate Value at Face Value | Aggregate Value at Issue Price |
|---|---|---|---|
| **A.** | **AUTHORISED SHARE CAPITAL** | | |
| | 70,00,000 Equity Shares of Rs. 10/- each. | 700.00 | - |
| **B.** | **ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE** | | |
| | 40,12,000 Equity Shares of Rs. 10/- each | 401.20 | - |
| **C.** | **PRESENT ISSUE IN TERMS OF THIS PROSPECTUS** | | |
| | Issue of up to 18,00,000 Equity Shares of Rs. 10/- each at a price of Rs. 29/- per Equity Share | 180.00 | 522.00 |
| | ***Consisting:*** | | |
| | Reservation for Market Maker of upto 92,000 Equity Shares | 9.20 | 26.68 |
| | Net Issue to Public of upto 17,08,000 Equity Shares | 170.08 | 495.32 |
| | ***Of the Net Issue to the Public*** | | |
| | Allocation to Retail Individual Investors of upto 8,54,000 Equity Shares | 85.40 | 247.66 |
| | Allocation to Other than Retails Individual Investors of upto 8,54,000 Equity Shares | 85.40 | 247.66 |
| **D.** | **ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE** | | |
| | Up to 58,12,000 Equity Shares of 10/- each | | **581.20** |
| **E.** | **SECURITIES PREMIUM ACCOUNT** | | |
| | Before the Issue | | 18.00 |
| | After the Issue | | 342.52 |

(1)*The Issue has been authorised by the Board of Directors of our Company at its meeting held on June 30, 2017 and by the shareholders of our Company at the Extraordinary General Meeting held on July 31, 2017.*

1. ***Details of change in authorised share capital since incorporation***

The authorized share capital of the Company at the time of incorporation was 1.00 lakhs divided into 10,000 Equity Shares of Rs. 10/- (Rupees Ten only) each. The following table gives the increase in the authorised share capital post incorporation of our Company: -

| Sr. No. | Particulars of increase | Date of Shareholder's meeting | AGM/ EGM |
|---|---|---|---|
| 1. | Increase in authorized share capital from Rs. 1,00,000/- divided into 10,000 Equity Shares of Rs. 10/- each to Rs. 30,00,000/- divided into 3,00,000 Equity Shares of Rs. 10/- each. | November 11, 2012 | EGM |
| 2. | Increase in authorized share capital from Rs. 30,00,000/- divided into 3,00,000 Equity Shares of Rs. 10/- each to 80,00,000/- divided into 8,00,000 Equity Shares of Rs. 10/- each. | June 26, 2013 | EGM |
| 3. | Increase in authorized share capital from Rs. 80,00,000/- divided into 8,00,000 Equity Shares of Rs. 10/- each to 7,00,00,000/- divided into 70,00,000 Equity Shares of Rs. 10/- each. | June 8, 2017 | EGM |

**Notes to Capital Structure**

1. **Share Capital history of our Company**

A. The following is the history of the Equity Share Capital of our Company:

| Date of allotment of Equity Shares | No. of Equity Shares Allotted | Face Value (in Rs.) | Issue Price (in Rs.) | Nature of consideration | Reasons for allotment | Cumulative no. of Equity Shares | Cumulative paid-up Equity Capital (in Rs.) | Cumulative Share Premiun (in Lakhs) |
|---|---|---|---|---|---|---|---|---|
| At the time of incorporation(1) | 10,000 | 10 | 10 | Cash | Subscripti on to MoA | 10,000 | 1,00,000 | 0.00 |
| April 4, 2013(2) | 2,25,000 | 10 | 10 | Cash | Further Issue | 2,35,000 | 23,50,000 | 0.00 |
| June 28, 2013(3) | 4,50,000 | 10 | 20 | Cash | Further Issue | 6,85,000 | 68,50,000 | 45,00,000 |
| July 2, 2013(4) | 1,00,000 | 10 | 20 | Cash | Further Issue | 7,85,000 | 78,50,000 | 55,00,000 |
| June 25, 2017(5) | 17,27,000 | 10 | 10 | Cash | Bonus Issue | 25,12,000 | 2,51,20,000 | Nil |
| August 3, 2017(6) | 15,00,000 | 10 | 11 | Cash | Preferentia l Issue | 40,12,000 | 4,01,20,000 | 18,00,000 |

*(1) Allotment to Ankit Pambhar (5,000) and Bhavesh Barsiya (5,000) for cash on Incorporation;*

*(2) Allotment to Ajay Shardhara (1,00,000) and Bhavesh Barsiya (1,25,000) for cash;*

*(3) Allotment to Ajay Shardhara (1,00,000) and Bhavesh Barsiya (75,000) and Oceanic Exports (2,75,000) for cash;*

*(4) Allotment to Urmilaben Shardhara (50,000) and Hetalben Shardhara(50,000) other than cash;*

(5) *Bonus issue in the ratio of 11:5 (Eleven shares for every five shares held) authorized by our shareholders through a resolution dated June 25, 2017 allotted to Bhavesh Barsiya (26,400), Ajay Shardhara (26,400), Urmilaben Sardhara (4,400), Hetalben Sardhara (4,400), Hitesh Thummar (3,08,000), Chetna Thummar (5,08,200), Bhargavi Thummar (5,08,200), Darshnaben Thummar (77,000), Jayaben Thummar (1,32,000) and Otamben Thummar (1,32,000)*

(6) *Allotment to Hitesh Thummar (2,91,000), Chetna Thummar (3,64,000), Bhargavi Thummar (3,65,000), Darshnaben Thummar (72,600), Jayaben Thummar (1,81,500), Otamben Thummar (1,80,500) and Vishal Sorathiya (45,400)*

(7) Equity Shares issued for consideration other than cash:

Bonus issue in the ratio of 22:10 (Twenty two shares for every ten shares held) authorized by our shareholders through a resolution dated June 25, 2017.

| Date of the allotment | No. of Equity Shares | Issue Price (in Rs.) | Reasons for allotment | Benefits accruing to the Company | Persons to whom the allotment were made |
|---|---|---|---|---|---|
| June 25, 2017 | 17,27,000 | Nil | Bonus Allotment | Capitalised the share premium of the Company (2) | Please refer to Notes to Capital Structure on page 66 of Prospectus |

(8) Till date no Equity Shares have been allotted by our Company pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-240 of Companies Act, 2013.

## 2. Build-up of Promoters' capital, Promoter's contribution and lock-in

### A. *History of Equity Share capital held by the Promoters:*

As on the date of this Prospectus our Promoters hold 18,81,600 Equity Shares, constituting 46.89% of the issued, subscribed and paid-up Equity Share capital of our Company. The built-up of shareholding of Promoters are as follows:

***Hitesh Thummar***

| Date of Allotment / Transfer and Date when made Fully Paid | No. Equity Shares Allotted / Transferred | Cumulative No. of Equity Shares | Face Value | Issue/ Acquisition Price | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post Issue Paid up Capital |
|---|---|---|---|---|---|---|---|---|
| July 28, 2016 | 48,000 | 48,000 | 10 | 31 | Cash | Transfer from Urmilaben Sardhara | 1.20% | 0.83% |
| July 28, 2016 | 48,000 | 96,000 | 10 | 31 | Cash | Transfer from Hetalben Sardhara | 1.20% | 0.83% |
| July 28, 2016 | 44,000 | 1,40,000 | 10 | 31 | Cash | Transfer from Oceanic Exports | 1.10% | 0.76% |
| June 25, 2017 | 3,08,000 | 4,48,000 | 10 | - | Cash | Bonus Issue | 7.68% | 5.30% |
| August 3, 2017 | 2,91,000 | 7,39,000 | 10 | 11 | Cash | Preferential Issue | 7.25% | 5.01% |
| **Total** | **7,39,000** | - | - | - | - | - | **18.42%** | **12.72%** |

***Ajay Sardhara***

| Date of Allotment / Transfer and Date when made Fully Paid | No. Equity Shares Offered / Transferred | Cumulative No. of Equity Shares | Face Value | Issue/ Acquisition Price | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post Issue Paid up Capital |
|---|---|---|---|---|---|---|---|---|
| March 16, 2013 | 5,000 | 5,000 | 10 | 10 | Cash | Transfer from Ankit Pambhar | 0.12% | 0.09% |
| April 4, 2013 | 1,00,000 | 1,05,000 | 10 | 10 | Cash | Further Issue | 2.49% | 1.72% |
| June 28, 2013 | 1,00,000 | 2,05,000 | 10 | 20 | Cash | Further Issue | 2.49% | 1.72% |
| July 28, 2016 | (1,58,000) | 47,000 | 10 | 31 | Cash | Transfer to Bhargavi Thummar | 3.93% | -2.72% |

| Date of Allotment / Transfer and Date when made Fully Paid | No. Equity Shares Offered / Transferred | Cumulative No. of Equity Shares | Face Value | Issue/ Acquisition Price | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post Issue Paid up Capital |
|---|---|---|---|---|---|---|---|---|
| July 28, 2016 | (35,000) | 12,000 | 10 | 31.00 | Cash | Transfer to Darshana Thummar | 0.87% | -0.60% |
| June 25, 2017 | 26,400 | 38,400 | | - | Other than Cash | Bonus Issue | 0.66% | 0.45% |
| **Total** | **38,400** | - | | | | | **0.96%** | 0.66% |

***Bhargavi Thummar***

| Date of Allotment / Transfer and Date when made Fully Paid | No. Equity Shares Offered / Transferred | Cumulative No. of Equity Shares | Face Value | Issue/ Acquisition Price | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post Issue Paid up Capital |
|---|---|---|---|---|---|---|---|---|
| July 28, 2016 | 1,58,000 | 38,000 | 10 | 31 | Cash | Transfer from Ajay Sardhara | 3.93% | 2.72% |
| July 28, 2016 | 73,000 | 1,11,000 | 10 | 31 | Cash | Transfer from Bhavesh Barsiya | 1.82% | 1.26% |
| June 25, 2017 | 5,08,200 | 7,39,200 | 10 | - | Other than Cash | Bonus Issue | 12.67% | 8.74% |
| August 3, 2017 | 3,65,000 | 11,04,200 | 10 | 11 | Cash | Preferential Issue | 9.10% | 6.28% |
| **Total** | **11,04,200** | **-** | | | | | **27.52%** | **19.00%** |

***B. Details of Promoters' contribution locked in for three years:***

Pursuant to the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters, shall be locked-in for a period of three years from the date of Allotment and our Promoters' shareholding in excess of 20% shall be locked-in for a period of one year from the date of Allotment ("**Promoters' Contribution**").

The Equity Shares which are being locked in for 3 (three) years from the date of Allotment are as follows:

| Promoters | No. of Equity Shares Locked in | Face Value (in `) | Issue/ Acquisition Price | Date of Allotment/Acquisition and when made fully paid-up | Nature of Allotment/ Transfer | Consideration (Cash/other than cash) | Percentage of post- Issue paid-up capital | Source of Promoter's Contribution |
|---|---|---|---|---|---|---|---|---|
| **Hitesh Thummar** | | | | | | | | |
| July 28, 2016 | 48,000 | 10 | 31.00 | July 28, 2016 | Transfer | Cash | 0.83% | Personal Savings |
| July 28, 2016 | 48,000 | 10 | 31.00 | July 28, 2016 | Transfer | Cash | 0.83% | Personal Savings |
| July 28, 2016 | 44,000 | 10 | 31.00 | July 28, 2016 | Transfer | Cash | 0.76% | Personal Savings |
| June 25, 2017 | 3,08,000 | 10 | - | June 25, 2017 | Bonus Issue | Other than Cash | 5.30% | - |
| Sub Total | 4,48,000 | | | | | | 7.71% | |
| **Bhargavi Thummar** | | | | | | | | |
| July 28, 2016 | 1,58,000 | 10 | 31.00 | July 28, 2016 | Transfer | Cash | 2.72% | Borrowed from Jayshree Sorathia |
| July 28, 2016 | 73,000 | 10 | 31.00 | July 28, 2016 | Transfer | Cash | 1.26% | Borrowed from Alpa Barsiya Ramji Sorathiya |
| June 25, 2017 | 5,08,200 | 10 | - | June 25, 2017 | Bonus Issue | Other than Cash | 8.74% | - |
| Sub Total | 7,39,200 | - | - | - | - | - | 12.72% | |
| **TOTAL** | **11,87,200** | | | | | | 20.42% | |

*Jayshree Sorathia resides and Ramjibhai Sorathia reside at Sirsij, Behind Dhareshwar Mandir, Bhakti Nagar Circule, Rajkot – 360002

**Alpa Barsiya resides at Vidhyakunj Society, 26B, Rajkot - 360001

The Equity Shares that are being locked-in are eligible for computation of Promoter's Contribution under Regulation 33 of the SEBI ICDR Regulations. In this connection, as per Regulation 33 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not consist of:

(i) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluations reserves or unrealised profits or bonus shares of shares which are otherwise ineligible for computation of Promoters' Contribution;

(ii) Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

(iii) Equity Shares issued to the Promoters upon conversion of a partnership firm;

(iv) Equity Shares held by the Promoters that are subject to any pledge; and

(v) Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.

The minimum Promoters' Contribution has been brought in to the extent of, not less than the specified minimum lot and from the persons defined as "*Promoters*" under the SEBI ICDR Regulations.

***Details of share capital locked in for one year***

Other than the above Equity Shares that would be locked in for 3 (three) years, the entire pre-Issue capital of our Company would be locked-in for a period of 1 (one) year from the date of Allotment in the Issue pursuant to Regulation 36(b) and Regulation 37 of the SEBI ICDR Regulations.

***Other requirements in respect of lock-in***

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Pursuant to Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by the Promoters may be transferred to and amongst the Promoters, the Promoter Group or to new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations.

Further, pursuant to 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 37 of the SEBI ICDR Regulations, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the SEBI Takeover Regulations, as applicable.

**3.** The Promoter, Promoter Group, Directors of our Company and their relatives have not undertaken any transactions of equity shares of our Company, during a period of 6 (six) months preceding the date on which this Prospectus is filed with Stock Exchange except as follows:

| Sr. No. | Date of Transaction | Name of Transferor | No. of Shares | Price per Share (in Rs.) | Name of Transferee |
|---|---|---|---|---|---|
| 1. | April 10, 2017 | Bhavesh Barsiya | 60,000 | 39.50 | Jaya Thummar |
| 2. | April 10, 2017 | Bhavesh Barsiya | 60,000 | 39.50 | Otam Thummar |

**4.** Our Company has not issued any Equity Shares in the year preceding the date of this Prospectus, which may be at a price lower than the Issue price except as follows:

| Date of Allotment | Number of Equity Shares | Face Value | Issue Price | Reasons for Allotment | Benefits occurred to the Company | Allottees | No. Of Shares Allotted |
|---|---|---|---|---|---|---|---|
| June 25, 2017 | 17,27,000 | 10 | - | Bonus Shares | Capitalization of Reserves | Bhavesh Barsiya | 26,400 |
| | | | | | | Ajay Shardhara | 26,400 |
| | | | | | | Urmila Sardhara | 4,400 |
| | | | | | | Hetal Sardhara | 4,400 |
| | | | | | | Hitesh Thummar | 3,08,000 |
| | | | | | | Chetna Thummar | 5,08,200 |
| | | | | | | Bhargavi Thummar | 5,08,200 |
| | | | | | | Darshna Thummar | 77,000 |
| | | | | | | Jaya Thummar | 1,32,000 |
| | | | | | | Otam Thummar | 1,32,000 |
| August 3, 2017 | 15,00,000 | 10 | 11 | Preferential Issue | | Hitesh Thummar | 2,91,000 |
| | | | | | | Chetna Thummar | 3,64,000 |
| | | | | | | Bhargavi Thummar | 3,65,000 |
| | | | | | | Darshna Thummar | 72,600 |
| | | | | | | Jaya Thummar | 1,81,500 |
| | | | | | | Otam Thummar | 1,80,500 |
| | | | | | | Vishal Sorathiya | 45,400 |

5. ***The list of shareholders of our Company and the Equity Shares held by them is as follows:***

Details of the shareholding of our Company:

(a) The table below presents the shareholding pattern of our Company as on the date of this Prospectus:

| Category | Category of shareholder | Number 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) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrant) | 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 dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting Rights | | | | | | | | | | |
| | | | | | | | | Class Equity X | Class Others Y | Total | 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) | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = (IV)+(V)+(VI) | (VIII)As a % of (A+B+C2) | (IX) | | | | (X) | (XI)= (VII)+(X) As a % of (A+B+C2) | (XII) | | (XIII) | | (XIV) |
| (A) | **Promoter & Promoter** | 8 | 39,60,800 | Nil | Nil | 39,60,800 | 98.72% | 39,60,800 | Nil | 39,60,800 | 98.72% | Nil | 98.72% | Nil | Nil | Nil | Nil | 39,60,800 |

| Category | Category of shareholder | Number 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) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrant) | 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 dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting Rights | | | | | | | | | | |
| | | | | | | | | Class Equity X | Class Others Y | Total | 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) | |
| | **Group** | | | | | | | | | | | | | | | | | |
| **(B)** | **Public** | 3 | 51,200 | Nil | Nil | 51,200 | 1.28% | 51,200 | Nil | 51,200 | 1.28 % | Nil | 1.28% | Nil | Nil | Nil | Nil | 51,200 |
| **(C)** | **Non Promoter - Non Public** | | | | | | | | | | | | | | | | | |
| **(C1)** | **Shares Underlying DRs** | | | | | | | | | | | | | | | | | |
| **(C2)** | **Shares Held By Employ** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Category | Category of shareholder | Number 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) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrant) | 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 dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting Rights | | | | | | | | | | |
| | | | | | | | | Class Equity X | Class Others Y | Total | 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) | |
| | ee Trust | | | | | | | | | | | | | | | | | |
| | Total | 11 | 40,12,000 | Nil | Nil | 40,12,000 | 100.00% | 40,12,000 | - | 40,12,000 | 100.00% | - | 100.00% | - | - | - | - | 40,12,000 |

(a) Following are the details of the holding of securities of persons belonging to category "Promoter and Promoter Group":

| Sr. No. | Name of Shareholder | Pre-Issue | | Post-Issue | |
|---|---|---|---|---|---|
| | | No. of Equity Shares | % of Pre-Issue Capital | No. of Equity Shares | % of Post - Issue Capital |
| (I) | (II) | (III) | (IV) | (V) | (VI) |
| **Promoters** | | | | | |
| 1. | Hitesh Thummar | 7,39,000 | 18.42% | 7,39,000 | 12.72% |
| 2. | Ajay Sardhara | 38,400 | 0.96% | 38,400 | 0.66% |
| 3. | Bhargavi Thummar | 11,04,200 | 27.52% | 11,04,200 | 19.00% |
| | **Sub-Total (A) =** | **18,81,600** | **46.90%** | **18,81,600** | 32.37% |
| **Promoter-Group** | | | | | |
| 4. | Darshna Thummar | 1,84,600 | 4.60% | 1,84,600 | 3.18% |
| 5. | Jaya Thummar | 3,73,500 | 9.31% | 3,73,500 | 6.43% |
| 6. | Otam Thummar | 3,72,500 | 9.28% | 3,72,500 | 6.41% |
| 7. | Vishal Sorathiya | 45,400 | 1.13% | 45,400 | 0.78% |
| 8. | Chetna Thummar | 11,03,200 | 27.50% | 11,03,200 | 18.98% |
| | **Sub-Total (B)** | **20,79,200** | **51.82%** | **20,79,200** | 35.77% |
| | **TOTAL (A)+(B)** | **39,60,800** | **98.72%** | **39,60,800** | **68.15%** |

(b) There are no public shareholders holding more than 1% of pre-Issue Capital, number of equity shares held and percentage of the total pre and post Issue Capital as on the date of filing of this Prospectus:

(c) Other than the following, none of our Key Management Personnel hold Equity Shares in our Company as on the date of filing this Prospectus:

| Sr. No. | Name | No. of Equity Shares (Face Value of Rs. 10 each) | Percentage of pre-Issue share capital (%) |
|---|---|---|---|
| 1. | Hitesh Thummar | 7,39,000 | 18.42% |
| 2. | Ajay Sardhara | 38,400 | 0.96% |
| 3. | Darshna Thummar | 1,84,600 | 4.60% |

(d) Our top ten shareholders and the number of Equity Shares held by them as of the date of filing this Prospectus, is as follows:

| Sr. No. | Name | No. of Equity Shares | % of Pre-Issue Equity Share Capital | % of Post-Issue Equity Share Capital |
|---|---|---|---|---|
| 1. | Bhargavi Thummar | 11,04,200 | 27.52% | 19.00% |
| 2. | Chetna Thummar | 11,03,200 | 27.50% | 18.98% |
| 3. | Hitesh Thummar | 7,39,000 | 18.42% | 12.72% |
| 4. | Jaya Thummar | 3,73,500 | 9.31% | 6.43% |
| 5. | Otam Thummar | 3,72,500 | 9.28% | 6.41% |
| 6. | Darshna Thummar | 1,84,600 | 4.60% | 3.18% |
| 7. | Vishal Sorathiya | 45,400 | 1.13% | 0.78% |
| 8. | Bhavesh Barsiya | 38,400 | 0.96% | 0.66% |
| 9. | Ajay Shardhara | 38,400 | 0.96% | 0.66% |
| 10. | Urmila Sardhara | 6,400 | 0.16% | 0.11% |
| 11. | Hetal Sardhara | 6,400 | 0.16% | 0.11% |
| | **Total** | **40,12,000** | **100.00%** | 69.03% |

(e) Our top ten shareholders and the number of Equity Shares held by them 10 (ten) days prior to filing this Prospectus is as follows:

| Sr. No. | Name | No. of Equity Shares | % of Pre-Issue Equity Share Capital | % of Post-Issue Equity Share Capital |
|---|---|---|---|---|
| 1. | Bhargavi Thummar | 11,04,200 | 27.52% | 19.00% |
| 2. | Chetna Thummar | 11,03,200 | 27.50% | 18.98% |
| 3. | Hitesh Thummar | 7,39,000 | 18.42% | 12.72% |
| 4. | Jaya Thummar | 3,73,500 | 9.31% | 6.43% |
| 5. | Otam Thummar | 3,72,500 | 9.28% | 6.41% |
| 6. | Darshna Thummar | 1,84,600 | 4.60% | 3.18% |
| 7. | Vishal Sorathiya | 45,400 | 1.13% | 0.78% |
| 8. | Bhavesh Barsiya | 38,400 | 0.96% | 0.66% |
| 9. | Ajay Shardhara | 38,400 | 0.96% | 0.66% |
| 10. | Urmila Sardhara | 6,400 | 0.16% | 0.11% |
| 11. | Hetal Sardhara | 6,400 | 0.16% | 0.11% |
| | **Total** | **40,12,000** | **100.00%** | **69.03%** |

(f) Our top ten shareholders and the number of Equity Shares held by them 2 (two) years prior to date of filing of this Prospectus is as follows:

| Sr. No. | Name | No. of Equity Shares | % of Pre-Issue Equity Share Capital | % of Post-Issue Equity Share Capital |
|---|---|---|---|---|
| 1. | Bhavesh Barsiya | 2,05,000 | 26.11% | 3.53% |
| 2. | Ajay Shardhara | 2,05,000 | 26.11% | 3.53% |
| 3. | Oceanic Exports | 2,75,000 | 35.03% | 4.73% |
| 4. | Urmilaben Sardhara | 50,000 | 6.37% | 0.86% |
| 5. | Hetalben Sardhara | 50,000 | 6.37% | 0.86% |
| | **Total** | **7,85,000** | **100.00%** | **13.51%** |

**6.** Our Company, Directors and Lead Manager have not entered into any buy-back or standby/safety net arrangements for the purchase of the Equity Shares of our Company from any person.

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

**8.** Other than the Equity Shares, there are no other class of securities issued by our Company.

**9.** There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, Directors of our Promoter Group companies have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Prospectus.

**10.** None of the equity shares of our Company have been pledged by the Promoters or the Promoter Group.

**11.** Our Company has not issued any bonus shares out of revaluation of reserves.

**12.** Except as set out below, none of the members of the Promoter Group, the Promoter and its directors, or our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Prospectus.

| Date of Allotment/Transfer | No. Of Equity Shares Allotted/Transferred | Face Value | Issue Price | Nature of Consideration | Nature of Transfer/Allotment | Name of Allot tees/ Transferees |
|---|---|---|---|---|---|---|
| April 14, 2017 | 60,000 | 10 | 39.50 | Cash | Transfer from Bhavesh Barsiya | Jayaben Thummar |
| April 14, 2017 | 60,000 | 10 | 39.50 | Cash | Transfer from Bhavesh Barsiya | Otam Thummar |
| June 25, 2017 | 17,27,000 | 10 | - | Other than Cash | Bonus Issue | Ajay Shardhara |
| | | | | | | Hitesh Thummar |
| | | | | | | Chetna Thummar |
| | | | | | | Bhargavi Thummar |
| | | | | | | Darshnaben Thummar |
| | | | | | | Jayaben Thummar |
| | | | | | | Otam Thummar |
| August 3, 2017 | 15,00,000 | 10 | 11 | Cash | Preferential Issue | Hitesh Thummar |
| | | | | | | Chetna Thummar |
| | | | | | | Bhargavi Thummar |
| | | | | | | Darshnaben Thummar |
| | | | | | | Jayaben Thummar |
| | | | | | | Otamben Thummar |
| | | | | | | Vishal Sorathiya |

**13.** As on the date of this Prospectus, the Lead Manager, nor their associates does not hold any Equity Shares in our Company.

**14.** The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below: *(Refer Prominent notes for further details)*

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|---|---|---|
| Hitesh Thummar | 7,39,000 | 10.20 |
| Ajay Sardhara | 38,400 | NA |
| Bhargavi Thummar | 11,04,200 | 10.12 |

**15.** Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014

**16.** Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus with the Registrar of Companies and the Bid/Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transaction.

**17.** Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

**18.** We do not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

**19.** Our Company has not raised any bridge loan against the proceeds of the Issue.

**20.** The Issue is being made through the Fixed Price Process and allocation would under regulation 43(4) wherein (a) minimum fifty per cent would be allotted to retail individual investors; and (b) 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; 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 per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage. For details, see chapter titled "Issue Procedure" beginning on page 212

**21.** An over-subscription to the extent of 10% of the issue to the public can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment being equal to 4,000 Equity Shares, which is the minimum bid lot in this Issue.

**22.** The Equity Shares are fully paid up and there are no partly paid up Equity Shares as on date. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

**23.** Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.

**24.** Under-subscription in the net issue, if any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the EMERGE Platform of NSE. Unsubscribed portion in any reserved category (if any) may be added to any other reserved category. 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.

**25.** There would 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 submission of the Prospectus with Stock Exchange until the Equity Shares issued through the Prospectus are listed or application moneys refunded on account of failure of Issue.

**26.** As per the extant policy, OCBs are not permitted to participate in the Issue.

**27.** There are no outstanding warrants, options or right to convert debentures, loans or other financial instruments into our Equity Shares as on the date of this Prospectus.

**28.** There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.

**29.** We have 11 shareholders as on filing of the Prospectus.

**30.** Promoters and members of Promoter Group will not participate in this Issue.

**31.** No payment, direct or indirect, in the nature of discount, allowance, commission or otherwise, shall be made either by us or our Promoters to the persons who receive Allotments, if any, in this Issue other than to the Eligible Employees who shall be eligible for Employee Discount.

## OBJECT OF THE ISSUE

**Requirement of Funds:**

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be 522.00 lakhs (the "Net Proceeds").

We intend to utilize the net proceeds from Issue towards the following objects:

1. Working Capital requirements
2. Repayment of Loan
3. General Corporate Purpose

Also, we believe that the listing of Equity Shares will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

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

### ISSUE PROCEEDS

| Particulars | Amount (Rs. in lakhs)*[(1)] |
|---|---|
| Gross Proceeds from the Issue | 522.00 |
| (Less) Issue related expenses | 65.00 |
| **Net Proceeds** | 457.00 |

**As on the date of Prospectus, our Company has incurred Rs.16.46 lakhs towards Issue expenses.*

### UTILIZATION OF NET PROCEEDS

The net proceeds are proposed to be used in manner as set out below:

| Sr. No. | Particulars | Amount to be financed from Net Proceeds of the Issue (Rs. in lakhs) | Percentage of Gross Proceeds | Percentage of Net Proceeds |
|---|---|---|---|---|
| 1. | Working Capital Requirements | 294.00 | 58.33% | 64.05% |
| 2. | Repayment of Loan | 125.00 | 24.80% | 27.23% |
| 3. | General Corporate Purposes[(1)] | 38.00 | 7.28% | 8.32% |

*To be finalised on determination of Issue Price*

### SCHEDULE OF IMPLEMENTATION & DEPLOYMENT OF FUNDS:

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. As on the date of this Prospectus, our Company has not deployed any funds towards the objects of the Issue.

(*In lakhs*)

| Sr. No | Particulars | Amount to be funded from the Net Proceeds | Estimated Utilization of Net Proceeds (Financial Year 2018) |
|---|---|---|---|
| 1. | Working Capital Requirements | 294.00 | 294.00 |
| 2. | Repayment of Loan | 125.00 | 125.00 |
| 3. | General Corporate Purpose[(1)] | 38.00 | 38.00 |

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

### MEANS OF FINANCE

We intend to entirely finance our Objects from Net Proceeds, other than our working capital requirements. In the event any additional payments are required to be made for financing our Objects (other than our working capital requirements), it shall be made from our existing identifiable internal accruals. The working capital requirements under our Objects will be met through the Net Proceeds to the extent of 294.00 lakhs, internal accruals and bank finance.

*(Amount Rs. in Lakhs)*

| Particulars. | Total Requirement | Amount already Deployed | Amount proposed to be financed from IPO Proceeds | Funds from Credit facility sanctioned by bank | Internal Accruals |
|---|---|---|---|---|---|
| Working Capital requirements | 568.75 | - | 294.00 | 155.00 | 119.75 |
| Repayment of Loan | 125.00 | - | 125.00 | Nil | Nil |
| General Corporate Purpose | 38.00 | - | 38.00 | Nil | Nil |

**Our Company shall determine the fund requirement on finalization of Issue Price and thus inter-se allocation of funds shall vary and will be updated in the Prospectus**

**Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.**

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the Lead Manager or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing

**Details of Objects**

**1. Working Capital**

We finance our working capital requirements from bank funding, internal accruals and other sources. As on date our Company's fund based working capital sanction facilities consisted of an aggregate based limit of Rs. 155.00 lakhs. The total outstanding amount of as on March 31, 2017 is Rs. 133.74 lakhs. For further information, see *"Financial Indebtedness"* on page 188 of this Prospectus.

As on March 31, 2016 and March 31, 2017 our Company's net working capital consisted of Rs. 161.39 lakhs and Rs. 164.32 lakhs based on the restated financial statements.

The total net working capital requirement for the year 2018 is estimated to be Rs. 568.75 lakhs. The working capital requirement for the year ending 2018 will be Rs. 568.75 lakhs, which will be met through the Net Proceeds to the extent of Rs. 294.00 and the balance portion will be met through internal accruals/ owned Funds and bank funding.

**Basis of estimation of working capital requirement**

The details of our Company's working capital requirement are based on the restated financial statements as at March 31, 2016 and March 31, 2017 are as set out in the table below:

*Amount* (*Rs. In Lakhs*)

| Particulars | As on March 31 | |
|---|---|---|
| | 2016 | 2017 |
| ***Current Assets*** | | |
| Current Investment | 238.00 | 271.01 |
| Inventories | 125.32 | 194.03 |
| Current Investment | 125.32 | 194.03 |
| Inventories | 23.89 | 10.45 |
| Trade receivables | 62.31 | 64.14 |
| Cash and cash equivalents | 0.03 | 0.02 |
| **Total (A)** | **449.54** | **539.65** |
| **Current Liabilities** | | |
| Trade Payables | 130.39 | 216.66 |
| Other Current Liabilities and Short Term Provisions | 157.76 | 158.93 |
| **Total (B)** | **288.14** | **375.58** |
| **Net Working Capital (A)-(B)** | **161.39** | **164.32** |

The details of our Company's expected working capital requirement as at March 31, 2018 is set out in the table below:

*Amount* (*Rs. In Lakhs*)

| Particulars | 2017-18 (Estimated) |
|---|---|
| ***Current Assets*** | |
| Trade Receivables | 266.67 |
| Inventories | |
| • Raw material | 138.07 |
| • Spares | 4.13 |
| • Stock in progress | 35.32 |
| • Finished Goods | 381.66 |
| Other Current Assets | 80.16 |
| Cash and cash equivalents | 46.83 |
| **Total (A)** | **952.84** |
| **Current Liabilities** | |
| Trade Payables | 292.69 |
| Other Current Liabilities and Short Term Provisions | 91.40 |
| **Total (B)** | **384.09** |
| **Net Working Capital (A)-(B)** | **568.75** |
| **Proposed funding pattern** | |
| Issue Proceeds | 294.00 |
| Bank Proceeds | 155.00 |
| Internal Accruals | 119.75 |
| **Total Source** | **568.75** |

**Assumption for working capital requirements**

Assumptions for Holding Levels*

*(In months)*

| Particulars | Holding Level as of March 31, 2016 | Holding Level as of March 31, 2017 | Holding Level as of March 31, 2018 (Estimated) |
|---|---|---|---|
| ***Current Assets*** | | | |
| Trade Receivables | 0.93 | 1.58 | 1.60 |
| Inventories | | | |

| Particulars | Holding Level as of March 31, 2016 | Holding Level as of March 31, 2017 | Holding Level as of March 31, 2018 (Estimated) |
|---|---|---|---|
| • Raw material | 0.39 | 0.45 | 1.00 |
| • Stock in progress | 0.06 | 0.19 | 0.20 |
| • Finished Goods | 1.40 | 1.58 | 2.00 |
| ***Current Liabilities*** | | | |
| Trade Payables | 1.47 | 2.48 | 2.00 |

Our Company proposes to utilize Rs. 294.00 lakhs of Net Proceeds towards working capital requirements for meeting our business requirements.

The working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2017-18 considering the growth in activities of our Company. Our Company has assumed Trade receivables and Trade payables as 1.60 months and 2.00 months respectively for the Financial Year 2017-18.

Our Trade receivables cycle was of about 0.93 months and 1.58 months in Financial Year 2015-16 and 2016-17 respectively.

***Justification for "Holding Period" levels***

**The justifications for the holding levels mentioned in the table above are provided below**

| Assets - Current Assets | Justification |
|---|---|
| **Trade receivables** | Our Company shall give credit facility of around 1.60 months to our debtors. We intend to tap new customers and provide liberal credit facility in financial year 2017-18 as compared to 1.58 months in financial year 2016-17 for expanding our sales. |
| **Inventories** | Raw material consists mainly of various types of steels which are generally procured from domestic market. We expect increase in inventory levels to one month as we intend to purchase raw material in bulk quantity by advance payment post orders.<br>We expect a marginal increase in stock of work in progress as our unit would be running at better capacity compared to previous years because of increased projected sales.<br>We expect finished goods days to be in line with current policy |
| **Liabilities - Current Liabilities** | |
| **Trade Payables** | We have assumed creditors days of 2.00 months as we intend to purchase raw materials and stock in trade on strict payment terms to avail discounts. |

Pursuant to the certificate dated August 3, 2017, M/s M N Manwar & Co.,, Chartered Accountants, have compiled the working capital estimates from the Restated Financial Statements and the working capital projections as approved by the Board by the resolution dated August 3, 2017.

**2. Repayment of Loan**

As on March 31, 2017 with respect to the loan proposed to be repaid from Net Proceeds of the Issue, our Company had outstanding indebtedness from amounting to Rs. 129.23 lakhs as confirmed by the Peer Review Auditor M/s. M N Manwar and Co., vide Certificate dated August 3, 2017. Our Company proposes to utilize an amount of Rs. 125.00 lakhs out of the Net Proceeds towards repayment/ pre-payment in part or full of certain borrowings/loans listed in the table below availed from Indian Overseas Bank. We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness and improve our debt-equity ratio. We believe that reducing our indebtedness will result in enhanced equity base, reduce our financial costs, improve our profitability and improve our leverage capacity.

The following table provides details of certain sanctioned loans availed by our Company as on March 31, 2017, out of which our Company may repay/ pre-pay, in full or in part, any or all of the loans from the Net Proceeds, without any obligation to any particular bank/ financial institution:

| Nature of Facility | Loan |
|---|---|
| Sanction Amount | Rs. 345.00 lakhs |
| Amount outstanding as on March 31, 2017 | Rs. 129.23 lakhs |
| Rate of Interest | One Year MCLR plus 2.50% (8.65% + 2.50%) |
| Purpose | Purchase of Plant and Machinery |
| Repayment | Term loan is repayable by way of 75 monthly installments. |

***For details regarding security against bank loan, please refer chapter titled "Financial Indebtedness" beginning on page 188 of this Prospectus.***

We may repay the above loan, before we obtain proceeds from the Issue, through other means and source of financing, including bridge loan or other financial arrangements, which then will be repaid from the proceeds of the Issue.

**3. General Corporate Purpose**

Our Company proposes to deploy the balance Net Proceeds aggregating Rs. 38.00 lakhs towards general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited to strategic initiatives, partnerships and joint ventures, meeting exigencies which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board, will have flexibility in utilizing any surplus amounts.

## ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 65.00 Lakhs.

| Expenses | Expenses (Rs. in Lakhs)* | Expenses (% of total Issue expenses) | Expenses (% of Gross Issue Proceeds) |
|---|---|---|---|
| Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc. | 45.00 | 69.23% | 8.62% |
| Regulatory fees | 6.00 | 9.23% | 1.15% |
| Marketing and Other Expenses | 14.00 | 21.54% | 2.68% |
| **Total estimated Issue expenses** | 65.00 | 100.00% | 12.45% |

***As on date of the Prospectus, our Company has incurred Rs. 16.46 Lakhs towards Issue Expenses out of internal accruals.***

***SCSBs will be entitled to a processing fee of Rs. 10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment.*

*Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.01% on the Allotment Amount# or Rs 10/- whichever is less on the Applications wherein shares are allotted.*

*The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.*

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

## BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance project requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance project requirements will be repaid from the Net Proceeds of the Issue.

## APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

## INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

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

## MONITORING UTILIZATION OF FUNDS

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

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Prospectus.

## VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## OTHER CONFIRMATIONS

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

## BASIS FOR ISSUE PRICE

The Issue Price of Rs 29/- per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10/- and Issue Price is Rs. 29/- per Equity Share and is 2.9 times the face value. Investors should read the following basis with the sections titled *"Risk Factors"* and "*Financial Information*" and the chapter titled *"Our Business"* beginning on page nos. 16, 148 and 108 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

- Export Market
- Experienced Promoters
- Equipped Plant
- Quality Certifications

For further details, refer to heading "Our Competitive Strengths" under the chapter titled "*Our Business"* beginning on page 108 of this Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2015, 2016 and 2017 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

***1.* Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20**

| Year ended | EPS (Rs.) | Weight |
|---|---|---|
| March 31, 2015 | 2.80 | 1 |
| March 31, 2016 | 0.67 | 2 |
| March 31, 2017 | 2.01 | 3 |
| **Weighted average** | 1.70 | |

** Not annualised*

**Note:-**

- The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period / year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-.
- *EPS is calculated after adjusting for issuance of 22 bonus shares per 10 Shares held affected on June 25, 2017. For details, see the section "Capital Structure" on page 66 of this Prospectus.

***2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 29/- per Equity Share of Rs. 10 each fully paid up.***

| Particulars | P/E Ratio |
|---|---|
| P/E ratio based on Basic & Diluted EPS for FY 2016-17 | 14.43 |
| P/E ratio based on Weighted Average Basic & Diluted EPS | 17.09 |
| ****Industry P/E** | |
| Lowest | NA |
| Highest | 83.86 |
| Average | 32.69 |

***3. Return On Net worth (RONW)***

Return on Net Worth ("RONW") as per restated financial statements

| Year ended | RONW | Weight |
|---|---|---|
| March 31, 2015 | 34.61% | 1 |
| March 31, 2016 | 7.70% | 2 |
| March 31, 2017 | 18.65% | 3 |
| **Weighted Average** | | 17.66% |

*Not annualized

**Note:-** The RONW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year.

***4. Minimum Return on Total Net Worth post Issue needed to maintain Pre Issue EPS for the year ended March 31, 2017 is 12.20%***

***5. Net Asset Value (NAV)***

| Particulars | Amount (in Rs.) |
|---|---|
| Net Asset Value per Equity Share as of March 31, 2017 | 10.78 |
| Net Asset Value per Equity Share after the Issue | 16.48 |
| Issue Price per equity share | 29.00 |

**Note:**

- Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares at the end of the year.
- NAV is calculated after adjusting for issuance of 22 bonus shares for every 10 shares held affected on June 25, 2017. For details, see the section *"Capital Structure"* on page 66 of this Prospectus.

***6.*** Comparison with other listed companies

| Companies | CMP | EPS | PE Ratio | RONW % | NAV (Per Share) | Face Value | Total Revenue (Rs. In Crore) | PAT (Profit for the year in Crore) |
|---|---|---|---|---|---|---|---|---|
| Tirupati Forge Limited | 29.00 | 2.01 | 14.43 | 18.65% | 10.78 | 10.00 | 16.37 | 0.50 |
| **Peer Group*** | | | | | | | | |
| Ramkrishna Forging Limited | 556.85 | 6.64 | 83.86 | 0.04% | 171.05 | 10.00 | 878.04 | 19.04 |
| M M Forgings Limited | 600.10 | 35.97 | 16.68 | 0.14% | 260.00 | 10.00 | 478.40 | 43.42 |
| Sanghvi Forging and Engineering Limited | 37.35 | (15.12) | (2.47) | (1.05) | 14.51 | 10.00 | 55.41 | 1.48 |

**Source: www.bseindia.com*
***CMP for our Company is considered as Issue Price*
***

**Notes:**

- Considering the nature of business of the Company the peer are not strictly comparable. However same have been included for broad comparison. We have excluded Companies which have negative EPS for the financial year 2016-17.
- The figures for Tirupati Forge Limited are based on the restated results for the year ended March 31, 2017
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2017
- Current Market Price (CMP) is the closing prices of respective scripts as on August 31, 2017.
- The Issue Price of Rs. 29.00/- per Equity Share has been determined by the Company in consultation with the LM and is justified based on the above accounting ratios.

For further details refer to the section titled *"Risk Factors"* beginning on page 16 and the financials of the Company including profitability and return ratios, as set out in the section titled *"Financial Statements"* beginning on page 148 of this Prospectus for a more informed vie

## STATEMENT OF POSSIBLE TAX BENEFIT

**To**

**The Board of Directors**
**Tirupati Forge Limited**
**1-5, Hadamtala Industrial Area,**
**Tal: Kotda Sangani Hadamtala,**
**Rajkot, Gujarat – 360 311**

Dear Sirs,

**Sub: Statement of possible special tax benefits ("the Statement") available to Tirupati Forge Limited ('the Company") and its shareholders prepared in accordance with the requirements in Schedule VIII-Clause (VII) (L) of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ("the Regulations")**

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') as amended by the Finance Act, 2016 (i.e applicable to Financial Year 2016-17 relevant to Assessment Year 2017-18), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

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

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

The enclosed annexure is intended for your information and for inclusion in the Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

**For M. N. Manvar & Co.**
**Chartered Accountants**
**FRN : 106047W**

**Date: 28.08.2017**
**Place: Rajkot**

**(M. N. Manvar)**
**Proprietor**
**MRN: 036292**

## ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2016-17.

### A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The Company is not entitled to any special tax benefits under the Act.

### B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

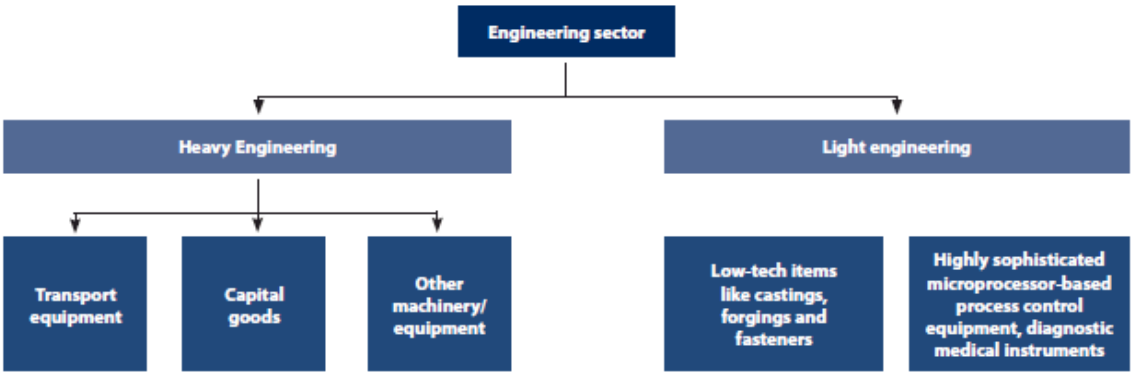
The Shareholders of the Company are not entitled to any special tax benefits under the Act.

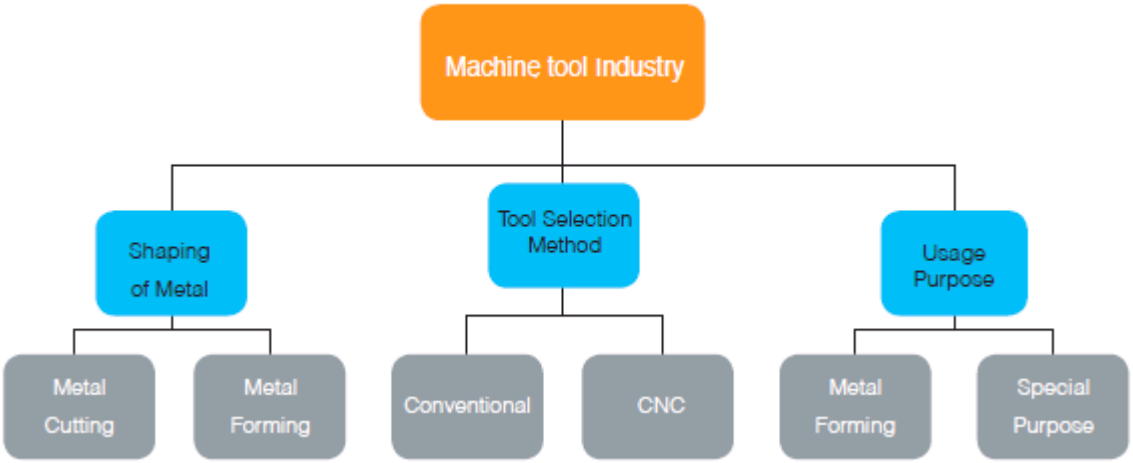
## SECTION IV- ABOUT THE COMPANY
## OUR INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on pages 16 and 148 respectively of this Prospectus before deciding to invest in our Equity Shares.*

### INDUSTRY OVERVIEW

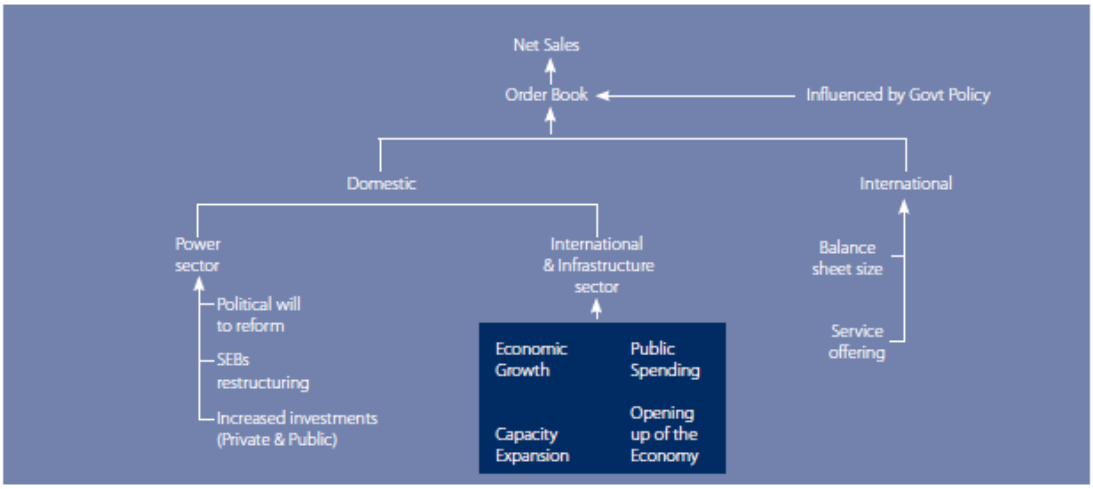
Growth in India's manufacturing sector has provided a stimulus for the engineering industry to develop capabilities in product development and advanced manufacturing technology. India manufactures the entire range of industrial machinery. Apart from demand from user industries, the availability of technical education infrastructure that provides an increased number of technically trained human resources, each year has been another key factor aiding the engineering industry in India. Based on their installed The bulk of capital goods required for power projects, fertilizer, cement, steel and petrochemical plants and mining equipment are made in India. The country also makes construction machinery, equipment for irrigation projects, diesel engines, tractors, transport vehicles, cotton textile and sugar mill machinery. The recent spurt in the domestic construction and infrastructure industry has accelerated the demand for most of the products. India also exports a range of heavy and light engineering goods. India has a strong engineering and capital goods base. The engineering sector is the largest segment of Indian Industry. The important groups within the engineering industry include machinery & instruments, castings, forgings, fasteners, electronic goods and project exports. The engineering sector employs over 4 million skilled and semi-skilled workers (direct and indirect) 1. For the quarter ended June 2007, the total engineering production was about US$ 5 billion.






*(Source: Engineering Market & Opportunities- India Brand Equity Foundation [www.ibef.org)](www.ibef.org)*

**Demand Drivers for the Engineering Sectors in India**



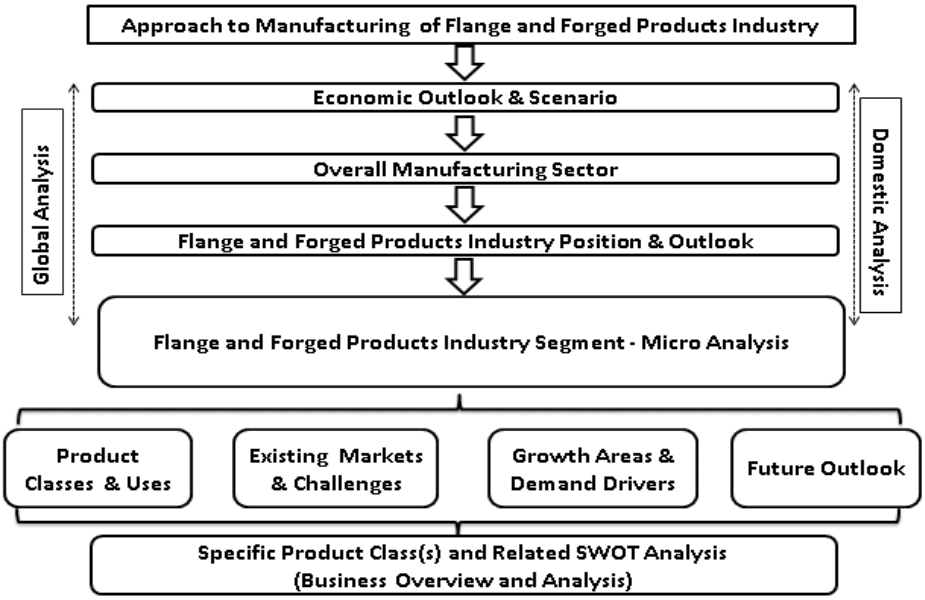

*(Source: Engineering Market & Opportunities- India Brand Equity Foundation [www.ibef.org)](www.ibef.org)*

## APPROACH TO INDUSTRY ANALYSIS

Analysis of manufacturing of flange and forged products industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Flange and forged products industry forms part of manufacturing sector at a macro level. Hence, broad picture of manufacturing sector should be at preface while analysing the cables and wires industry. If the entire manufacturing sector is likely to be impacted by a specific set of factors, so would, most likely, be the Flange and forged product industry as well.

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall manufacturing sector is 'Flange and forged products', which in turn encompasses various components one of them being 'Flange and forged products'.

Thus, Flange and forged product industry segment should be analysed in the light of 'Manufacturing' industry. An appropriate view on flange and forged product industry, then, calls for the overall economy outlook, performance and expectations of manufacturing sector, position of electronic industry and micro analysis.




*This Approach Note is developed by Pantomath Capital Advisors Pvt. Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of cables and wires industry and/ or any other industry, may entail legal consequences.*

## GLOBAL ECONOMIC ENVIRONMENT

For India, three external developments are of significant consequence. In the short run, the change in the outlook for global interest rates as a result of the US elections and the implied change in expectations of US fiscal and monetary policy will impact on India's capital flows and exchange rates. Markets are factoring in a regime change in advanced countries, especially US macroeconomic policy, with high expectations of fiscal stimulus and unwavering exit from unconventional monetary policies. The end of the 20-year bond rally and end to the corset of deflation and deflationary expectations are within sight. Second, the medium-term political outlook for globalisation and in particular for the world's "political carrying capacity for globalisation" may have changed in the wake of recent developments. In the short run a strong dollar and declining competitiveness might exacerbate the lure of protectionist policies. These follow on on-going trends— documented widely— about stagnant or declining trade at the global level. This changed outlook will affect India's export and growth prospects

Third, developments in the US, especially the rise of the dollar, will have implications for China's currency and currency policy. If China is able to successfully re-balance its economy, the spill over effects on India and the rest of the world will be positive. On, the other hand, further declines in the yuan, even if dollar-induced, could interact with underlying vulnerabilities to create disruptions in China that could have negative spill overs for India. For China, there are at least two difficult balancing acts with respect to the currency. Domestically, a declining currency (and credit expansion) props up the economy in the short run but delay rebalancing while also adding to the medium term challenges. Internationally, allowing the currency to weaken in response to capital flight risks creating trade frictions but imposing capital controls discourages FDI and undermines China's ambitions to establish the Yuan as a reserve currency. China with its underlying vulnerabilities remains the country to watch for its potential to unsettle the global economy.

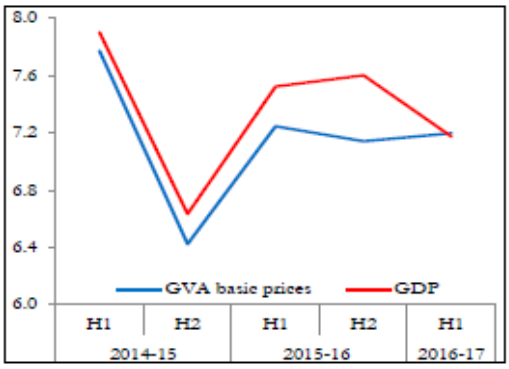
*(Source: Economic Survey 2016-17 www.indiabudget.nic.in)*

## REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. Real GDP growth in the first half of the year was 7.2 percent, on the weaker side of the 7.0-7.75 per cent projection in the Economic Survey 2015-16 and somewhat lower than the 7.6 percent

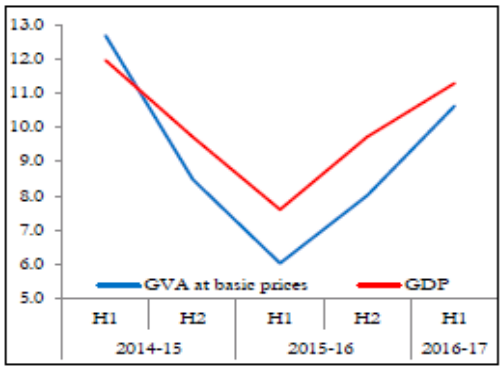
rate recorded in the second half of 2015-16 (Figure 1a). The main problem was fixed investment, which declined sharply as stressed balance sheets in the corporate sector continued to take a toll on firms' spending plans. On the positive side, the economy was buoyed by government consumption, as the 7th Pay Commission salary recommendations were implemented, and by the long-awaited start of an export recovery as demand in advanced countries began to accelerate. Nominal GDP growth recovered to respectable levels, reversing the sharp and worrisome dip that had occurred in the first half of 2015-16 (Figure 1b).

**Figure 1a. GVA and GDP Growth (Constant Prices)**




*Source:* CSO

**Figure 1b. GVA and GDP Growth (Current Prices)**




*Source:* CSO

The major highlights of the sectoral growth outcome of the first half of 2016-17 were: (i) moderation in industrial and nongovernment service sectors; (ii) the modest pick-up in agricultural growth on the back of improved monsoon; and (iii) strong growth in public administration and defence services—dampeners on and catalysts to growth almost balancing each other and producing a real Gross Value Addition (GVA) growth (7.2 percent), quite similar to the one (7.1 per cent) in H2 2015-16 (Figure 1b).

Inflation this year has been characterized by two distinctive features. The Consumer Price Index (CPI)-New Series inflation, which averaged 4.9 per cent during April-December 2016, has displayed a downward trend since July when it became apparent that kharif agricultural production in general, and pulses in particular would be bountiful. The decline in pulses prices has contributed substantially to the decline in CPI inflation which reached 3.4 percent at end-December. The second distinctive feature has been the reversal of WPI inflation, from a trough of (-)5.1 percent in August 2015 to 3.4 percent at end-December 2016, on the back of rising international oil prices. The wedge between CPI and WPI inflation, which had serious implications for the measurement of GDP discussed in MYEA (Box 3, Chapter 1, MYEA 2015-16), has narrowed considerably. Core inflation has, however, been more stable, hovering around 4.5 percent to 5 percent for the year so far. The outlook for the year as a whole is for CPI inflation to be below the RBI's target of 5 percent, a trend likely to be assisted by demonetisation.

**External Sector**

Similarly, the external position appears robust having successfully weathered the sizeable redemption of Foreign Currency Non-Resident (FCNR) deposits in late 2016, and the volatility associated with the US election and demonetisation. The current account deficit has declined to reach about 0.3 percent of GDP in the first half of FY2017.Foreign exchange reserves are at comfortable levels, having have risen from around US$350billion at end-January 2016 to US$ 360 billion at end-December 2016 and are well above standard norms for reserve adequacy. In part, surging net FDI inflows, which grew from 1.7percent of GDP in FY2016 to 3.2 percent of GDP in the second quarter of FY2017, helped the balance-of-payments

The trade deficit declined by 23.5 per cent in April-December 2016 over corresponding period of previous year. During the first half of the fiscal year, the main factor was the contraction in imports, which was far steeper than the fall in exports. But during October- December, both exports and imports started a long-awaited recovery, growing at an average rate of more than 5 per cent. The

improvement in exports appears to be linked to improvements in the world economy, led by better growth in the US and Germany. On the import side, the advantage on account of benign international oil prices has receded and is likely to exercise upward pressure on the import bill in the short to medium term. Meanwhile, the net services surplus declined in the first half, as software service exports slowed and financial service exports declined. Net private remittances declined by $4.5 bn in the first half of 2016-17 compared to the same period of 2015-16, weighed down by the lagged effects of the oil price decline, which affected inflows from the Gulf region.

**Fiscal Position**

Trends in the fiscal sector in the first half have been unexceptional and the central government is committed to achieving its fiscal deficit target of 3.5 percent of GDP this year. Excise duties and services taxes have benefitted from the additional revenue measures introduced last year. The most notable feature has been the over-performance (even relative to budget estimates) of excise duties in turn based on buoyant petroleum consumption: real consumption of petroleum products (petrol) increased by 11.2 percent during April-December 2016 compared to same period in the previous year. Indirect taxes, especially petroleum excises, have held up even after demonetisation in part due to the exemption of petroleum products from its scope. More broadly, tax collections have held up to a greater extent than expected possibly because of payment of dues in demonetised notes was permitted. Non-tax revenues have been challenged owing to shortfall in spectrum and disinvestment receipts but also to forecast optimism; the stress in public sector enterprises has also reduced dividend payments.

State government finances are under stress. The consolidated deficit of the states has increased steadily in recent years, rising from 2.5 percent of GDP in 2014-15 to 3.6 percent of GDP in 2015-16, in part because of the UDAY scheme. The budgeted numbers suggest there will be an improvement this year. However, markets are anticipating some slippage, on account of the expected growth slowdown, reduced revenues from stamp duties, and implementation of their own Pay Commissions. For these reasons, the spread on state bonds over government securities jumped to 75 basis points in the January 2017 auction from 45 basis points in October 2016. For the general government as a whole, there is an improvement in the fiscal deficit with and without UDAY scheme.

*(Source: Economic Survey 2016-17 www.indiabudget.nic.in)*

## OUTLOOK FOR 2016-17

This year's outlook must be evaluated in the wake of the November 8 action to demonetize the high denomination notes. But it is first important to understand the analytics of the demonetisation shock in the short run. Demonetisation affects the economy through three different channels. It is potentially: 1) an aggregate demand shock because it reduces the supply of money and affects private wealth, especially of those holding unaccounted money; 2) an aggregate supply shock to the extent that economic activity relies on cash as an input (for example, agricultural production might be affected since sowing requires the use of labour traditionally paid in cash); and 3) an uncertainty shock because economic agents face imponderables related to the magnitude and duration of the cash shortage and the policy responses (perhaps causing consumers to defer or reduce discretionary consumption and firms to scale back investments).

Demonetisation is also very unusual in its monetary consequences. It has reduced sharply, the supply of one type of money— cash—while increasing almost to the same extent another type of money—demand deposits. This is because the demonetized cash was required to be deposited in the banking system. In the third quarter of FY2017 (when demonetisation was introduced), cash declined by 9.4 percent, demand deposits increased by 43 percent, and growth in the sum of the two by 11.3 percent.

The price counterparts of this unusual aspect of demonetisation are the surge in the price of cash (inferred largely through queues and restrictions), on the one hand; and the decline in interest rates on the lending rate (based on the marginal cost of funds) by 90 basis points since November 9; on deposits (by about 25 basis points); and on g-secs on the other (by about 32 basis points).

There is yet another dimension of demonetisation that must be kept in mind. By definition, all these quantity and price impacts will self-correct by amounts that will depend on the pace at which the

economy is remonetized and policy restrictions eased. As this occurs, consumers will run down their bank deposits and increase their cash holdings. Of course, it is possible, even likely that the self-correction will not be complete because in the new equilibrium, aggregate cash holdings (as a share of banking deposits and GDP) are likely to be lower than before.

Anecdotal and other survey data abound on the impact of demonetisation. But we are interested in a macro-assessment and hence focus on five broad indicators: Agricultural (Rabi) sowing; Indirect tax revenue, as a broad gauge of production and sales; Auto sales, as a measure of discretionary consumer spending and two-wheelers, as the best indicator of both rural and less affluent demand; Real credit growth; and Real estate prices. Contrary to early fears, as of January 15, 2017 aggregate sowing of the two major rabi crops—wheat and pulses (gram)—exceeded last year's planting by 7.1 percent and 10.7 percent, respectively. Favourable weather and moisture conditions presage an increase in production. To what extent these favourable factors will be attenuated will depend on whether farmers' access to inputs—fertilizer, credit, and labour—was affected by the cash shortage.

To estimate a demonetisation effect, one needs to start with the counterfactual. Our best estimate of growth in the absence of demonetisation is 11¼ percent in nominal terms (slightly higher than last year's Survey forecast because of the faster rebound in WPI inflation, but lower than the CSO's advance estimate of 11.9 percent) and 7 percent in real terms (in line with both projections).

Finally, demonetisation will afford an interesting natural experiment on the substitutability between cash and other forms of money. Demonetisation has driven a sharp and dramatic wedge in the supply of these two: if cash and other forms are substitutable, the impact will be relatively muted; if, on the other hand, cash is not substitutable the impact will be greater.

*(Source: Economic Survey 2016-17 www.indiabudget.nic.in)*

## OUTLOOK FOR 2017-18

Turning to the outlook for 2017-18, we need to examine each of the components of aggregate demand: exports, consumption, private investment and government.

As discussed earlier, India's exports appear to be recovering, based on an uptick in global economic activity. This is expected to continue in the aftermath of the US elections and expectations of a fiscal stimulus. The IMF's January update of its World Economic Outlook forecast is projecting an increase in global growth from 3.1 percent in 2016 to 3.4 percent in 2017, with a corresponding increase in growth for advanced economies from 1.6 percent to 1.9 percent. Given the high elasticity of Indian real export growth to global GDP, exports could contribute to higher growth next year, by as much as 1 percentage point.

The outlook for private consumption is less clear. International oil prices are expected to be about 10-15 percent higher in 2017 compared to 2016, which would create a drag of about 0.5 percentage points. On the other hand, consumption is expected to receive a boost from two sources: catch-up after the demonetisation-induced reduction in the last two quarters of 2016-17; and cheaper borrowing costs, which are likely to be lower in 2017 than 2016 by as much as 75 to 100 basis points. As a result, spending on housing and consumer durables and semi-durables could rise smartly. It is too early to predict prospects for the monsoon in 2017 and hence agricultural production. But the higher is agricultural growth this year, the less likely that there would be an extra boost to GDP growth next year.

Since no clear progress is yet visible in tackling the twin balance sheet problem, private investment is unlikely to recover significantly from the levels of FY2017. Some of this weakness could be offset through higher public investment, but that would depend on the stance of fiscal policy next year, which has to balance the short-term requirements of an economy recovering from demonetisation against the medium-term necessity of adhering to fiscal discipline—and the need to be seen as doing so. Putting these factors together, we expect real GDP growth to be in the 6¾ to 7½ percent range in FY2018. Even under this forecast, India would remain the fastest growing major economy in the world.

There are three main downside risks to the forecast. First, the extent to which the effects of demonetisation could linger into next year, especially if uncertainty remains on the policy response. Currency shortages also affect supplies of certain agricultural products, especially milk (where procurement has been low), sugar (where cane availability and drought in the southern states will restrict production), and potatoes and onions (where sowings have been low). Vigilance is essential to prevent other agricultural products becoming in 2017-18 what pulses was in 2015-16.

Second, geopolitics could take oil prices up further than forecast. The ability of shale oil production to respond quickly should contain the risks of a sharp increase, but even if prices rose merely to $60-65/barrel the Indian economy would nonetheless be affected by way of reduced consumption; less room for public investment; and lower corporate margins, further denting private investment. The scope for monetary easing might also narrow, if higher oil prices stoked inflationary pressure.

Third, there are risks from the possible eruption of trade tensions amongst the major countries, triggered by geo-politics or currency movements. This could reduce global growth and trigger capital flight from emerging markets. The one significant upside possibility is a strong rebound in global demand and hence in India's exports. There are some nascent signs of that in the last two quarters. A strong export recovery would have broader spill over effects to investment.

**Fiscal outlook**

The fiscal outlook for the central government for next year will be marked by three factors. First, the increase in the tax to GDP ratio of about 0.5 percentage points in each of the last two years, owing to the oil windfall will disappear. In fact, excise-related taxes will decline by about 0.1 percentage point of GDP, a swing of about 0.6 percentage points relative to FY2017.

Second, there will be a fiscal windfall both from the high denomination notes that are not returned to the RBI and from higher tax collections as a result of increased disclosure under the Pradhan Mantra Garib Kalyan Yojana (PMGKY). Both of these are likely to be one-off in nature, and in both cases the magnitudes are uncertain.

A third factor will be the implementation of the GST. It appears that the GST will probably be implemented later in the fiscal year. The transition to the GST is so complicated from an administrative and technology perspective that revenue collection will take some time to reach full potential. Combined with the government's commitment to compensating the states for any shortfall in their own GST collections (relative to a baseline of 14 percent increase), the outlook must be cautious with respect to revenue collections. The fiscal gains from implementing the GST and demonetisation, while almost certain to occur, will probably take time to be fully realized. In addition, muted non-tax revenues and allowances granted under the 7th Pay Commission could add to pressures on the deficit.

**The macroeconomic policy stance for 2017-18**

An economy recovering from demonetisation will need policy support. On the assumption that the equilibrium cash-GDP ratio will be lower than before November 8, the banking system will benefit from a higher level of deposits. Thus, market interest rates—deposits, lending, and yields on g-secs—should be lower in 2017-18 than 2016-17. This will provide a boost to the economy (provided, of course, liquidity is no longer a binding constraint). A corollary is that policy rates can be lower not necessarily to lead and nudge market rates but to validate them. Of course, any sharp uptick in oil prices and those of agricultural products, would limit the scope for monetary easing.

Fiscal policy is another potential source of policy support. This year the arguments may be slightly different from those of last year in two respects. Unlike last year, there is more cyclical weakness on account of demonetisation. Moreover, the government has acquired more credibility because of posting steady and consistent improvements in the fiscal situation for three consecutive years, the central government fiscal deficit declining from 4.5 percent of GDP in 2013-14 to 4.1 percent, 3.9 percent, and 3.5 percent in the following three years. But fiscal policy needs to balance the cyclical imperatives with medium term issues relating to prudence and credibility.

One key question will be the use of the fiscal windfall (comprising the unreturned cash and additional receipts under the PMGKY) which is still uncertain. Since the windfall to the public sector is both one off and a wealth gain not an income gain, it should be deployed to strengthening the government's balance sheet rather than being used for government consumption, especially in the form of programs that create permanent entitlements. In this light, the best use of the windfall would be to create a public sector asset reconstruction company so that the twin balance sheet problem can be addressed, facilitating credit and investment revival; or toward the compensation fund for the GST that would allow the rates to be lowered and simplified; or toward debt reduction. The windfall should not influence decisions about the conduct of fiscal policy going forward.

Perhaps the most important reforms to boost growth will be structural. In addition to those spelt out in Section 1—strategic disinvestment, tax reform, subsidy rationalization—it is imperative to address directly the twin balance sheet problem. The problem is large, persistent and difficult, will not correct itself even if growth picks up and interest rates decline, and current attempts have proved grossly inadequate. It may be time to consider something like a public sector asset reconstruction company.

Another area of reform relates to labour. Given the difficulty of reforming labor laws per se, the thrust could be to move towards affording greater choice to workers which would foster competition amongst service providers. Choices would relate to: whether they want to make their own contribution to the Employees' Provident Fund Organisation (EPFO); whether the employers' contribution should go to the EPFO or the National Pension Scheme; and whether to contribute to the Employee State Insurance (ESI) or an alternative medical insurance program. At the same time, there could be a gradual move to ensure that at least compliance with the central labour laws is made paperless, presence less, and cashless. One radical idea to consider is the provision of a universal basic income. But another more modest proposal worth embracing is procedural: a standstill on new government programs, a commitment to assess every new program only if it can be shown to demonstrably address the limitations of an existing one that is similar to the proposed one; and a commitment to evaluate and phase down existing programs that are not serving their purpose.

## MANUFACTURING SECTOR IN INDIA

### Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy.

India's ranking among the world's 10 largest manufacturing countries has improved by three places to sixth position in 2015[#]. The Government of India has set an ambitious target of increasing the contribution of manufacturing output to 25 per cent of Gross Domestic Product (GDP) by 2025, from 16 per cent currently.

### Market Size

India's manufacturing sector has the potential to touch US$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs by 2025. Business conditions in the Indian manufacturing sector continue to remain positive.

### Investments

In a major boost to the 'Make in India' initiative, the Make in India week which was held in Mumbai between February 13 and 18, 2016, received an overwhelming response from investors. The fair had closed with INR 15.2 trillion (US$ 225.32 billion) in investment commitments.

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.

In September 2016, Foreign Direct Investment (FDI) in electronic manufacturing has reached an all-time high of Rs 123,000 crore (US$ 18.36 billion) in 2016, from Rs 11,000 crore (US$ 1.65 billion) in 2014; on the back of enabling policies of the government and its Make in India initiative.

India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- Huawei, the China-based smartphone manufacturer, has entered into an agreement with solutions provider Flextronics Technologies (India) Private Limited, to manufacture its smartphones in India. Flextronics would start by making 3 million smart phones at its facility in Chennai and is expected to generate additional 1,500 jobs.
- Tristone Flowtech Group, the Germany-based flow technology systems specialist, has set up a new facility in Pune, which will manufacture surge tank as well as engine cooling and aircharge hose for the Indian market. The company plans to start the production at the plant in the fourth quarter of 2017.
- Tata Power has partnered with US-based Javelin Joint Venture, which is a partnership between Raytheon Company and Lockheed Martin, for its Strategic Engineering Division (SED), in order to create a strategy to co-develop and produce the Javelin missile system and integrate platform mounts to meet Indian requirements.
- LeEco, a Chinese technology company, has entered into a partnership with Compal Technologies and invested US$ 7 million to set up manufacturing facility at Greater Noida in order to start manufacturing Le2 smartphones in India.
- Zopo Mobile, a China-based smartphone manufacturer, plans to invest Rs 100 crore (US$ 15 million) to set up a manufacturing plant in Noida by the end of 2016, which will have a monthly production capacity of 100,000 units.
- Honda Motorcycle & Scooter India plans to invest around Rs 600 crore (US$ 88.94 million) to add a new line at its Narsapura facility at Karnataka, and launch at least 10-15 products during FY 2016-17 in the country.
- Force Motors, a utility and commercial vehicles manufacturer, inaugurated its Rs 100 crore (US$ 14.82 million) manufacturing facility in Pune, which will supply engines and axles to the Germany-based automobile manufacturer Mercedes-Benz.
- Boeing Company, an American plane maker, and Tata Advanced Systems Ltd (TASL), a fully owned subsidiary of Tata Sons, have entered into a joint venture to set up a new facility in Hyderabad to manufacture Boeing AH-64 Apache helicopter fuselages.
- Panasonic Corporation plans to set up a new manufacturing plant for refrigerators in India with an investment of Rs 250 crore (US$ 37 million), and also invest around Rs 20 crore (US$ 3 million) on an assembly unit for lithium ion batteries at its existing facility in Jhajjar in the next 8-10 months.
- Vital Paper Products, one of the major supply chain players in the paper and paper products industry, plans to set up a packaging product unit in the Special Economic Zone (SEZ) of Sri City, Andhra Pradesh, at an investment of Rs 60 crore (US$ 8.89 million), which will be operational from April 2017.
- Isuzu Motors, the Japan-based utility vehicle manufacturer, has inaugurated its greenfield manufacturing unit in Sri City, Andhra Pradesh, which was set up for Rs 3,000 crore (US$ 444.72 million), with an annual production capacity of 50,000 units and is estimated to generate around 2,000-3,000 jobs.
- Airbus has procured more than US$ 500 million worth of supplies from India in 2015, registering a growth of 15 per cent annually and has targeted a cumulative procurement of more than US$ 2 billion over a period of five years up to 2020.

- Havells India Limited, one of the top Indian consumer electrical equipment producer, plans to set up a new manufacturing unit near Bengaluru by making an investment of Rs 1,059 crore (US$ 156.99 million), which would be its twelfth plant in India and its first outside north India.
- Global beverage company Pepsi plans to invest Rs 500 crore (US$ 74 million) to set up another unit in Maharashtra to make mango, pomegranate and orange-based citrus juices, while biotechnology giant Monsanto plans to set up a seed plant in Buldhana district of Maharashtra.
- Hindustan Coca-Cola Beverages plans to set up a bottling plant with an investment of Rs 750 crore (US$ 111.2 million) in phases at the first industrial area being developed by Government of Madhya Pradesh under the public private partnership in Babai village of Hoshangabad, Bhopal.
- Canada's Magna International Incorporated has started production at two facilities in Gujarat's Sanand, which will supply auto parts to Ford Motor Co in India and will employ around 600 people at both units.

**Government Initiatives**

In a bid to push the 'Make in India' initiative to the global level, Mr. Narendra Modi, Prime Minister of India, pitched India as a manufacturing destination at the World International Fair in Germany's Hannover in 2015. Mr Modi showcased India as a business friendly destination to attract foreign businesses to invest and manufacture in the country.

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- The National Institution for Transforming India (NITI Aayog), after its recent push for Rs 6,000 crore (US$ 889 million) textile sector package, aims to persuade the Government for similar support in the manufacturing sectors with large-scale employment generation opportunities, such as electrical and electronics engineering, footwear and light manufacturing segments, which also have export potential.
- The Ministry of Labour and Employment plans to relax compliance measures for MSMEs by exempting them from inspections related to key labour laws in order to encourage entrepreneurs to help promote manufacturing in India.
- The Government of India plans to give a big boost to local manufacturing by introducing the new 'Make in India green channel', which will reduce the time taken for cargo clearance at ports from about a week to a few hours without any upfront payment of duties.
- Gujarat government is planning to set up an electronics products manufacturing hub in the state, through its newly announced Electronics Policy 2016, which will generate about 500,000 jobs in the electronics sector in the next five years.
- The Ministry of Heavy industries and Public Enterprises, in partnership with industry associations, has announced creation of a start-up centre and a technology fund for the capital goods sector to provide technical, business and financial resources and services to start-ups in the field of manufacturing and services.
- The Government of India plans to implement a new Defence Procurement Policy (DPP) by April, 2016 under which priority will be given to the indigenously made defence products and 25 per cent share of defence production will be open to private firms.
- The Government plans to organise a 'Make in India week' in Mumbai between February 13-18, 2016 to boost the 'Make in India' initiative and expects 1,000 companies from 10 key sectors to participate in the exhibition of innovative products and processes, a hackathon and sessions on urban planning, among other events.
- NITI Aayog plans to release a blueprint for various technological interventions which need to be incorporated by the Indian manufacturing economy, with a view to have a sustainable edge over competing neighbours like Bangladesh and Vietnam over the long term.

- Ms Nirmala Sitharaman, Minister of State (Independent Charge) for Commerce and Industry, has launched the Technology Acquisition and Development Fund (TADF) under the National Manufacturing Policy (NMP) to facilitate acquisition of Clean, Green and Energy Efficient Technologies, by Micro, Small & Medium Enterprises (MSMEs).
- The Government of India has asked New Delhi's envoys in over 160 countries to focus on economic diplomacy to help government attract investment and transform the 'Make in India' campaign a success to boost growth during the annual heads of mission's conference. Prime Minister, Mr Modi has also utilised the opportunity to brief New Delhi's envoys about the Government's Foreign Policy priority and immediate focus on restoring confidence of foreign investors and augmenting foreign capital inflow to increase growth in manufacturing sector.
- The Government of Uttar Pradesh has secured investment deals valued at Rs 5,000 crore (US$ 741.2 million) for setting up mobile manufacturing units in the state.
- Government of India has planned to invest US$ 10 billion in two semiconductor plants in order to facilitate electronics manufacturing in the country.
- Entrepreneurs of small-scale businesses in India will soon be able to avail loans under Pradhan Mantri MUDRA Yojana (PMMY). The three products available under the PMMY include: Shishu - covering loans up to Rs 50,000 (US$ 735), Kishor - covering loans between Rs 50,000 (US$ 735) to Rs 0.5 million (US$ 7,340), and Tarun - covering loans between Rs 0.5 million (US$ 7,340) and Rs 1 million (US$ 14,700).

**Road Ahead**

The Government of India has an ambitious plan to locally manufacture as many as 181 products. The move could help infrastructure sectors such as power, oil and gas, and automobile manufacturing that require large capital expenditure and revive the Rs 1,85,000 crore (US$ 27.42 billion) Indian capital goods business.

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

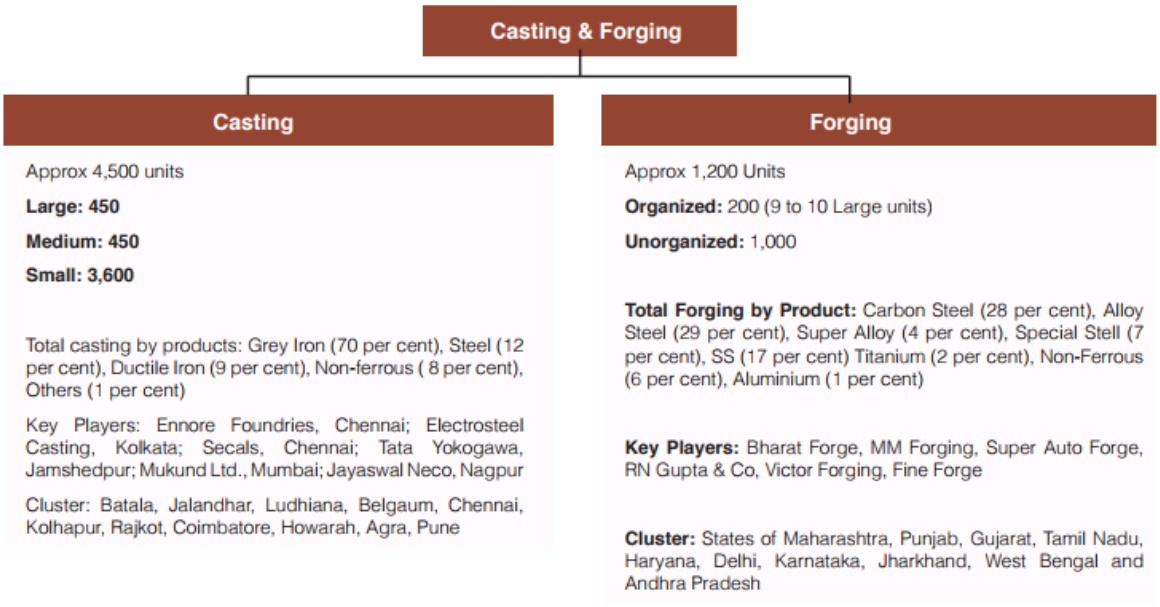
Exchange Rate Used: INR 1 = US$ 0.0149 as on September 30, 2016

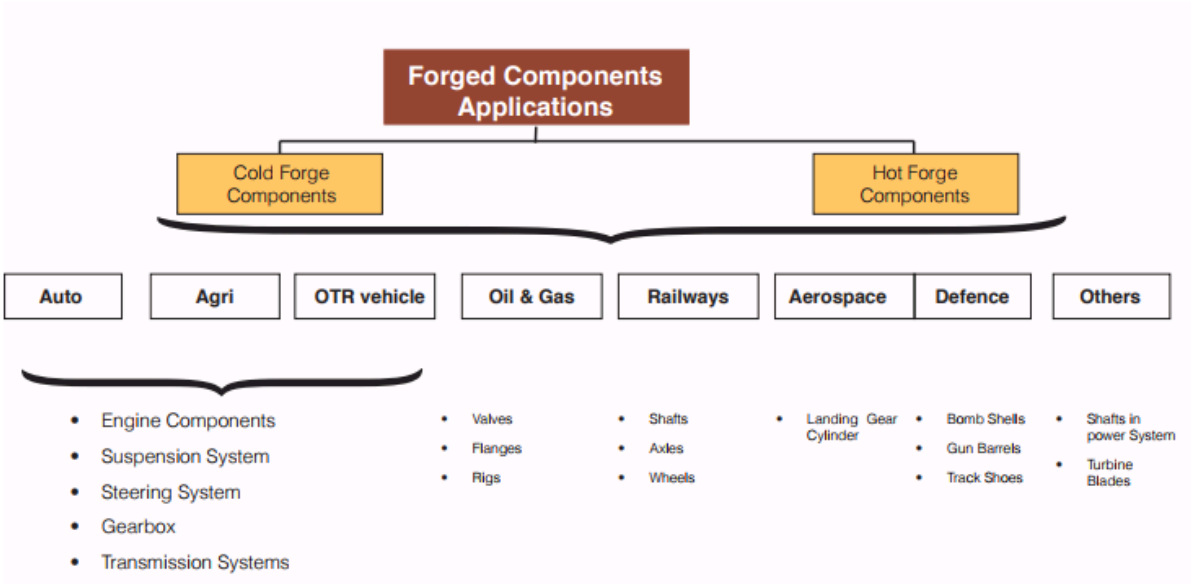
References: Media Reports, Press Releases, Press Information Bureau, McKinsey & Company

Notes: # - According to 'The Yearbook' a report by United Nations Industrial Development Organization (UNIDO)

*(Source: Manufacturing Sector in India - India Brand Equity Foundation www.ibef.org)*

## INDUSTRY STRUCTURE AND PRODUCT CLASSIFICATION




*(Source :Indian Electronics Industry Analysis India Brand Equity Foundation [www.ibef.org)](www.ibef.org)*

The electronics market of India is one of the largest in the world and is anticipated to reach US$ 400 billion in 2022 from US$ 69.6 billion in 2012. The market is projected to grow at a compound annual growth rate (CAGR) of 24.4 per cent during 2012-2020.

Total production of electronics hardware goods in India is estimated to reach US$ 104 billion by 2020. The communication and broadcasting equipment segment constituted 31 per cent, which is the highest share of total production of electronic goods in India in FY13, followed by consumer electronics at 23 per cent.

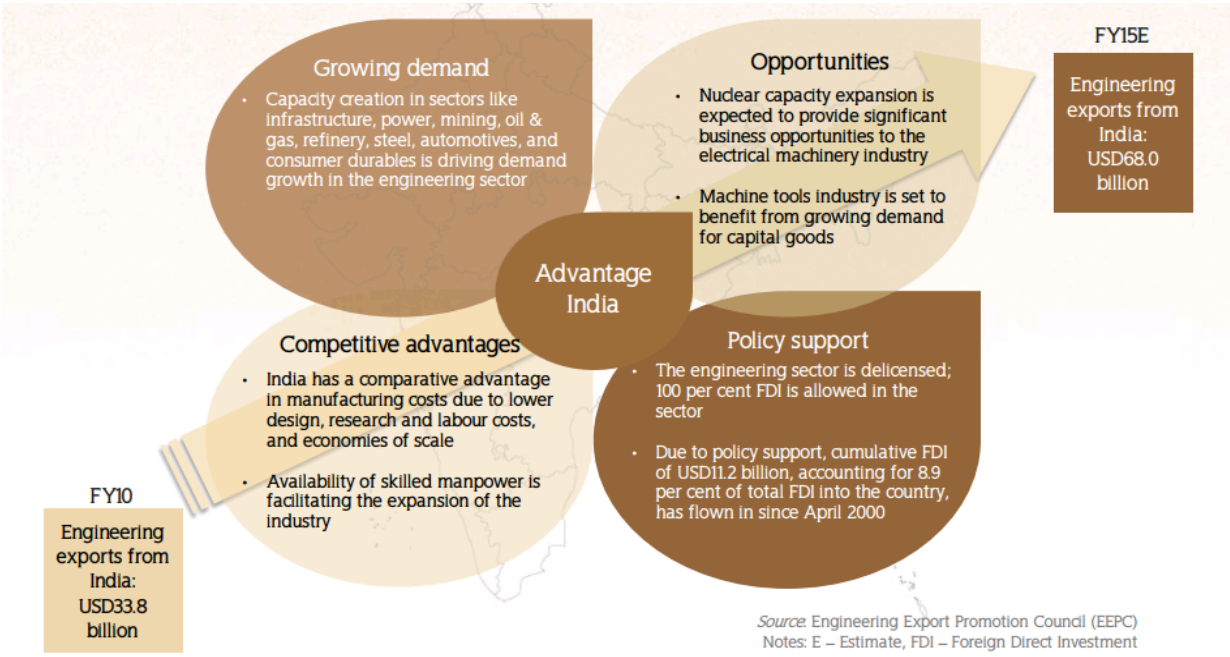
Electronic exports from India was expected to reach US$ 8.3 billion in FY13, a CAGR of 27.9 per cent during FY07–12. Technological improvements and competitively cost effectiveness are main drivers for demand of Indian electronics products abroad.

The Government of India has set up Electronic Hardware Technology Parks (EHTPs), Special Economic Zones (SEZs) and brought about a favourable climate for foreign direct investment (FDI). It has also increased liberalisation and relaxed tariffs to promote growth in the sector. In addition, the government gave its green signal to the Modified Special Incentive Package Scheme (MSIPS) under which the central government will be offering up to US$ 1.7 billion in benefits to the electronics sector in next five years.

The growing customer base and the increased penetration in consumer durables segment has provided enough scope for the growth of the Indian electronics sector. Also, digitisation of cable could lead to increased broadband penetration in the country and open up new avenues for companies in the electronics industry. Organization (UNIDO)

*(Source: Manufacturing Sector in India - India Brand Equity Foundation www.ibef.org)*

## ADVANTAGES: INDIAN OVERVIEW




*(Source :Indian Electronics Industry Analysis India Brand Equity Foundation www.ibef.org)*

6. Capacity creation in sectors like infrastructure, power, mining, oil & gas, refinery, steel, automotives, and consumer durables is driving demand growth in the engineering sector
7. Nuclear capacity expansion is expected to provide significant business opportunities to the electrical machinery industry. Machine tools industry is set to benefit from growing demand for capital goods
8. India has a comparative advantage in manufacturing costs due to lower design, research and labour costs, and economies of scale
9. Availability of skilled manpower is facilitating the expansion of the industry
10. The engineering sector is delicensed; 100 per cent FDI is allowed in the sector. Due to policy support, cumulative FDI of USD11.2 billion, accounting for 8.9 per cent of total FDI into the country, has flown in since April 2000

*(Source: Manufacturing Sector in India - India Brand Equity Foundation www.ibef.org*

## KEY CAPABILITIES OF THE SECTOR

The forging & casting industry's continuous efforts in upgrading technologies and diversifying product range has enabled it to expand its customer-base in the domestic market. Newer target segments include aerospace, power, energy, oil and gas, and heavy engine parts, even though automotive industry continues to be its primary end-user.

The organized sector has been consistently incorporating latest technologies with added emphasis on CAD/CAM, simulation, semi-automatic and automatic manufacturing and other forms of computer-based technologies to produce quality forgings conforming to international standards and with better output.Companies are also using quality tools such as Sound Pressure Level (SPL) studies to reduce rejections. Bharat Forge along with Larsen & Toubro (L&T) and Tata Power are planning to locally develop the Indian prototype of the 155mm Bofors artillery gun system.

*(Source: Engineering Sector in India- India Brand Equity Foundation www.ibef.org)*

## GROWTH

The forging & casting industry's continuous efforts in upgrading technologies and diversifying product range has enabled it to expand its customer Growth of the engineering sector is linked to investments in the sectors of power, infrastructure, automobile, auto components etc. The growth in capital goods sector is also directly related to the overall engineering sector. Industry competition, rising infrastructure demand, export incentives and conducive policy environment are expected to facilitate growth in this industry. Government projects such as the World Bank-funded Golden Quadrilateral Project and the North-South and East-West corridors, which are focus areas for infrastructure development, have fuelled growth in the construction industry as well as in the overall industrial sector. By the end of 2020, India is expected to have 590 million middle class, which will drive demand in the auto sector, consumer goods, infrastructure etc. Engineering firms need to ensure they address the requirements of this segment with products of adequate quality. This opens a large avenue for both domestic and international investment in this sector, especially in the large manufacturing & infrastructure projects. This is estimated to be over and above the mid-and innumerable small engineering projects expected to be announced in the next couple of years. The year 2014 alone witnessed more than 50 mergers & acquisitions (M&A) that addressed the requirements of the growing domestic market. Government projects such as the World Bank-funded Golden Quadrilateral Project and the North-South and East-West corridors, which are focus areas for infrastructure development, have fuelled growth in the construction industry as well as in the overall industrial sector. By the end of 2020, India is expected to have 590 million middle class, which will drive demand in the auto sector, consumer goods, infrastructure etc. Engineering firms need to ensure they address the requirements of this segment with products of adequate quality. This opens a large avenue for both domestic and international investment in this sector, especially in the large manufacturing & infrastructure projects. This is estimated to be over and above the mid-and innumerable small engineering projects expected to be announced in the next couple of years. The year 2014 alone witnessed more than 50 mergers & acquisitions (M&A) that addressed the requirements of the growing domestic market. India has close to 500 million workers in the labour force. Around 60 per cent of who are employed in agriculture, 28 per cent in services, and 12 per cent in manufacturing. This is expected to change over the next few years as more workers move from agricultural jobs to manufacturing, taking advantage of the growing manufacturing sector.

*(Source: Engineering Sector in India- India Brand Equity Foundation www.ibef.org)*

# OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled "Forward-Looking Statements" beginning on page 15 of this Prospectus, 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.*

*The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus including the information contained in the sections titled "Risk Factors" and "Financial Information" beginning on pages 16 and148 respectively.*

## OVERVIEW

Incorporated in 2012, our Company, Tirupati Forge Limited is an ISO 9001:2008 certified Company engaged in manufacturing of closed die forged products like auto component, bearings, gears, etc and forged flanges of mild steel, carbon steel, stainless steel, etc. based out at Hadamtala Industrial Estate, Rajkot, Gujarat.

We started our operations in 2012, under the management of our Directors, Ajay Sardhara and Bhavesh Barsiya. Later on, Hitesh Thummar joined the board of our Company and under his guidance we have expanded our sales and operations to domestic market on long scale basis. Our Company was initially set up to cater the requirements of international market mainly to United States of America and gradually, we have started exporting our products to Italy, Morocco, etc and domestic market.

Out of our total revenue from operations, more than 88.04% was from exports in the financial year 2014-15. For the financial year 2015-16 and 2016-17, revenue from exports is 63.06% and 28.47% respectively while revenue from domestic sales is 36.94% and 71.53% respectively.

Our facility is equipped with CNC machines which enable us to supply products based on internationally recognized standards. Our manufacturing facilities are well equipped with required facilities including machinery, other handling equipment to facilitate smooth manufacturing process. We endeavour to maintain safety in our premises by adhering to key safety norms.

Our Company also complies with TUV Nord for Quality Assurance System besides ISO and strives to deliver quality products to the customers. We believe in manufacturing and delivering quality products and our manufacturing process is under constant supervision by Engineers. The entire system is backed by proper documentation, traceability until the end product, with full proof checks required as per ISO regulations. We are dedicated towards supply of quality products by controlling the procurement of our raw material, monitoring the process parameters and maintaining appropriate measures to comply with applicable statutory and regulatory requirements of our products.

Our Company is equipped with in-house testing laboratory for checking of our raw materials. Raw material purchased by us undergoes independent testing and quality check to ensure that they are of relevant quality and match the standards as specified. The finished products are checked in our in house testing laboratory to ensure that the same is of relevant standards and design as specified by the customer; the products are then packed and dispatched.

Our total revenues from operations for the financial year 2016-17 are Rs. 1,607.33 lakhs as compared to Rs. 1,797.11 and Rs. 3,040.22 lakhs in financial year 2015-16 and 2014-15 respectively. Our profit after for the financial year 2014-15 was Rs. 70.35 lakhs which decreased to Rs. 16.95 lakhs in financial year 2015-16 and subsequently increased to Rs. 50.50 lakhs in financial year 2016-17.

## COMPETITIVE STRENGTHS

***Quality Certifications***

Our Company adheres to various quality standards by manufacturing products having quality checks at various stages of production. Our Company complies with TUV Nord for Quality Assurance System besides ISO and strives to deliver quality products to the customers. We also have in house testing laboratory for testing each product at various stages.

***Equipped Plant***

We have equipped forge shop with all supporting facilities like in house die shop, ring rolling machines, CNC Machine Shop, CNC Drilling, Stamping Machine, Automated Paint Line, etc. We understand and believe that our ability to manufacture die and forged products based on customer requirement gives us the additional advantage over our customer. All export products are machined under precision through CNC Machines which provides competitive advantage over other unorganized players.

***Export Market***

Our marketing team develops and maintains cordial relations with our customers by continuously following-up with the existing customers and approaching new customers. We regularly have interactions with our customers and understand their demands and requirements. We are ISO 9001:2008 complied Company with various quality certifications as required by our customers. Our major market is United States of America where bulk stockist purchases our products and sells it to industrial customers worldwide. Our products are used by automobile industry, refineries, oil pipelines, etc.

***Experienced Promoters***

We are led by a dedicated senior management team with several years of experience in forging manufacturing. We believe our senior management team leverages our market position and their collective experience and knowledge in the industry, to execute our business strategies and drive our future growth. In addition, we believe the strength and entrepreneurial vision of our Promoters and senior management has been instrumental in driving our growth and implementing our strategies. In addition, we have an experienced team of employees.

## BUSINESS STRATEGY

***Improve and increase operational efficiencies***

We will continue to focus on further increasing our operations and improving operational effectiveness at our production facilities. Higher operational effectiveness results in greater production volumes and higher sales, and therefore allows us to spread fixed costs over a higher number of units sold, thereby increasing profit margins. We will also continue to identify various strategic initiatives to improve our operational efficiencies and reduce operating costs. We continue to focus on investing in automation, modern technology and equipment to continually upgrade our products including the quality of our products to address changing customer preferences as well as to improve operational efficiency. We continue to target economies of scale to gain increased negotiating power on procurement and to realize cost savings through centralized deployment and management of production, maintenance, accounting and other support functions.

***Pursue international growth opportunities besides USA***

We believe that there exist substantial opportunities to grow our business internationally. Further, we intend to mainly focus on the bulk stockist around Morocco, Malaysia, United Arab Emirates and Italy in the future in these geographies to scale up our revenues. Historically our revenue has been dependent on United States on America and domestic market.

***Installation of non conventional and renewable source of power/energy***

We plan to use renewable source of energy by installation of Solar Panels or Wind Mill around our manufacturing facility for generation of electricity. We plan to reduce our electricity and power

consumption cost by installing such machinery. Our power cost for the financial year 2016-17 was Rs. 161.78 lakhs which is 9.88% of our total revenue. We believe installing of such machines would significantly reduce our power cost and thus directly increase our profit margins.

***Undertaking Government Contracts***

We plan to apply for tender in government and railway department for supplying railway clamps. We are undergoing the process and have applied for various registrations for supplying to railways. We believe that besides our export market, domestic market of forged products and supply to government and railways would have material impact on our revenue from operations.

## PRODUCT RANGE

Our Company is engaged in manufacturing of forged and flanged products which cater to various industries such as Oil and Gas Industry, Refineries, Automobile, Water Transmission, Railways, Irrigation, etc.

Our products can majorly be divided into two categories:

| Category | Includes | End User |
|---|---|---|
| Open Die Forged products | Auto Components, Bearings, Gears, Crank Shaft | Automobile, Railways, Irrigation, Agriculture, etc. |
| Forged Flanges | Carbon Steel, Stainless Steel, Din Flange, Conical Flange, Plate Flange, Long Weld Neck | Oil and Gas Pipelines, Water Pipelines, Refineries, etc. |

Details of all the products manufactured by our company is mentioned below-

**Open Die Forged products**

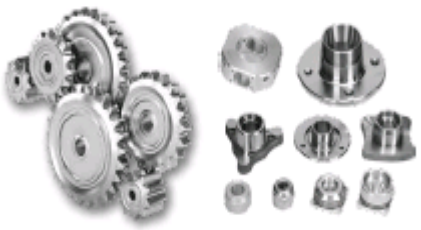
We develop & manufacture customized automotive spare on the basis of customer's technical drawings and specifications. We have facility to forge Mild Steel, Alloy Steel, Stainless Steel, Carbon Steel etc. Partial and full machines like Bearing Ring, Gears, Connecting Rods, Crankshafts/Camshafts, Crown Wheels and various range of auto parts are manufactured based in customer requirements varying from half kilogram to 50 kilograms. Following are our major forged products:

(a) Auto Components

(b) Bearings

(c) Gears

(d) Crank Shaft



End Use:

Open Die Forged products are used in various industries like automobile, railways, irrigation, agriculture, etc. We supply these products to industrial customers who use the same in their products.

**Forged Flanges**

We develop & manufacture customized flange as per international standards. We have facility to forge Carbon Steel, Stainless Steel, etc. and also manufacture Din Flange, Conical Flange, Plate Flange and Long Weld Neck. These flanges are exported to United States of America, Italy and few other countries. The products are made with precision to which work with lease vibration and are hum free without a ripple. Following are our major forged products:

(a) Carbon Steel Flange

(b) Stainless Steel Flange

(c) Din Flange

(d) Conical Flange

(e) Plate Flange

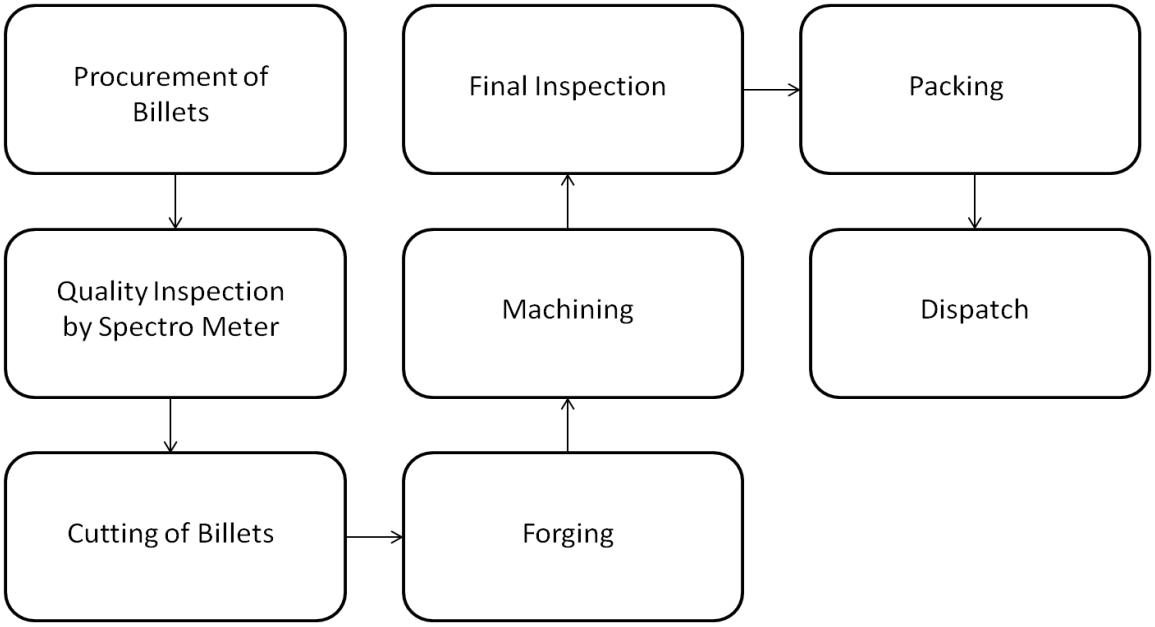
(f) Long Weld Neck

End Use:

Forged Flanges are used in various industries like Oil and Gas Pipelines, Water Pipelines, Refineries and other general industrial purpose.

Out of the above mentioned product, our major revenue is derived from manufacturing of Carbon Steel Flange Plate Flange and Auto Components.

## MANUFACTURING PROCESS




**Process:**

***Procurement of Billets***

Billets are procured from domestic market based on the grade and type of steel required for manufacturing of products. Billets of Carbon Steel, Alloy Steel, Stainless Steel, etc are purchased based on price negotiation basis. Procured billets are transported to our unit at Hadamtala by third party transporters.

***Quality Inspection***

Procured Billets are stored and sample test is conducted. One billet is selected on random basis per batch of order and sent for spectro analysis for checking chemical composition of the billet. The test is conducted by third party service provider. A report is generated and post generation of such report, billets are sent for cutting and further process.

***Cutting of Billets***

The batch of billets post generation of report is sent for cutting. The billets are cut according to the job requirement. We have facility to undertake job of various size depending on the requirement of customers.

***Forging***

The cut billets are sent for forging where the billets are heated through induction furnace. Forging provides strength to the products and thus the method is accepted worldwide for increasing the

strength of the product. Forging is done as per customer specification and their technical drawings and requirements.

We also sell forged product directly to customer depending on their requirements.

***Machining***

The forged product is sent for machining. We have installed 13 CNC Machines with supporting like multi sprindle drilling machine, automatic stamping machine and automatic paint line for proper finishing of our products. All products are machined under CNC Machines which helps us in providing quality products with minimum deviations.

***Final Inspection***

Finished products are inspected by our engineers in our in house testing lab for checking the strength, physical testing, micro structure, dimension check etc as per customer technical requirements and their drawings. Post completion of final inspection, a report is prepared based on ISO 9001:2008 quality requirements and the batch is sent for final packing.

***Packing***

Packing is done as per standard export procedure for export goods and packed in wooden carat with strip and label. Domestic goods are packed in normal corrugated boxes or other packaging as specified by the customer.

***Dispatch***

Export goods are packed and dispatched to Mundra Port by third party transporters while domestic goods are sent to the customers as per their specification.

## INFRASTRUCTURE

*Land and Manufacturing Facility:*

Our manufacturing facility located at Hadamtala, Rajkot is fully equipped with required machineries, computer system, internet facility and other facilities like CCTV cameras, which are required for smooth functioning of business and manufacturing operations. We have in house testing laboratory for quality control checks and testing of our products.

*Electricity:*

Electricity plays a major role in our production process. We have sanctioned load capacity of 1300 KVA from Paschim Gujarat Vij Company Limited. Further, we have availed an exemption from payment of duty / tax on electricity from Office of Collector of Electricity Duty or a period of five years from September 10, 2013 to August 18, 2018 as we are considered 'new industrial undertaking' entitled to exemption under Gujarat Electricity Duty Act, 1958.

*Water Facilities:*

Adequate arrangements with respect to water are made through use of bore well at our facility.

## HUMAN RESOURCE

We believe that our employees are the key contributors to our business. As on the date of this Prospectus, our Company has 34 employees as on July 31, 2017 engaged in manufacturing, marketing, administration, financial, legal and other activities of our Company.

Our manpower is a prudent mix of experienced and youth which gives us dual advantage of stability and growth.

## RAW MATERIAL

Our major raw material includes (a) Mild Steel, (b) Carbon Steel Billets, (c) Alloy Steel Billets, (d) Stainless Steel for manufacturing. We also require Paint for coating of flanges and wooden box for packing of our products.

All raw materials are procured from domestic market on price negotiation basis and availability of size and grade with the suppliers.

## GEOGRAPHY WISE REVENUE

(Rs. In lakhs)

| Year/Country | 2014-15 | | 2015-16 | | 2016-17 | |
|---|---|---|---|---|---|---|
| Export | Amount | % of Total Revenue | Amount | % of Total Revenue | Amount | % of Total Revenue |
| United States of America | 2577.42 | 88.04% | 1133.22 | 63.06% | 64.59 | 3.99% |
| Morocco | - | - | - | - | 214.84 | 13.28% |
| United Arab Emirates | - | - | - | - | 10.64 | 0.66% |
| Italy | - | - | - | - | 170.45 | 10.54% |
| Domestic | 350.06 | 11.96% | 663.90 | 36.94% | 1,156.91 | 71.53% |
| Total | 2927.49 | 100.00% | 1797.11 | 100.00% | 1,617.42 | 100.00% |

## COMPETITION

We operate in a competitive industry where our competitors may have greater resources than those available to us. While product quality, brand value, etc are key factors in client decisions among competitors, however price plays a deciding factor in most cases. Among listed Companies Companies, Ramkrishna Forgings Limited, M M Forgings Limited and Sanghvi Forging and Engineering Limited.

## MARKETING

The efficiency of our marketing strategy plays a crucial role in success of our Company. Our success lies in our relationship with customers in India and abroad. To increase our client base, we identify them, understand their needs and try to fulfil and provide them tailor made solution by manufacturing products as per their requirement. We strictly adhere to quality standards as specified. Our marketing efforts are directed to adhere and promote sales through various methods of marketing. We intend to expand our existing customer base by reaching out to other geographical areas and addition of new products in our portfolio.

## COLLABRATIONS

As on the date of this Prospectus, our Company has not entered into any financial or technical collaboration.

## EXPORT AND EXPORT OBLIGATIONS

Our Company does not have any Export Obligation as on the date of this Prospectus.

## CAPACITY UTILIZATION

*(in metric ton per annum)*

| Particulars | Actual | | | | | |
|---|---|---|---|---|---|---|
| Year/ Division | 2014-15 | | 2015-16 | | 2016-17 | |
| | Metric Ton | Percentage | Metric Ton | Percentage | Metric Ton | Percentage |
| Forged products and its by products | 5,527.52 | 78.96% | 3,034.01 | 43.34% | 3,080.99 | 44.01% |
| Flange and other machined products | 3,304.07 | 71.83% | 1,440.14 | 31.31% | 655.52 | 14.25% |

| Particulars | Projected | | | | | |
|---|---|---|---|---|---|---|
| Year/ Division | 2017-18 | | 2018-19 | | 2019-20 | |
| | Metric Ton | Percentage | Metric Ton | Percentage | Metric Ton | Percentage |
| Forged products and its by products | 3,900.00 | 55.71% | 4,920.00 | 70.29% | 5,520.00 | 78.86% |
| Flange and other | 1,950.00 | 42.39% | 2,952.00 | 64.17% | 3,610.00 | 78.48% |

| | | | | | | |
|---|---|---|---|---|---|---|
| machined products | | | | | | |

We currently have an installed capacity of 7,000 MT p.a. for forging and 4,600 MT p.a. for machining

Our revenue from operations has seen a downward trend and has dropped from Rs. 3,023.12 lakhs in financial year 2014-15 to Rs. 1,797.11 lakhs in financial year 2015-16 and Rs. 1,617.42 lakhs 2016-17. The revenue has dropped as we have been facing issue with export of carbon steel flange to USA from January 2016. There is an investigation going for anti dumping duty and countervailing duty for exports made from India to USA. Our revenue from operations was highly dependent on USA for carbon steel flange. We have started exporting to other countries like Morocco, United Arab Emirates and Italy. We believe our revenue from operations would increase by our increasing presence in international and domestic market besides United States of America.

We cannot predict the exact capacity for upcoming years and thus projections are based on management estimates and market demand they expect in upcoming years.

## INTELLECTULAL PROPERTY

Our Company uses Tirupati Forge Pvt. Ltd. as its logo and brand image which is registered with Trademark Authorities under Class 6 which is valid up till July 11, 2023.

## INSURANCE

We have taken different insurance policies under Standard fire and special peril policy, brief details of which are as under:

| Sr. No | Amount | Type | Assets Insured |
|---|---|---|---|
| 1. | 47,800 | Single Block Standard Fire and Perils Policy | Building, Plant and Machinery, Accessories, Stock and Stock in progress. |

## PROPERTY

Land taken on Lease from Chunni Sardhara situated at Plot No. 1-5, Survey No. 92/1, Near Shan Cement, Hadamtala Industrial Area, Tal: Kotda Sangani Hadamtala Rajkot Gujarat 360311, India. Total area of lease land is 7190.71 square meters. The property is on lease basis for a period of 15 years from March 25, 2013. The land is being used for manufacturing and as registered office of our Company.

## KEY INDUSTRIES REGULATION AND POLICIES

Except as otherwise specified in this Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye–laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business of manufacturing of open die forged products and forged flanges. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

### APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled *"Government and Other Statutory Approvals"* beginning on page number 196 of this Prospectus.

### APPLICABLE LAWS AND REGULATIONS

### BUSINESS/TRADE RELATED LAWS/REGULATIONS

***The Micro, Small and Medium Enterprises Development Act, 2006***

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as "micro enterprise", where the investment in plant and machinery does not exceed twenty-five lakh rupees; "Small enterprise", where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise , where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, "Micro – enterprise" , where the investment in equipment does not exceed ten lakh rupees, "Small Enterprise" where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or " Medium Enterprise" where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

***Industrial Policy of Relevant State***

***New Gujarat Industrial Policy 2015***

Gujarat has witnessed strong growth in Micro, Small & Medium Enterprises (MSMEs) sector which covers the medium sector of Gujarat. MSME sector has a special importance as this is the sector which belongs to common man. Gujarat Government wishes to strengthen the sector by making it more technology-driven. This type of support will come by bay of interest subsidy for manufacturing and service sector, venture capital assistance, quality certification, technology acquisition fund, patent assistance for national and international, energy and water conservation audit, market development assistance and support, MSMEs for credit rating, raising capital through –SME exchange,

reimbursement of CGTSME scheme for collateral free loan, state awards under MSMEs and skill development etc. Support would also be extended for development of ancillary and auxiliary enterprises for labour intensive industries.

The Government of Gujarat will constitute separate awards for MSMEs. The awards will be for achieving excellence through growth and production profit, quality improvement measures, Environment improvement measures and Innovation and new product/process/technology development. The policy encourages adoption of new and innovative technologies by providing financial support will be provided to each cluster for every innovative technology, setting up R&D Institutions, setting new laboratories, financial support through partial reimbursement of cost for filing domestic patents and international patents.

Gujarat government shall be taking market development initiatives with the intention of giving enhanced visibility to local produce from large industries and specifically from MSMEs. Government of Gujarat stresses on "Zero Defect" to produce globally-competitive, locally manufactured goods. One of the expansive marketing practices around the globe is participation in international and domestic trade fairs to show one's products or wares. Government of Gujarat will make market credit available to MSMEs.

Quality improvement is strongly envisaged in the new industrial policy. The assistance will be granted by national (approved by quality council of India) and international certification. The policy also intends to encourage use of enterprise resources planning system (ERP) for MSMEs. Government of Gujarat also provides assistance for raising capital through SME exchange on one time basis.

**Anti-Trust Laws**

***Competition Act, 2002***

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

**GENERAL CORPORATE COMPLIANCE**

***The Companies Act 1956 and The Companies Act, 2013***

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a

One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

## EMPLOYMENT AND LABOUR LAWS

### *Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952*

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

### *Employees Deposit Linked Insurance Scheme, 1976*

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### *The Employees Pension Scheme, 1995*

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

### *Employees' State Insurance Act, 1948 (the "ESI Act")*

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. 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 Employee State Insurance department.

***Payment of Bonus Act, 1965***

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year covered to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

***Payment of Gratuity Act, 1972***

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

***Minimum Wages Act, 1948***

The Minimum Wages Act, 1948 ("MWA") came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

***Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

***Equal Remuneration Act, 1979***

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

***Child Labour Prohibition and Regulation Act, 1986***

The Child Labour Prohibition and Regulation Act 1986 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. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

***Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001***

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

***The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013***

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

***Inter-State Migrant Workmen (Regulation of Employment And Conditions of Service) Act, 1979***

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the state Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor is to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

***Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957***

The ID Act and the Rules made there7under provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on

retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

## TAX RELATED LEGISLATIONS

### *The Gujarat (Panchayats, Municipalities, Municipal Corporations and State) Tax on Professions, Traders, Callings and Employments Act, 1976*

Professional tax in Gujarat is governed by the Gujarat Panchayats, Muncipalities, Muncipal Corporation and State Tax on Professions, Traders, Callings and Employment Act, 1976 and rules of 1976. All registered partnership firms, all factory owners, all shops or establishment owners (if the shop has employed on an average five employees per day during the year), all businesses covered under the definition of 'dealer' defined in the Gujarat Value Added Tax Act, 2003 whose annual turnover is more than Rs. 2.50 lakhs, all transport permit holders, money lenders, petrol pump owners, all limited companies, all banks, all district or state level co-operative societies, estate agents, brokers, building contractors, video parlors, video libraries, members of associations registered under Forward Contract Act, members of stock exchange, other professionals, like legal consultants, solicitors, doctors, insurance agents, etc are covered under this Act. It is duty of the employers to deduct tax from the person earning any salary/wage in the organisation. For the purpose of this act, employer means in relation to an employee earning any salary or wages on regular basis under him, means the person or the officer who is responsible for disbursement of such salary or wages, and includes the head of the office or any establishment as well as the manager of agent of the employer.

Monthly Salary Amount payable in Gujarat

| | |
|---|---|
| Less than Rs. 5999 | Nil |
| Rs. 6000 to Rs. 8999 | Rs. 80 per month |
| Rs. 9000 to Rs. 11999 | Rs. 150 per month |
| Rs. 12000 & above | Rs. 200 per month |

### *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.

### *Gujarat VAT Act*

Gujarat Value Added Tax, 2003 (GVAT Act) is made effective in the state of Gujarat from 1st April, 2006. On its implementation following Acts are repealed.

- The Gujarat Sales Tax Act, 1969,
- The Bombay Sales of Motor Spirit Taxation Act, 1958,
- The Purchase Tax on Sugarcane Act, 1989.

However pro visions relating to pending assessment, appeals, recovery etc., under the above Acts will survive The basic requirement of charging tax under GVAT Act is that where any sale in the course of business is affected, in the State of Gujarat, VAT is payable under GVAT Act. Transactions made in the course of business only are covered under the GVAT Act.

### *Service Tax*

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', as specified in entry 39 defined therein. The service provider of taxable services is

required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th 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 the 25th of the month immediately following the half year to which the return relates.

***Central Sales Tax Act, 1956 ("CST")***

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for Levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

***Customs Act, 1962***

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

***The Central Excise Act, 1944***

The Central Excise Act, 1944 ("Central Excise Act") consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

***Goods and Service Tax (GST)***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. The rate of tax for CGST and SGST/UTGST shall not exceed –

a) 2.5% in case of restaurants etc.
b) 1% of the turnover in state/UT in case of manufacturer
c) 0.5% of the turnover in state/ UT in case of other supplier

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

## OTHER LAWS

### *The Factories Act, 1948*

The Factories Act, 1948 ("Factories Act") aims at regulating labour employed in factories. A "factory" is defined as "any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...". The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the "occupier", being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be

guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

***Shops and establishments laws in various states***

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

## ENVIRONMENTAL LEGISLATIONS

***The Environment Protection Act, 1986 ("Environment Protection Act")***

The purpose of the Environment Protection 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. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

***The Public Liability Insurance Act, 1991***

This 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. The amount is payable to the insurer.

***National Environmental Policy, 2006***

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on

particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

## INTELLECTUAL PROPERTY LEGISLATIONS

In general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

### *Indian Patents Act, 1970*

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

### *The Copyright Act, 1957*

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

### *Trade Marks Act, 1999*

The Trade Marks Act, 1999 (the "**Trade Marks Act**") provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

## GENERAL LAWS

- Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881,The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

## OTHER LAWS:

### *Foreign Trade (Development and Regulation) Act, 1992*

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy,

provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

***Foreign Exchange Management Act, 1999***

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999("FEMA") and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

***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 there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

**THE FOREIGN DIRECT INVESTMENT**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP"),** has issued consolidated FDI Policy Circular of 2016 **("FDI Policy 2016")**, which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. Further, DIPP has issued Press note 5, dated June 24, 2016 which introduces few changes in FDI Policy 2016. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2016 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India **("RBI")** also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### Brief history of Our Company

Our Company was incorporated under the provisions of Companies Act, 1956 as 'Tirupati Forge Private Limited' in Gujarat *vide* Certificate of Incorporation issued by Registrar of Companies, Gujarat on August 17, 2012. Consequently, it was converted into a public limited company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on July 31, 2017 and the name of our Company was changed to Tirupati Forge Limited and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited dated August 11, 2017 was issued by Registrar of Companies, Gujarat, Ahmedabad. The Corporate Identification Number of our Company is U27320GJ2012PLC071594.

### Corporate profile of Our Company

For information on our Company's business profile, activities, services, managerial competence, and customers, see chapters titled *"Our Management", "Our Business" and "Industry Overview"* beginning on pages 131,108 and 94, respectively.

### Changes in the Registered Office

There has been no change in our Registered Office since incorporation except as following:

| Date of Resolution | From | To |
|---|---|---|
| October 1, 2012 | 5 – Diwali Chambers, Ground Floor, Dhebar Road, Op. Mehta Petrol Pump, Rajkot | 215, Atul Commercial Complex, Opp. Bombay Hotel. Gondal Road, Rajkot – 360001 |
| November 1, 2014 | 215, Atul Commercial Complex, Opp. Bombay Hotel. Gondal Road, Rajkot – 360001 | 1-5, Survey No. 92/1, Near Shan Cement, Hadamtala, Tal – Kotdasangani, Dist : Rajkot – 360311, Gujarat |

### Awards/accreditations/ major events in the History of our Company:

| Year | Milestone |
|---|---|
| **2012** | Incorporation of Company |
| **2013** | Received Certificate from TUV Nord for Management System in accordance with ISO 9001:2008 |
| **2016** | Received Certificate from TUV Nord for Quality Assurance System for Material Manufacturer in accordance with AD 2000 – Merkblatt W0 |
| **2016** | Received Status of One Star Export House |
| **2017** | Received Award for Export Excellence from EEPC India, Western Region for Steel Forging |

### Amendments to our Memorandum of Association

Since incorporation, the following changes have been incorporated in our Memorandum of Association of our Company, after approval of our members:

| Sr. No. | Particulars of Change | Date of Shareholder's meeting | AGM/ EGM |
|---|---|---|---|
| 1. | Increase in authorized share capital from Rs. 1,00,000/- divided into 10,000 Equity Shares of Rs. 10/- each to Rs. 30,00,000/- divided into 3,00,000 Equity Shares of Rs. 10/- each. | November 11, 2012 | EGM |
| 2. | Increase in authorized share capital from Rs. | June 26, 2013 | EGM |

| Sr. No. | Particulars of Change | Date of Shareholder's meeting | AGM/ EGM |
|---|---|---|---|
| | 30,00,000/- divided into 3,00,000 Equity Shares of Rs. 10/- each to 80,00,000/- divided into 8,00,000 Equity Shares of Rs. 10/- each. | | |
| 3. | Increase in authorized share capital from Rs. 80,00,000/- divided into 8,00,000 Equity Shares of Rs. 10/- each to 7,00,00,000/- divided into 7,00,000 Equity Shares of Rs. 10/- each. | June 8, 2017 | EGM |
| 4. | Conversion and Change in name of our Company and from Tirupati Forge Private Limited to Tirupati Forge Limited | July 31, 2017 | EGM |

**Acquisition of Businesses / Undertakings**

The Company has not made any acquisition of businesses / undertakings.

**Details of Merger/Amalgamation**

There has been no merger/amalgamation pertaining to our Company.

**Injunctions or Restraining Orders**

Our Company is not operating under any injunction or restraining order.

**Time and cost over-runs in setting up projects and certain other adverse remarks**

Our Company has not faced any Time and cost over-runs in setting up projects and certain other adverse remarks

**Fund raising through equity or debt**

Our Company has not undertaken any public offering of debt instruments since its inception. For details in relation to our fund raising activities through equity and debt, please refer to the chapters titled *"Capital Structure"* beginning on page 66, respectively of this Prospectus.

**Revaluation of assets**

Our Company has not re valued its assets since its incorporation.

**Defaults or Rescheduling of Borrowings with Financial Institutions/Banks**

Our Company is not in default or in the process of rescheduling in respect of any borrowings with financial institutions/banks. None of our loans have been converted into equity shares.

**Strikes, Lock-outs or Labour Unrest in the Company**

There have been no strikes, lock-outs or labour unrest since incorporation of our Company

**Changes in the activities of the Company during the last five years**

There has been no change in the activities of our Company during the period of 5 (five) years prior to the date of filing of this Prospectus which may have had a material effect on the profits or loss of our

Company or affected our business including discontinuance of lines of business, loss of agencies or markets and similar factors.

**Technology, market competence and capacity build-up**

For details on the technology, market competence and capacity build-up of our Company, please see the chapter titled *"Our Business"* beginning on page 108 of this Prospectus.

**Other details regarding our Company**

For details regarding the capacities/facilities of our Company, location of plants and research and development facilities, products, marketing and competition, please see the chapters titled *"Industry Overview"* and *"Our Business"* beginning on pages 94 and 108 respectively of this Prospectus.

**Number of Shareholders/Members**

As on the date of this Prospectus, the total number of holders of our Equity Shares is 11.

**Our Main Objects:**

The main object of our Company as stated in the Memorandum of Association is:

*"To Manufacture, produce, process, treat, alter covert, shape, grind, improve, manipulate, press, hammer, cut, slim, trim, design, edge, mill, machine and to act as trader, stockiest, distributors, job worker, foundry man, vendor or otherwise deal in all shapes, sizes, description, specification, capacity and verities or forging of iron, steel, other metals and their alloys used commercial, domestic and industrial purpose, automobiles, railways, waterworks, defense, power plant, oil wells, mines, agricultures, public utilities, construction, transmission and to do all such incidental acts and things for the accomplishments of the above object."*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently carried out and the objects of the present Issue are in accordance with our Memorandum of Association.

**Joint Venture and Other Agreements**

As on the date of filing the Prospectus, there is no existing joint venture or other material agreements entered into by our Company which are not in its ordinary course of business.

**Shareholders Agreement**

There are no Shareholders' Agreements existing as on the date of this Prospectus.

**Other Agreements**

There are no material agreements or contracts, which have been entered into by our Company within a period of two years prior to the date of the Prospectus, which are not in the ordinary course of business.

**Strategic Partners**

Our Company does not have any strategic partners as on date of the Prospectus.

**Financial Partners**

Our Company does not have any financial partners as on date of the Prospectus.

**Our Holding Company**

As on the date of the Prospectus, we have no holding company.

**Our Subsidiary**

We do not have any subsidiaries as on the date of the Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. We currently have six directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of Prospectus:

| Sr. No. | Name, Fathers' Name, Designation, Term, Age, Nationality, Address, Occupation & DIN | Date of Appointment/Reappointment & Term of Directorship | Other Directorship |
|---|---|---|---|
| a. | **Name:** Hitesh Thummar<br>**Father's Name:** Gordhanbhai Thumar<br>**Age:** 35 Years<br>**Designation:** Chairman and Managing Director<br>**Address**: 401 Subham Apartment 4th Floor, 4 – Narmada, Park Corner, Vidhyakunj Society Main Road, Rajkot -360005, Gujarat.<br>**Nationality:** Indian<br>**DIN:** 02112952<br>**Term**: Three Years from July 31, 2017 subject to retire by rotation | Appointed as Chairman and Managing Director on July 31, 2017 | **Public Limited Company**<br>Nil<br>**Private Limited Company** Patel Broking Private Limited |
| b. | **Name:** Ajay Sardhara<br>**Father's Name:** Vithalbhai Sardhara<br>**Age:** 34 years<br>**Designation:** Whole Time Director<br>**Address**: 1/3 Bhakti Nagar Society, Khodiyar Nivas, Rajkot, Gujarat 360002, India<br>**Occupation:** Business<br>**Nationality:** Indian<br>**DIN**: 06386557<br>**Term**: Three Years from July 31, 2017 subject to retire by rotation | Appointed as Whole Time Director on July 31, 2017 | **Public Limited Company –**<br>Nil<br>**Private Limited Company**<br>Nil |
| c. | **Name:** Bhavesh Barsiya<br>**Father's Name:** Tulsibhai Barsiya<br>**Age:** 41 years<br>**Designation:** Director<br>**Address**: Vidhyakunj Sosa 26B, Rajkot - 360001, Gujarat<br>**Occupation:** Business<br>**Nationality:** Indian<br>**DIN**: 05332180<br>**Term**: Rotational Director | August 17, 2012 | **Public Limited Company –**<br>Nil<br>**Private Limited Company**<br>Nil |
| d. | **Name:** Darshana Thummar<br>**Father's Name:** Vinod Parsana<br>**Age:** 31 Years | July 31, 2017 | **Public Limited Company -** Nil |

| Sr. No. | Name, Fathers' Name, Designation, Term, Age, Nationality, Address, Occupation & DIN | Date of Appointment/Reappointment & Term of Directorship | Other Directorship |
|---|---|---|---|
| | **Designation:** Non Executive Director<br>**Address:** 401 Subham Apartment 4th Floor, 4 – Narmada, Park Corner, Vidhyakunj Society Main Road, Rajkot -360005, Gujarat.<br>**Occupation:** House woman<br>**Nationality:** Indian<br>**DIN:** 7869257<br>**Term:** Rotational Director | | **Private Limited Company** Nil |
| e. | **Name:** Sachin Ravani<br>**Father's Name:** Prafulchandra Ravani<br>**Age:** 40 Years<br>**Designation:** Independent Director<br>**Address:** B-401, Bilipatra Appartment, Nr. Dholakiya School, Off 150 Feet Ring Road, Nana Mava, Rajkot – 360 004<br>**Occupation:** Business<br>**Nationality:** Indian<br>**DIN:** 07874835<br>**Term**: Two Years from July 31, 2017 | July 31, 2017 | **Public Limited Company** – Nil<br>**Private Limited Company-**<br>Nil |
| f. | **Name:** Ramesh Patel<br>**Father's Name:** Mohan Patel<br>**Age:** 37<br>**Designation:** Independent Director<br>**Address:** Flat No. 3, Somnath Appartment, Panchayatnagar, Rajkot<br>**Occupation:** ***Practicing Chartered Accountant***<br>**Nationality:** Indian<br>**DIN:** 02738359<br>**Term**: Two Years from July 31, 2017 | July 31, 2017 | **Public Limited Company**<br>Nil<br>**Private Limited Company**<br>Nil |

Note: None of the directors on the board of our Company is related to each other except as mentioned below:

| Director | Director | Relationship |
|---|---|---|
| Hitesh Thummar | Darshna Thummar | Husband – Wife |

None of our Directors are on the RBI List of wilful defaulters as on the date of this Prospectus.

Further, neither our Company nor our Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company are debarred from accessing the capital markets by SEBI.

None of our directors are or have been directors in any of the listed companies which have been/ were delisted from the stock exchange(s).

None of our directors are or have been directors in any of the listed companies whose shares have been/were suspended from being traded on the stock exchange.

None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by the SEBI.

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the abovementioned Directors was selected as director or member of 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.

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

**Hitesh Thummar,** aged 35 years, is the Chairman and Managing Director of our Company. He has been the Director of the Company since March 25, 2017. He is a Master of Business Administration in International Marketing from Queensland University, London. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations of our Company.

**Ajay Sardhara,** aged 34, is the Promoter and Whole Time Director of our Company. He has completed Bachelor in Commerce from Saurashtra University. He has an experience of about more than 12 years in our Industry. His key responsibilities in the Company include compliance, taxation and legal issues of our Company.

**Bhavesh Barsiya,** aged 41, is Director of our Company. He has been the Director of the Company since incorporation and is also one of the subscribers of MOA of our Company. He has an experience of about more than 18 years in our Industry. He currently heads research and development unit for designing and developing innovative technology solution.

**Darshna Thummar,** aged 31 is a Non Executive Director of our Company. She is a Bachelors of Computer Application from Saurashtra University. She provides her independent guidance to our Company.

**Sachin Ravani,** aged 40 is an Independent Director of our Company. He is a diploma in Mechanical Engineering from D Y Patil University, Pune. He is a partner in M/s. Born Engineers at Rajkot. He provides his independent judgement over matters covering technical aspects.

**Ramesh Patel,** aged 37 is an Independent Director of our Company. He is a Chartered Accountant by profession and a fellow member of Institute of Chartered Accountants of India. He is a partner at M/s. Ramesh M. Patel & Co., Chartered Accountants at Rajkot. He provides his independent judgement over matters covering financial and taxation aspects. He is also a Chairman of our Audit Committee.

## CONFIRMATIONS

As on the date of this Prospectus:

1. None of the Directors of the Company are related to each other within the meaning of section 2(77) of the Companies Act, 2013 except Hitesh Thummar and Darshna Thummar who are related to each other as Husband - Wife.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
6. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

## REMUNERATION/COMPENSATION OF DIRECTORS

1. No Directors have received remuneration during the last financial year ended on March 31, 2017 including the perquisites under section 17(2) of the Income Tax Act, 1961

***Borrowing Power***

Pursuant to a special resolution passed at an Extra- Ordinary General Meeting of our Company held on July 31, 2017 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of Members be and is hereby accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 50.00 crores.

**Compensation of Managing Director and Whole Time Director**

We have not entered into any service agreement with our Managing Director and Whole Time Director providing for benefits upon termination of employment. However, the terms and conditions, relating to remuneration and appointment of Hitesh Thummar, Managing Director are set out in the agreement dated April 1, 2017 for the scope of his services. Moreover, he is appointed as Managing Director on July 31,2017.

**Shareholding of Directors in our Company**

Our Articles of Association do not require our Directors to hold any qualification shares. The shareholding of our Directors is hereunder provided as on date:

| Sr. No. | Directors | No. of Equity shares | Percentage (%) of Pre-Issue equity capital |
|---|---|---|---|
| 1. | Hitesh Thummar | 7,39,000 | 18.42% |
| 2. | Ajay Sardhara | 38,400 | 0.96% |
| 3. | Bhavesh Barsiya | 38,400 | 0.96% |
| 4. | Darshna Thummar | 1,84,600 | 4.60% |
| | | **10,00,400** | **24.94%** |

**Interest of Directors**

Our Directors are interested in our Company in the following manner: -

(a) All the Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association;

(b) All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them to the extent of any dividends payable to them and other distributions in respect of the said Equity Shares;

(c) All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firms in which they are partners as declared in their respective declarations;

(d) Ajay Sardhara, our Whole Time Director; Bhavesh Barsiya, Director and Chunni Sardhara, have extended their personal guarantees for securing the repayment of bank loans obtained by our Company. For details, please refer chapter titled *"Financial Indebtedness"* beginning on page 188 of this Prospectus.

(e) None of our Directors have provided unsecured loans to the Company.

*Except as stated above and under the heading "Financial Statements, as restated – Annexure XXXI – Restated Statement of Related Parties Transactions" on page146 under the section titled "Financial Information", we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.*

**Changes in our Board of Directors during the last three years**

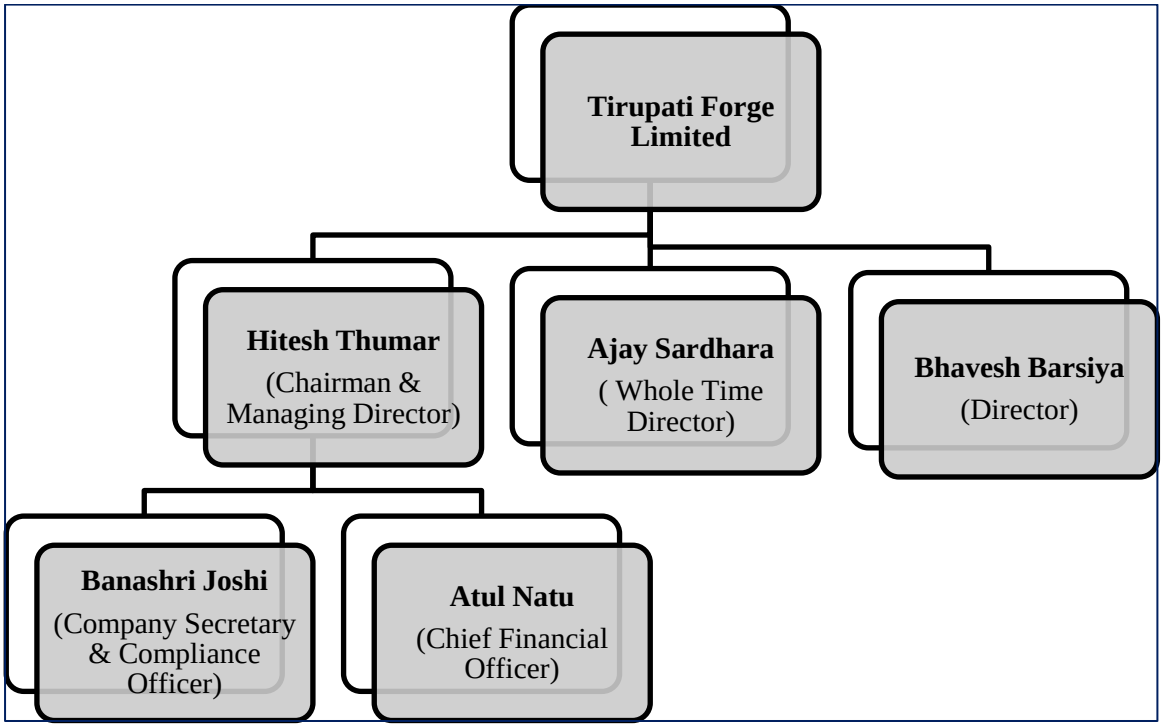
The following changes have taken place in the Board of Directors of our Company during the last three years:

| Sr. No. | Name | Date of appointment/ change | Reason |
|---|---|---|---|
| 1. | Hitesh Thummar | March 25, 2017 | Appointment as Director |
| 2. | Hitesh Thummar | July 31, 2017 | Appointment as Chairman and Managing Director |
| 3. | Ajay Sardhara | July 31, 2017 | Appointment as Whole Time Director |
| 4. | Darshna Thummar | July 31, 2017 | Appointment as Non Executive Director |
| 5. | Sachin Ravani | July 31, 2017 | Appointment as Independent Director |
| 6. | Ramesh Patel | July 31, 2017 | Appointment as Independent Director |

**Composition of the Board of Directors**

| Sr. No. | Name of the Director | Category |
|---|---|---|
| 1. | Hitesh Thummar | Chairman and Managing Director |
| 2. | Ajay Sardhara | Whole Time Director |
| 3. | Bhavesh Barsiya | Director |
| 4. | Darshna Thummar | Non Executive Director |
| 5. | Sachin Ravani | Independent Director |
| 6. | Ramesh Patel | Independent Director |

**Organization Structure**




**Corporate Governance**

The provisions of the Listing Agreement to be entered into with the Stock Exchanges and the applicable regulations of SEBI (LODR) Regulations, 2015 will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We believe we are in compliance with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchanges, the SEBI (LODR) Regulations, 2015 and the SEBI Regulations.

Our Board of Directors is constituted in compliance with the Companies Act, 2013 and our Board functions either as a full board or through management which provides our Board of Directors detailed reports on its performance periodically.

Currently our Board has 6 Directors, of which the Chairman of the Board is an Executive Director.

**I. Committees of the Board in accordance with the Companies Act, 2013**

**<u>Audit Committee</u>**

Audit Committee was reconstituted and terms of reference, role of the Audit Committee and the constitution were modified vide Board Resolution dated August 3, 2017. The existing Audit Committee of our Company comprises of the following: -

(i) Ramesh Patel – Chairperson;

(ii) Sachin Ravani – Member; and

(iii) Darshna Thummar – Member;

The Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings of the Audit Committee.

The role of the Audit Committee shall be in accordance with section 177 of the Companies Act, 2013 shall include the following:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for the appointment, remuneration and terms of appointment of auditors of our Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(a) Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) Changes, if any, in accounting policies and practices and reasons for the same;

(c) Major accounting entries involving estimates based on the exercise of judgment by management;

(d) Significant adjustments made in the financial statements arising out of audit findings;

(e) Compliance with listing and other legal requirements relating to financial statements;

(f) Disclosure of any related party transactions; and

(g) Modified opinion(s) in the draft audit report;

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation 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 our Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of our Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

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

**Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was reconstituted and terms of reference was modified vide Board Resolution dated August 3, 2017. The members of the Nomination and Remuneration Committee are:-

(i) Sachin Ravani – Chairperson;

(ii) Darshna Thummar – Member; and

(iii) Ramesh Patel – Member.

The role of the Nomination and Remuneration shall be in accordance with Section 178 of the Companies Act 2013 as follows:

a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
b) formulation of criteria for evaluation of performance of independent directors and the Board;
c) devising a policy on diversity of the Board;
d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
e) 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.
f) devising a policy on Employee Stock Option Scheme and ensuring proper implementation as per scope provided in the Employee Stock Option Scheme.

**Stakeholders Relationship Committee**

Stakeholders Relationship Committee was constituted vide the Board meeting held on August 3, 2017**.** The members of the Stakeholders Relationship Committee are:

(i) Sachin Ravani – Chairperson;

(ii) Darshna Thummar – Member;

(iii) Ramesh Patel – Member.

The frequency of meetings of Stakeholders Relationship Committee is at least twice in a year. The quorum of the meetings of the Stakeholders Relationship Committee is either two members or one third of the members whichever is greater, but with a minimum of two independent members present. The role of the Stakeholders Relationship Committee shall be in accordance with Section 178 of the Companies Act, 2013 and is as follows:-

- The Committee shall consider and resolve the grievances of the security holders of our Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

**Key Managerial Personnel**

Given below are the details of our Key Managerial Personnel, other than the Managing Director and Whole Time Director of our Company, as on the date of this Prospectus. For details of our Managing Director and Whole Time Director, in the chapter titled *"Our Management"* beginning on page 131 of this Prospectus.

(i) Atul Natu, aged 46 years is the Chief Financial Officer of our Company. He has obtained a degree of Bachelor of Commerce from Saurashtra University. As the Chief Financial Officer of our Company, he is inter-alia responsible for formulating and implementing revenue and capital budget plans for the business, conduct monthly appraisal of actual performance vis-à-vis forecast, review the draft balance sheet and profit and loss statement, negotiate for buyers credit and audit of export related documents of export under Letter of Credit. He was appointed Chief Financial Officer on June 10, 2017.

(ii) Banashri Joshi, aged 23 years is the Company Secretary and Compliance Officer of our Company. She is a qualified Company Secretary from the Institute of Company Secretaries of India and has joined our Company on July 27, 2017.

**Notes:**

1. All the key managerial personnel mentioned above are permanent employees of our Company and none of them are related to each other or to any Director of our Company.
2. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the abovementioned personnel have been recruited.
3. As on the date of filing of this Prospectus, our Company does not have a performance linked bonus or a profit sharing plan with the key management personnel.
4. No non-salary-related payments or benefits have been made to our key management personnel other than (i) the shares issued by way of employee stock options and (ii) certain performance-linked incentives which were paid by the Company in the past, to its key managerial personnel based on targets achieved and general performance.

**Shareholding of Key Managerial Personnel**

Other than the following, none of our Key Management Personnel holds Equity Shares in our Company as on the date of filing of this Prospectus: -

| Sr. No. | Name of the Key Managerial Personnel | No. of Equity Shares (Face Value of Rs. 10 each) | Percentage of pre-Issue share capital (%) |
|---|---|---|---|
| 1. | Hitesh Thummar | 7,39,000 | 18.42% |
| 2. | Ajay Sardhara | 38,400 | 0.96% |
| | **Total** | **7,77,400** | **19.38%** |

**Changes in the Key Managerial Personnel during last three years:**

Following have been the changes in the key managerial personnel during the last three years:

| Sr. No. | Name | Designation | Date of Appointment/ change | Reasons |
|---|---|---|---|---|
| 1. | Hitesh Thummar | Chairman and Managing Director | July 31, 2017 | Appointment as Managing Director |
| 2. | Ajay Sardhara | Whole Time Director | July 31, 2017 | Appointment as Whole Time Director |
| 3. | Atul Natu | CFO | June 10, 2017 | Appointment as CFO |
| 4. | Banashri Joshi | CS and Compliance Officer | July 27, 2017 | Appointment as CS and Compliance Officer |

**Interests of Key Managerial Personnel**

Our Key Managerial Personnel are interested to the extent of remuneration paid to them by our Company and to the extent of their shareholding in our Company.

**Employees**

As on the date of this Prospectus, we have 34 employees.

**Payment or benefit to our officers**

Except for the payment of monetary and non-monetary benefits as mentioned in this Prospectus and the dividend, if any, that may have been declared on the Equity Shares held by our officers, we have not paid any amount or given any benefit to any officer of our Company, nor is such amount or benefit intended to be paid or given to any officer as on the date of filing this Prospectus with Stock Exchange.

## OUR PROMOTER AND PROMOTER GROUP

Details of our Individual Promoters:

The following are the Individual Promoters of our Company:

| | |
|---|---|
| | **Hitesh Thummar,** aged 35 years, is Promoter, Chairman and Managing Director of our Company. He has been the Director of the Company since March 25, 2017. He is a Master of Business Administration in International Marketing from Queensland University, London. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations of our Company.<br><br>Passport No: K5750888<br>Driving Licence: GJ03/107762/00<br>Voter Id No.: WQT3592219<br>DIN: 02112952 |
| | **Ajay Sardhara,** aged 34 years, is the Promoter and Whole Time Director of our Company. He has completed Bachelor in Commerce from Saurashtra University. He has an experience of about more than 12 years in our Industry. His key responsibilities in the Company include compliance, taxation and legal issues of our Company.<br><br>Passport No: G8441292<br>Driving Licence: GJ0320010116085<br>Voter Id No.: JWH8711376<br>DIN: 06386557 |
| | **Bhargavi Thummar,** aged 35 years, is the Promoter of our Company. He has completed Bachelor in Commerce from Saurashtra University.<br><br>Passport No: P9573597<br>Driving License: GJ03/013628/03<br>Voter Id No.: GNC4103081<br>DIN: 01638073 |

We confirm that the permanent account number, bank account details and passport number of our promoters will be submitted to the Stock Exchange, at the time of filing the Prospectus.

**Interest of Promoters**

Nature and extent of interest of our Promoters in our Company:

| Sr. No. | Name | Number of Equity Shares held in our Company | %age of Shareholding in our Company |
|---|---|---|---|
| 1. | Hitesh Thummar | 7,39,000.00 | 18.42% |
| 2. | Ajay Sardhara | 38,400.00 | 0.96% |
| 3. | Bhargavi Thummar | 11,04,200.00 | 27.52% |
| | **Total** | **18,81,600** | **46.90%** |

Our individual Promoters who are also the Directors of our Company may be deemed to be interested to the extent of fees, if any payable to them for attending meetings of the Board or a committee

thereof as well as to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of the Articles of our Company and relevant provisions of Companies Act. Our individual Promoters may also be deemed to be interested to the extent of Equity Shares held by them in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company.

Further, our individual Promoter, Ajay Sardhara has given personal guarantees, respectively, towards financial facilities availed from Bankers to our Company; therefore, are interested to the extent of the said guarantees**.**

For further information, please refer to the details under the heading *"Our Management – Interest of Directors"* on page 131.

Except as stated under the heading "*Financial Statements, as restated – Annexure XXXI – Restated Statement of Related Parties Transactions*" on page 146, respectively, of this Prospectus, and described herein, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

Further, our Promoters and certain members of our Promoter Group are also directors on the boards of certain Group Companies and they may be deemed to be interested if any payments are made by our Company, if any, to/from these Group Companies.

**Payment or benefits to our Promoters in the last two years**

Except as mentioned above under the heading "Interest of Promoters" and in the sections titled "*Financial Statements, as restated – Annexure XXXI – Restated Statement of Related Parties Transactions*" on pages 148 and 146 respectively of this Prospectus, no amount or benefits were paid or were intended to be paid to our Promoters during the last two years from the date of filing of this Prospectus.

**Common Pursuits**

Other than as disclosed in the chapter titled "*Our Group Companies"* beginning on page 145 of this Prospectus, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when it arises.

**Companies with which our Promoters have disassociated in the last three years**

None of our Promoters have disassociated themselves from any companies, firms or other entities during the last three years preceding the date of the Prospectus:

**Related Party Transactions**

For details of related party transactions entered into by our Company during the preceding two years from the date of this Prospectus, the nature and the cumulative value of such transactions, please see "*Financial Statements, as restated – Annexure XXXI – Restated Statement of Related Parties Transactions*" on page 146 of the Prospectus.

**Change in Management and control of our Company**

There was no change in management of our Company during five years immediately preceding the date of filing of this Prospectus.

**Promoter Group**

Our Promoter Group as defined under Regulations 2(zb)(iv) of the SEBI Regulations includes the following individuals and body corporates:

**(i) Natural Persons**

(a) Hitesh Thummar

The following natural persons form part of our Promoter Group as relatives of Hitesh Thummar:-

| Name | Relationship |
|---|---|
| Gordhanbhai Thumar | Father |
| Savitaben Thummar | Mother |
| Darshna Thummar | Wife |
| Manisha Moliya<br>Sangita Vekariya<br>Rina Changani | Sister |
| Prisha Thummar | Daughter |
| Chirag Parsana | Wife's Brother |
| Vinodbhai Parsana | Wife's Father |
| Hansaben Parsana | Wife's Mother |

(b) Ajay Sardhara

The following natural persons form part of our Promoter Group as relatives of Ajay Sardhara: -

| Name | Relationship |
|---|---|
| Vithal Sardhara | Father |
| Manjuben Sardhara | Mother |
| Neha Sardhara | Wife |
| Hitesh Sardhara<br>Rajesh Sardhara | Brother |
| Kunj Sardhara | Son |
| Vruta Sardhara | Daughter |
| Chirag Vagadiya | Wife's Brother |
| Ratibhai Vagadiya | Wife's Father |
| Manjuben Vagadiya | Wife's Mother |

(c) Bhargavi Thummar

The following natural persons form part of our Promoter Group as relatives of Bhargavi Thummar:

| Name | Relationship |
|---|---|
| Ramjibhai Sorathiya | Father |
| Jayshriben Sorathiya | Mother |
| Manoj Thummar | Husband |
| Vishal Sorathiya | Brother |
| Harichha Pedhdiya<br>Puja Barsiya | Sister |
| Nandani Thummar | Daughter |
| Naman Thummar | Son |
| Khodabhai Thummar | Husband's Father |

| | |
|---|---|
| Otamben Thummar | Husband's Mother |

**(ii) Ventures forming Part of Promoter Group:**

a. Patel Broking Pvt. Ltd.
b. Achievers Securities Pvt. Ltd.
c. Expert Pipe Fitting
d. Tirupati Food Products
e. A-1 Traders
f. Balaji Export House
g. Soham Enterprise
h. Gordhanbhai Thummar HUF
i. Ramjibhai Sorathiya HUF
j. Vinodbhai Parsana HUF
k. Vithalbhai Sardhara HUF
l. Ratibhai Vagadiya HUF
m. Khodabhai Thummar HUF

**Other Confirmations**:

None of our Promoters and members of promoter group have been identified as willful defaulters by RBI or any other Government authority and there are no violations of Securities Law committed by our Promoters in past or pending against them.

None of the Promoters, Promoter Group entities or Group Companies have been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the Issue against our Promoters, except as disclosed under the chapter titled "Outstanding Litigation and Material Developments" beginning on page 190 of this Prospectus.

## OUR GROUP COMPANIES

In accordance with the provisions of the SEBI ICDR Regulations, for the purpose of identification of 'Group Companies', our Company has considered companies as covered under the applicable accounting standards, being AS 18 (as mentioned in our Restated Consolidated Summary Statements for fiscal year 2017) and other companies as per the policy adopted by our Board in its meeting held on dated August 3, 2017. Based on the above, there are no Group Companies of our Company

## RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XXXI of restated financial statement under the section titled, '*Financial Statements*' beginning on page 148 of this Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. In addition, our ability to pay dividends may be impacted by a number of factors, including the results of operations, financial condition, contractual restrictions, and restrictive covenants under the loan or financing arrangements we may enter into to finance our various projects and also the fund requirements for our projects. Our Company has no formal dividend policy. Our Company has not declared dividends during the last five Fiscals. For further details, please refer to chapter titled "*Financial Statements, as restated*" in the section titled "Financial Information" beginning on page 148 of this Prospectus. Our Company may also, from time to time, pay interim dividends.

## SECTION V- FINANCIAL STATEMENTS
## FINANCIAL STATMENTS AS RESTATED

### Independent Auditor's Report on Restated Financial Statements

**The Board of Directors**
**Tirupati Forge Ltd.**
Plot No. 1-5, Survey No. 92/1
Near Shan Cement,
Hadamtala Industrial Area,
Kotda Sangani,
Rajkot.

Dear Sirs,

We have examined the attached Restated Statement of Assets and Liabilities of **Tirupati Forge Ltd. (hereinafter referred to as "the Company") a**s at March 31, 2017, 2016, 2015, 2014 and 2013 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the period ended March 31, 2017, 2016, 2015, 2014 and 2013 (collectively the"**Restated Summary Statements**" or "**Restated Financial Statements**") annexed to this report and initialled by us for identification purpose. These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) in SME Platform BSE Limited **("BSE")**

1. These Restated Summary Statements have been prepared in accordance with the requirements of:

   (i) Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rule, 2014;

   (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations"**) issued by the Securities and Exchange Board of India ("**SEBI"**) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;

   The preparation of the Restated Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 12 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

2. We have examined such Restated Financial Statements taking into consideration

   (i) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited("**IPO**" or "**SME IPO**"); and

   (ii) The Guidance Note on Reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India **("The Guidance Note").**

3. The Restated Summary Statements of the Company have been compiled by the management from the Audited Financial Statements of the Company for the financial year ended on March 31, 2017, 2016, 2015, 2014 and 2013 which have been approved by the Board of Directors.

4. Audit for the financial period ended March 31, 2017, 2016, 2015, 2014 and 2013 was conducted by M/s M B Sardhara & Associates, Chartered Accountants and accordingly, reliance has been placed on the financial information examined by them for the said years.

5. In accordance with the requirements of Paragraph B(1) of Part II of Schedule II of Act, ICDR Regulations, The Guidance Note and Engagement Letter, we report that:

   (i) The "**Restated Statement of Asset and Liabilities**" as set out in **Annexure I** to this report, of the Company as at March 31, 2017, 2016, 2015, 2014, and 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Asset 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.

   (ii) The "**Restated Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company for the Period Ended/financial year ended on March 31, 2017, 2016, 2015, 2014, and 2013 are prepared by the Company and approved by the Board of Directors. These 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.

   (iii) The "**Restated Statement of Cash Flow**" as set out in **Annexure III** to this report, of the Company for the Period Ended/financial year ended on March 31, 2017, 2016, 2015, 2014, and 2013 are prepared by the Company and approved by the Board of Directors. These 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.

6. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:

   a) Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.

   b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are not qualifications which require adjustments.

   c) There are no extra-ordinary items that need to be disclosed separately other than those presented in the restated summary statements in the accounts and which contains the audit qualifications requiring adjustments. The required adjustments in this Restated Financial Statements of the Company have been made and its effect on the Restated Profit & Loss is disclosed separately in the Notes to accounts under "Reconciliation of Restated profit".

   d) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.

7. We have also examined the following regrouped/ rearranged financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2017, 2016, 2015, 2014, and 2013 proposed to be included in the Prospectus ("**Offer Document**").

   **Annexure of Restated Financial Statements of the Company:-**

   1. Summary Statement of Assets and Liabilities, as restated as **Annexure I**;

2. Summary Statement of Profit and Loss, as restated as **Annexure II**;
3. Summary Statement of Cash Flow as **Annexure III;**
4. Significant Accounting Policies in **Annexure IV;**
5. Details of Share Capital as Restated as appearing in as **ANNEXURE V** to this report;
6. Details of Reserves and Surplus as Restated as appearing in **ANNEXURE VI** to this report
7. Details of Long Term Borrowings as Restated as appearing in **ANNEXURE VII** to this report;
8. Details of Long Term Provisions as Restated as appearing in **ANNEXURE VIII** to this report;
9. Details of Short Term Borrowing as Restated as appearing in **ANNEXURE IX** to this report;
10. Details of Trade Payables as Restated as appearing in **ANNEXURE X** to this report;
11. Details of Other Current Liabilities as Restated as appearing in **ANNEXURE XI** to this report;
12. Details of Short Term Provisions as Restated as appearing in **ANNEXURE XII** to this report;
13. Details of Deferred Tax Asset (Net) as Restated as appearing in **ANNEXURE XIV** to this report;
14. Details of Long Term Loans and Advances as Restated as appearing in **ANNEXURE XV** to this report;
15. Details of Inventories as Restated as appearing in **ANNEXURE XVI** to this report;
16. Details of Trade Receivables as Restated as appearing in **ANNEXURE XVII** to this report;
17. Details of Cash and Cash Equivalents as Restated as appearing in **ANNEXURE XVIII** to this report;
18. Details of Short Term Loans & Advances as Restated as appearing in **ANNEXURE XIX** to this report;
19. Details of Other Current Asset as Restated as appearing in **ANNEXURE XX** to this report;
20. Details of Fixed Assets as Restated as appearing in **ANNEXURE XIII** to this report;
21. Details of Revenue From Operations as Restated as appearing in **ANNEXURE XXI** to this report;
22. Details of Other Income as Restated as appearing in **ANNEXURE XXII** to this report;
23. Details of Revenue Expenditure as Restated as appearing in **ANNEXURE XXIII to XXVII** to this report;
24. Details of Significant Accounting Ratios as Restated as appearing in **ANNEXURE XXVIII** to this report;
25. Capitalization Statement as Restated as at 31st March, 2017 as appearing in **ANNEXURE XXIX** to this report;
26. Statement of Tax Shelters as Restated as appearing in **ANNEXURE XXX** to this report;
27. Details of Related Parties Transactions as Restated as appearing in **ANNEXURE XXXI** to this report;

8. We, M. N. Manvar & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India ("**ICAI**") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI **("Peer Reviewed Auditor**").

9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the

Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. In our opinion, the above financial information contained in Annexure I to XXVII of this report read with the respective Significant Accounting Polices and Notes to Restated Summary Statements as set out in **Annexure IV** are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note to the extent applicable, as amended from time to time. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions and accordingly, we express no such opinion thereon.

13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For M. N. Manvar & Co.**
**Chartered Accountants**
**FRN : 106047W**

**Date: 28.08.2017**
**Place: Rajkot**

**(M. N. Manvar)**
**Proprietor**
**MRN: 036292**

**ANNEXURE I STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

***(Rs. in Lacs)***

| Sr. No. | Particulars | Annexure | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|
| | **Equity & Liabilities** | | | | | | |
| **1)** | **Shareholders funds** | | | | | | |
| | a. Share capital | V | 78.50 | 78.50 | 78.50 | 78.50 | 1.00 |
| | b. Reserves & surplus | VI | 192.21 | 141.71 | 124.76 | 54.41 | 0.00 |
| | **Sub Total – Shareholders Funds** | | **270.71** | **220.21** | **203.26** | **132.91** | **1.00** |
| **2)** | **Share Applicatiobn Money pending Allotment** | | **0.00** | **0.00** | **0.00** | **0.00** | **47.50** |
| **3)** | **Non current liabilities** | | | | | | |
| | a. Long term borrowings | VII | 249.91 | 350.60 | 425.62 | 508.98 | 120.00 |
| | b. Other Long Term Liabilities | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | d. Long Term Provisions | VIII | 5.06 | 2.89 | 0.93 | 0.00 | 0.00 |
| | **Sub Total – Non Current Liabilities** | | **254.97** | **353.49** | **426.55** | **508.98** | **120.00** |
| **4)** | **Current liabilities** | | | | | | |
| | a. Short term borrowings | IX | 131.74 | 109.82 | 152.94 | 144.94 | 0.00 |
| | b. Trade payables | X | 216.66 | 130.39 | 504.34 | 124.93 | 12.48 |
| | c. Other current liabilities | XI | 126.48 | 137.55 | 68.33 | 69.85 | 0.00 |
| | d. Short term provisions | XII | 32.46 | 20.21 | 60.22 | 5.28 | 0.00 |
| | **Sub Total –Current Liabilites** | | **507.33** | **397.97** | **785.83** | **345.00** | **12.48** |
| | **T O T A L Liabilities (1+2+3)** | | **1033.01** | **971.68** | **1415.65** | **986.89** | **180.98** |
| | **Assets** | | | | | | |
| **5)** | **Non current assets.** | | | | | | |
| | a. Fixed assets | | | | | | |
| | - Tangible Assets | XIII | 477.68 | 508.45 | 526.87 | 520.95 | 0.00 |
| | - Intangible Assets | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | - Capital Work In Progress | | 0.00 | 0.00 | 3.05 | 4.17 | 20.53 |
| | b. Non current Investments | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | c. Deferred Tax Asset | XIV | 15.45 | 13.45 | 9.35 | 0.26 | 0.00 |
| | d. Long-term loans and advances | XV | 0.24 | 0.24 | 0.24 | 1.54 | 1.50 |
| | e. Other Non Current Assets | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Sub Total – Non current Assets** | | **493.36** | **522.14** | **539.50** | **526.92** | **22.03** |

| Sr. No. | Particulars | Annexure | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|
| **6)** | **Current assets** | | | | | | |
| | a. Current Investment | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | b. Inventories | XVI | 271.01 | 238.00 | 371.46 | 180.71 | 0.00 |
| | c. Trade receivables | XVII | 194.03 | 125.32 | 303.95 | 104.78 | 0.00 |
| | d. Cash and cash equivalents | XVIII | 10.45 | 23.89 | 19.28 | 20.10 | 10.51 |
| | e. Short term loans & advances | XIX | 64.14 | 62.31 | 181.41 | 154.32 | 143.89 |
| | f. Other current assets | XX | 0.02 | 0.03 | 0.05 | 0.07 | 4.55 |
| | **Sub Total Current Assets.** | | **539.65** | **449.54** | **876.15** | **459.98** | **158.96** |
| | **T O T A L (4+5)** | | **1033.01** | **971.68** | **1415.65** | **986.89** | **180.98** |

**ANNEXURE II: STATEMENT OF PROFIT AND LOSS AS RESTATED**

***(Rs. in Lacs)***

| Sr. No. | Particulars | Annexure | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|
| | **INCOME** | | | | | | |
| **A** | Revenue from Operations | XXI | 1617.42 | 1797.11 | 3023.12 | 679.37 | 0.00 |
| **B** | Other income | XXII | 19.35 | 30.45 | 13.83 | 24.13 | 0.00 |
| **A+B** | **Total revenue - I** | | 1636.77 | 1827.56 | 3036.96 | 703.50 | 0.00 |
| | **EXPENDITURE** | | | | | | |
| A | Cost of Materials Consumed | XXIII | 1044.34 | 1029.35 | 2090.97 | 597.43 | 0.00 |
| **B** | Purchase of stock-in-trade | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **C** | Changes in inventories of finished goods, traded goods and work-in-progress | **XXIV** | -27.50 | 51.44 | -100.15 | -156.01 | 0.00 |
| D | Employee benefit expenses | XXV | 60.56 | 74.40 | 82.08 | 30.49 | 0.00 |
| E | Finance costs | XXVI | 46.91 | 70.96 | 84.19 | 46.15 | 0.00 |
| F | Depreciation and amortisation expense | XIII | 92.18 | 101.27 | 100.61 | 42.48 | 0.00 |
| G | Other expenses | XXVII | 346.81 | 475.34 | 683.90 | 143.80 | 0.00 |
| | **Total expenses - II** | | 1563.30 | 1802.75 | 2941.59 | 704.35 | 0.00 |
| **H** | **Prior period items (net)** | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **I** | Profit before exceptional, extraordinary items and tax | | 73.47 | 24.80 | 95.37 | -0.85 | 0.00 |
| **J** | Exceptional items | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **K** | Profit before extraordinary items and tax | | 73.47 | 24.80 | 95.37 | -0.85 | 0.00 |
| **L** | Extraordinary items | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| M | Profit before tax | | 73.47 | 24.80 | 95.37 | -0.85 | 0.00 |
| N | Tax expense: | | | | | | |
| | (i) Current tax | | 24.97 | 11.96 | 34.10 | 0.00 | 0.00 |
| | (ii) MAT Credit Entitlement | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (iii) Deferred tax (asset)/liability | | -2.00 | -4.10 | -9.08 | -0.26 | 0.00 |
| | ***Total tax expense*** | | 22.97 | 7.86 | 25.01 | -0.26 | 0.00 |
| **M** | **Profit for the year/ period** | | 50.50 | 16.95 | 70.35 | -0.59 | 0.00 |

ANNEXURE II STATEMENT OF PROFIT AND LOSS AS RESTATED

***(Rs. in Lacs)***

| Sr. No. | Particulars | | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|
| **(A)** | **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | |
| | Net Profit Before taxes | | 73.47 | 24.80 | 95.37 | (0.85) | 0.00 |
| | **Adjustments for :** | | | | | | |
| | - Depreciation | | 92.18 | 101.27 | 100.61 | 42.48 | 0.00 |
| | - Preliminary Expenses | | 0.02 | 0.02 | 0.02 | 0.02 | 0.00 |
| | - Interest (Net) | | 29.61 | 54.60 | 83.29 | 33.70 | 0.00 |
| | - Provision for Gratuity | | 0.70 | 2.17 | 1.97 | 0.93 | 0.00 |
| | **Operating Profit Before Working Capital Change** | | | | | | |
| | (Increase)/Decrease in Inventory | | (33.01) | 133.46 | (190.75) | (180.71) | 0.00 |
| | (Increase)/Decrease in Trade and other receivables | | (68.72) | 178.63 | (199.17) | (104.78) | 0.00 |
| | (Increase)/Decrease in Long-term loans and advances | | 0.00 | 0.00 | 1.30 | (0.04) | (1.50) |
| | (Increase)/Decrease in Short-term loans and advances | | (1.83) | 119.10 | (27.09) | (10.43) | (143.89) |
| | (Increase)/Decrease in Other Current Assets | | 0.00 | 0.00 | 0.00 | 4.47 | (4.55) |
| | Increase/(Decrease) in Current Liabilities | | 73.91 | (324.52) | 399.59 | 186.65 | 12.48 |
| | CASH GENERATED FROM OPERATIONS | | 166.33 | 289.53 | 265.13 | (28.56) | (137.46) |
| | Income Tax Paid | | (9.98) | (32.38) | (1.88) | 0.00 | 0.00 |
| | **NET CASH FROM OPERATING ACTIVITIES** | | **156.35** | **257.15** | **263.24** | **(28.56)** | **(137.46)** |
| **(B)** | **CASH FLOW FROM INVESTING ACTIVITIES** | | | | | | |
| | Purchase of Fixed Assets | | (61.41) | (79.81) | (105.41) | (547.08) | (20.53) |
| | Sales of Fixed Assets | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | NET CASH FROM INVESTMENT ACTIVITIES | | (61.41) | (79.81) | (105.41) | (547.08) | (20.53) |
| **(C)** | **CASH FLOW FROM FINANCING ACTIVITIES** | | | | | | |
| | Increase / (Decrease) in Share capital | | 0.00 | 0.00 | 0.00 | 77.50 | 1.00 |
| | Increase / (Decrease) in Share allotment money | | 0.00 | 0.00 | 0.00 | (47.50) | 47.50 |
| | Increase / (Decrease) in Share Premium | | 0.00 | 0.00 | 0.00 | 55.00 | 0.00 |
| | Increase / (Decrease) in Short Term Borrowing | | 21.92 | (43.12) | 8.00 | 144.94 | 0.00 |

| Sr. No. | Particulars | | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|
| | Increase/(Decrease) in Long Term Borrowings | | (100.69) | (75.02) | (83.36) | 388.98 | 120.00 |
| | Interest Paid | | (29.61) | (54.60) | (83.29) | (33.70) | 0.00 |
| | **NET CASH FROM FINANCING ACTIVITIES** | | **(108.38)** | **(172.73)** | **(158.66)** | **585.23** | **168.50** |
| | Increase/(Decrease) in Cash and Cash Equivalents | | (13.43) | 4.61 | (0.82) | 9.59 | 10.51 |
| | Cash and Cash Equivalent at the begining of the year | | 23.89 | 19.28 | 20.10 | 10.51 | 0.00 |
| | Cash and Cash Equivalent at the end of the year | | 10.45 | 23.89 | 19.28 | 20.10 | 10.51 |

**ANNEXURE IV: RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

**a. Basis of Presentation :: -**

The restated summary statement of assets and liabilities of the Company as at March 31, 2017, 2016, 2015, 2014 and 2013 and the related restated summary statement of profits and loss and cash flows for the period / years ended March 31, 2017, 2016, 2015, 2014 and 2013 (herein collectively referred to as (' Restated Summary Statements')) have been complied by the management from the audited financial statements statements of the Company for the period/years ended on March 31, 2017, 2016, 2015, 2014 and 2013, approved by the board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with provisions of Part - I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial Public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of Restated Summary Statements.

**b. Use of Estimates**

The Preparation of restated financial statements in conformity with the Generally Accounting Principles (GAAP) requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

c. **AS - 2 Valuation of Inventory : -**

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other cost including manufacturing overheads incurred in bringing them to their respective present condition and location. Cost of Raw Material including components, Testing Materials, Scrap and consumable stores are determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**d. AS - 4 Contingencies and Events Occurring After the Balance Sheet Date : -**

Effects of, events occurred after Balance Sheet date and having material effect on financial statements are reflected in the accounts at appropriate places.

**e. AS - 5 Net Profit or loss for the period, prior period items and changes in accounting policies : -**

Material items of prior period, non-recurring and extra ordinary items are shown separately, If any

**f. AS – 6 Depreciation accounting : -**

Depreciation on tangible assets and intangible assets is provided on the written down value over the useful lives of assets prescribed under Part C of Schedule II of the Companies Act, 2013.

**g. AS - 9 Revenue Recognition :-**

In appropriate circumstances, Revenue income is recognized when no significant uncertainty as to determination or realization exists. Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

**h. AS - 10 Accounting for Fixed Assets :-**

Tangible fixed assets are stated at cost net of recoverable taxes less accumulated depreciation.

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation.

**i. AS - 11 Accounting for effects of changes in foreign exchange rates :-**

(i) Transactions dominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of the transaction.
(ii) Monetary items denominated in foreign currencies at the year-end are restated at year end rates.
(iii) Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the profit or loss account.

**j. AS – 12 Accounting for Government Grants :-**

Capital subsidiary receivable specific to fixed assets is treated as per accounting standard 12 and other revenue grants is recorded as revenue items.

**k. AS – 13 Accounting for Investments :-**

Investments are valued at cost.

**l. AS – 14 Accounting for Amalgamations :-**

During the year there was no amalgamation.

**m. AS – 15 Employees Retirement Benefit Plan :-**

**a. Provident Fund :-**

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 the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

**b. Gratuity Plan :-**

The cost of providing benefit under the scheme are determined on the basis of actuarial valuation at each year end and contribution for the year is charged to the statement of profit and loss for the year.

**c. Leave Encashment:-**

The company measures the expected cost that it expects to pay as a result of unused entitlement that has accumulated at the reporting date and the earned leave amount for the current reporting period is charged to the statement of profit and loss for the year. The company presents the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

n. **AS – 16 Borrowing Cost :-**

Borrowing costs that are attributable to the acquisition or construction of assets are capitalized as part of cost of such assets. All other borrowing costs are charged to revenue.

o. **AS – 18 Related Party Disclosure :-**

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given in notes of accounts.

p. **AS – 19 Accounting for Leases :-**

The Company has not entered into any lease agreements during the year.

q. **AS – 20 Earnings Per Share :-**

Disclosure is made in the Notes of accounts as per the requirements of the standard.

r. **AS – 22 Accounting for Taxes on Income :-**

Provision for Current tax is based on the assessable income under the provisions of the Income-tax Act, 1961.

Deferred tax is recognized on timing difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods. Deferred tax resulting from "timing differences" is accounted for using tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable / virtual certainty that the asset will be realized in future.

s. **AS – 24 Discontinuing Operations :-**

During the year the company has not discontinued any of its operations.

t. **AS – 28 Impairment of Assets :-**

At the date of each Balance Sheet, the company evaluates, indications of the impairment internally, if any, to the carrying amounts of its fixed and other assets. If any indication does exist, the recoverable amount is estimated at the higher of the realizable value and value in use, as considered appropriate. If the estimated realizable value is less than the carrying amount, an impairment loss is recorded.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (Net of Depreciation) had no impairment loss been recognized for the assets in prior years.

u. **AS – 29 Provisions Contingent liabilities and contingent assets :-**

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognized but are disclosed as under.

Contingent assets are neither recognized nor disclosed in the Financial Statements.

| Sr. No. | Particulars | Amount as at 31.03.2017 | Amount as at 31.03.2016 |
|---|---|---|---|
| (i) | Contingent Liability | | |
| | Claim against the company / disputed liabilities not acknowledged as debt | NIL | NIL |
| | Guarantees | | |
| | Guarantees to Bank and Financial Institution against Credit Facilities extended to third parties and other Guarantees | NIL | NIL |
| | Performance Guarantees | NIL | NIL |
| | Outstanding Guarantees furnished to Bank or financial institution including in respect of Letter of Credit | NIL | NIL |
| | Other Money for which the company is contingent liable | NIL | NIL |
| (ii) | Commitment | | |
| | Estimated amount of contract remaining to be executed on capital account and not provided for | NIL | NIL |
| | Other Commitment | NIL | NIL |

**v. P-Disclosure On Specified Bank Notes (SBNs)**

During the Year, the company has specified Bank notes or other denomination notes in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBN and other notes as per the notification is given below:

| Particulars | SBNs | Other Denomination notes | Total |
|---|---|---|---|
| Closing cash in hand as on November 8, 2016 | 6,10,000.00 | 2503.00 | 6,12,503.00 |
| (+) Permitted Receipts | 35,500.00 | 3,08,010.00 | 3,43,510.00 |
| (-) Permitted Payments | 0 | 2,34,076.00 | 2,34,076.00 |
| (-) Amount Deposited in banks | 6,45,500.00 | 0 | 6,45,500.00 |
| Closing cash in hand as on December 30, 2016 | 0 | 76,437.00 | 76,437.00 |

For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government India, in the Ministry of Finance, Department of Economic Affairs S.O.3407(E), dated the 8th November, 2016.

RECONCIALTION OF PROFIT

| | Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| - | Net Profit/(Loss) after tax as per Audited Profit & Loss Account | 49.43 | 26.31 | 95.40 | -1.11 | |
| | **Adjustment for :** | | | | | |
| | Export Incentive | 0.00 | 40.72 | 95.64 | 40.97 | |
| | Other Income | 0.00 | -41.61 | -95.70 | -40.97 | |
| | Depreciation Expense | -2.53 | -3.05 | -3.67 | -4.42 | |
| | Other Expenses | 5.60 | 5.60 | 5.66 | 5.60 | |
| | Employee Benefit Expense | -0.70 | -2.17 | -1.97 | -0.93 | |
| | Finance cost | 0.00 | 0.88 | 0.00 | 0.00 | |
| | Change in Provision for Income Tax | -1.72 | -11.96 | -34.10 | 0.00 | |
| | Deferred Tax Asset / (Liability) Adjustment | 0.42 | 2.21 | 9.08 | 0.26 | |
| | **Net Profit/(Loss) after tax as Restated** | 50.50 | 16.95 | 70.35 | -0.59 | |

**Notes of Reconciliation of Profits**

- As per audited financial statement, the company had wrongly represented sale of export incentive license under the head "Sales of Manufactured Goods" and duty

drawback received from custom department under the head "Other Income". While preparing restated financial statement it has been reported under the head "Other Operating Income"

- As per audited financial statement, the company had wrongly given effect of Pre-operative Expense of Rs. 28.00 from F.Y 2013-14 to 2016-17 which is required to be capitalized from the date of commencement of production i.e 16/08/2013. Hence, while preparing restated financial statement it has been rectified by adjusting the same in fixed asset and in depreciation of respective year.
- The company did not provide Provision for Gratuity in books of accounts. Hence, while preparing restated audited financial statement, Provision for Gratuity based on Actuarial valuation given by Ruchi Goel Chhatlani, F.I.A.I has been considered and provided for.
- As per the audited financial statement, the company has wrongly given the effect of Interest Equilization Scheme rebate for F.Y 2015-16 by showing it as an income, which is required to be shown as a deduction from the Interest paid to banks for packaging credit. Hence, while preparing restated financial statement, it has been rectified for the year 2015-16.
- The company did not provide for Provision for Income Tax in the books of accounts. Hence, while preparing restated audited financial statement, Provision for Income Tax, is calculated and provided.
- The company did not provide deferred tax as per AS - 22 issued by ICAI. Hence, while preparing restated audited financial statement, Deferred Tax Liability / (Asset), after considering effect of above mentioned changes, is recalculated.

**Material Regrouping**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profits and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per audited financial of the company, prepared in accordance with Revised Schedule VI, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (As Amended)

**Annexure – V Details of Share Capital, As Restated**

***(Rs. in Lacs)***

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Authorised Share Capital :** | | | | | |
| Equity Share of Rs. 10 each | 80.00 | 80.00 | 80.00 | 80.00 | 3.00 |
| **Issue, Subscribe and Fully paid up :** | | | | | |
| Equity Share of Rs. 10 each | 78.50 | 78.50 | 78.50 | 78.50 | 1.00 |

**Reconciliation Of Number Of Shares Outstanding At The End Of Year**

***(Rs. in Lacs)***

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Equity share at the beginning of the Year | 785000.00 | 785000.00 | 785000.00 | 10000.00 | 10000.00 |
| Add : Issued during the Year | 0.00 | 0.00 | 0.00 | 775000.00 | 0.00 |
| Less : Buy back during the Year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Equity share at the end of the Year | 785000.00 | 785000.00 | 785000.00 | 785000.00 | 10000.00 |

**Details of shareholders holding more than 5% of the aggregate shares in the company**

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Bhavesh Barsiya | 132000.00 | 205000.00 | 205000.00 | 205000.00 | 5000.00 |
| % of Holding | 16.82% | 26.11% | 26.11% | 26.11% | 50.00% |
| Ajay Vithalbhai Sardhara | 12000.00 | 205000.00 | 205000.00 | 205000.00 | 0.00 |
| % of Holding | 1.53% | 26.11% | 26.11% | 26.11% | 0.00 |
| Oceanic Exports | 0.00 | 275000.00 | 275000.00 | 275000.00 | 0.00 |
| % of Holding | 0.00% | 35.03% | 35.03% | 35.03% | 0.00 |
| Urmilaben Sardhara | 2000.00 | 50000.00 | 50000.00 | 50000.00 | 0.00 |
| % of Holding | 0.25% | 6.37% | 6.37% | 6.37% | 0.00 |
| Hetalben Sardhara | 2000.00 | 50000.00 | 50000.00 | 50000.00 | 0.00 |
| % of Holding | 0.25% | 6.37% | 6.37% | 6.37% | 0.00 |
| Ankit Popat | 0.00 | 0.00 | 0.00 | 0.00 | 5000.00 |
| % of Holding | 0.00 | 0.00 | 0.00 | 0.00 | 50.00% |
| Chetnaben M.Thummar | 231000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| % of Holding | 29.43% | 0.00 | 0.00 | 0.00 | 0.00 |
| Bhargaviben M.Thummar | 231000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| % of Holding | 29.43% | 0.00 | 0.00 | 0.00 | 0.00 |
| Hiteshbhai Thummar | 140000.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | | | | | |
|---|---|---|---|---|---|
| % of Holding | 17.83% | 0.00 | 0.00 | 0.00 | 0.00 |

**Share Applcation Money Pending Allotment**

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Ajay V. Sardhara | 0.00 | 0.00 | 0.00 | 0.00 | 10.00 |
| Bhavesh T. Barsiya | 0.00 | 0.00 | 0.00 | 0.00 | 12.50 |
| Oceanic Export | 0.00 | 0.00 | 0.00 | 0.00 | 25.00 |
| **Total** | **0.00** | **0.00** | **0.00** | **0.00** | **47.50** |

Annexure – VI Details of Reserves & Surplus, As Restated ***(Rs. in Lacs)***

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **(i) Balance of Statement of Profit & Loss** | | | | | |
| Balance of Profit & Loss | 86.71 | 69.76 | -0.59 | 0.00 | 0.00 |
| Add : Other Adjustment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Add: Profit after tax for the year | 50.50 | 16.95 | 70.35 | -0.59 | 0.00 |
| Closing Balance | 137.21 | 86.71 | 69.76 | -0.59 | 0.00 |
| **(ii) Securities Premium** | 55.00 | 55.00 | 55.00 | 55.00 | 0.00 |
| **Balance Transfer to Balance Sheet** | **192.21** | **141.71** | **124.76** | **54.41** | **0.00** |

Annexure – VII Details of Long Term Borrowing, as restated ***(Rs. in Lacs)***

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 | |
|---|---|---|---|---|---|---|
| **( I ) SECURED LOAN** | | | | | | |
| **- Term Loan** | | | | | | |
| - From Bank | 85.11 | 155.80 | 215.82 | 268.18 | 0.00 | |
| | | | | | | |
| **( II ) UNSECURED LOAN** | | | | | | |
| - From Corporate | 164.80 | 194.80 | 209.80 | 240.80 | 120.00 | |
| **TOTAL** | **249.91** | **350.60** | **425.62** | **508.98** | **120.00** | |
| | | | | | | |
| **Name of Lender** | **Purpose** | **Loan Agreement No** | **Sanctioned Amount** | **Rate of Interest** | **Repayment Schedule** | **Outstanding as on 31.03.2017** |
| **( I ) SECURED LOAN** | | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| ICICI Bank, Rajkot | Purchase of Car | 0 | 149.85 | 8.5% | Monthly | 16.40 |
| Indian Overseas Bank, Rajkot | Purchase of Plant & Machinery | 0427/ADV/SME/TFPL/2016-17 | 345 | 11.15% | Monthly | 129.23 |
| **Security** | **Extension of Equitable Mortgage on following Property** | | | | | |
| A) Plot No. 1-5, Survey No. 92/1, Hadamtala Industrial Zone, National Highway 8-B, Rajkot. | | | | | | |

Nature Of Security And Terms Of Repayment For Unsecured Loan: (Rs. in Lacs)

| **Name of Lender** | **Purpose** | **Rate of Interest** | **Repayment Schedule** | **Outstanding as on 31.03.2017** |
|---|---|---|---|---|
| **From Corporates** | | | | |
| Bhumidev Credit Corporation Ltd. | Business | | On Demand | 75.00 |
| GSD Trading and Financial Services Pvt. Ltd. | Business | | On Demand | 89.80 |

Annexure – VIII Details of Long Term Provisions, As Restated

| **Particulars** | **As at March 31, 2017** | **As at March 31, 2016** | **As at March 31, 2015** | **As at March 31, 2014** | **As at March 31, 2013** |
|---|---|---|---|---|---|
| **(a) Provisions for employee benefits** | | | | | |
| - Gratuity Payable | 5.06 | 2.89 | 0.93 | 0.00 | 0.00 |
| **TOTAL** | **5.06** | **2.89** | **0.93** | **0.00** | **0.00** |

Annexure – IX Details of Short Term Borrowing, As Restated ***(Rs. in Lacs)***

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 | |
|---|---|---|---|---|---|---|
| **SECURED** | | | | | | |
| **(a) Loans repayable on demand** | | | | | | |
| - From Indian Overseas Bank, Rajkot * | | | | | | |
| - Cash Credit A/c (including Packing Credit as sub-limit) | 131.74 | 109.82 | 152.94 | 144.94 | 0.00 | |
| **TOTAL** | **131.74** | **109.82** | **152.94** | **144.94** | **0.00** | |
| | | | | | | |
| **Name of Lender** | **Purpose** | **Loan Agreement No** | **Sanctioned Amount** | **Rate of Interest** | **Repayment Schedule** | **Outstanding as on 31.03.2017** |
| **( I ) SECURED LOAN** | | | | | | |
| Indian Overseas Bank, Rajkot | Working Capital Finance | 0427/ADV/SME/TFPL/2016-17 | 155 | 11.15% | On Demand | 131.74 |
| **Security** | **Extension of Equitable Mortgage on following Property** | | | | | |
| A) Plot No. 1-5, Survey No. 92/1, Hadamtala Industrial Zone, National Highway 8-B, Rajkot. | | | | | | |
| *(*) (Secured against all kind of Stock and Book Debts of the Company)* | | | | | | |

Annexure – X Details of Trade Payables, As Restated ***(Rs. in Lacs)***

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| A) Micro, Small and Medium Enterprise | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| B) Others | 216.66 | 130.39 | 504.34 | 124.93 | 12.48 |
| **TOTAL** | **216.66** | **130.39** | **504.34** | **124.93** | **12.48** |

Annexure – XI Details of Other Current Liabilities, As Restated ***(Rs. in Lacs)***

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **A) Current Maturities of Long Term Debt** | 60.52 | 57.18 | 56.98 | 55.20 | 0.00 |
| **B) Statutory Dues** | | | | | |

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| - Provident Fund | 0.13 | 0.17 | 0.24 | 0.15 | 0.00 |
| - TDS Payable | 1.29 | 2.58 | 4.69 | 1.90 | 0.00 |
| - TCS Payable | 0.07 | 0.10 | 0.15 | 0.04 | 0.00 |
| **C) Advance from Customers** | 2.29 | 7.75 | 6.09 | 12.55 | 0.00 |
| **D) Other Payable** | | | | | |
| - For Expenses | 27.05 | 37.73 | 0.00 | 0.00 | 0.00 |
| - For Capital Goods | 35.12 | 32.03 | 0.00 | 0.00 | 0.00 |
| - Job Work Charges | 0.00 | 0.00 | 0.19 | 0.00 | 0.00 |
| | | | | | |
| **TOTAL** | **126.48** | **137.55** | **68.33** | **69.85** | **0.00** |

Annexure – XII Details of Short Term Provisions, As Restated ***(Rs. in Lacs)***

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **A) Provision for Employee Benefits** | | | | | |
| - Contribution to PF | 0.15 | 0.19 | 0.27 | 0.00 | 0.00 |
| - Gratuity Payable | 0.70 | 2.17 | 1.97 | 0.93 | 0.00 |
| - Wages Payable | 1.19 | 1.15 | 1.07 | 2.13 | 0.00 |
| - Salary Payable | 2.98 | 2.67 | 7.81 | 2.17 | 0.00 |
| - Professional Tax Payable | 0.05 | 0.06 | 0.13 | 0.05 | 0.00 |
| - Leave Encashment | 0.06 | 1.93 | 0.00 | 0.00 | 0.00 |
| - Labour Welfare Exp. Payable | 0.00 | 0.00 | 0.23 | 0.00 | 0.00 |
| | | | | | |
| **B) Other Provisions** | | | | | |
| - Income Tax | 26.79 | 11.80 | 32.21 | 0.00 | 0.00 |
| - Service Tax | 0.00 | 0.00 | 1.01 | 0.00 | 0.00 |
| - Audit Fees | 0.55 | 0.25 | 0.25 | 0.00 | 0.00 |
| - Factory Power Consumption | 0.00 | 0.00 | 11.32 | 0.00 | 0.00 |
| - Sales Commission Payable | 0.00 | 0.00 | 3.40 | 0.00 | 0.00 |
| - Cartage & Freight Payable | 0.00 | 0.00 | 0.54 | 0.00 | 0.00 |
| **TOTAL** | **32.46** | **20.21** | **60.22** | **5.28** | **0.00** |

Annexure – XIV Details of Deferred Tax Asset, As Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **OPENING BALANCE (A)** | | | | | |
| OPENING BALANCE DEFERRED TAX ASSET / (LIABILITY) | 13.45 | 9.35 | 0.26 | 0.00 | 0.00 |
| **CURRENT YEAR PROVISION (B)** | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| DTA / (DTL) ON DEPRECIATION | 2.36 | 2.84 | 7.52 | -4.72 | 0.00 |
| DTA / (DTL) ON CARRIED FORWARD OF LOSSES | 0.00 | 0.00 | 0.00 | 4.46 | 0.00 |
| DTA / (DTL) ON OTHER TIMING DIFFERENCE | -0.36 | 1.27 | 1.56 | 0.52 | 0.00 |
| **TOTAL** | **15.45** | **13.45** | **9.35** | **0.26** | **0.00** |

Annexure – XV Details of Long Term Loans & Advances, As Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **(a) Security Deposits** | | | | | |
| (Unsecured, considered good) | | | | | |
| - Deposits | 0.24 | 0.24 | 0.24 | 1.54 | 1.50 |
| **Total** | **0.24** | **0.24** | **0.24** | **1.54** | **1.50** |

Annexure – XVI Details of Inventory, As Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Raw Materials and Components | 38.78 | 33.27 | 115.30 | 24.70 | 0.00 |
| Work in Progress | 21.72 | 7.66 | 47.04 | 59.42 | 0.00 |
| Finished Goods | 206.36 | 191.36 | 205.70 | 87.80 | 0.00 |
| Consumable Stores | 4.14 | 5.70 | 3.42 | 8.78 | 0.00 |
| **TOTAL** | **271.01** | **238.00** | **371.46** | **180.71** | **0.00** |

Annexure – XVII Details of Trade Receivable, As Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Unsecured, considered good** | | | | | |
| Other Debts | 194.03 | 125.32 | 303.95 | 104.78 | 0.00 |
| More than six months | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Less :** | | | | | |
| Provision for Doubtful Debts | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **TOTAL** | **194.03** | **125.32** | **303.95** | **104.78** | **0.00** |

Annexure – XVIII Details of Cash and cash equivalents, As Restated

*(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **(a) Balance with Banks** | | | | | |
| - in current accounts | 0.71 | 0.36 | 0.60 | 0.41 | 2.13 |
| - Fixed Deposits | 4.08 | 11.35 | 10.45 | 9.64 | 5.80 |
| **(b) Cash on hand** | 5.66 | 12.18 | 8.24 | 10.06 | 2.58 |
| **TOTAL** | **10.45** | **23.89** | **19.28** | **20.10** | **10.51** |

Annexure – XIX Details of Short Term Loans & Advances, As Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **(a) Receivables from Revenue Authority** | | | | | |
| (Unsecured, considered good) | | | | | |
| - Income Tax Authority | 0.00 | 0.00 | 0.00 | 0.55 | 0.00 |
| - VAT Advances | 0.00 | 0.00 | 0.00 | 0.00 | 0.25 |
| - Excise Authority | 21.03 | 14.49 | 99.20 | 62.40 | 0.00 |
| - Receivables from Others | 0.00 | 0.47 | 7.53 | 36.11 | 0.00 |
| - Input Tax Credit Receivable | 38.04 | 42.47 | 60.76 | 25.28 | 0.00 |
| - Interest Subsidy Receivable | 3.76 | 0.00 | 11.68 | 11.68 | 0.00 |
| **(b) Other advances recoverable in cash or kind** | | | | | |
| (Unsecured, considered good) | | | | | |
| - Advance to Suppliers | 0.02 | 3.52 | 1.04 | 17.09 | 0.00 |
| - Loan to Worker | 0.97 | 1.01 | 1.14 | 1.20 | 0.00 |
| - Advance to Worker | 0.16 | 0.20 | 0.05 | 0.00 | 0.76 |
| - Loans to Contractor | 0.15 | 0.15 | 0.00 | 0.00 | 0.00 |
| **(c) Capital Advances** | 0.00 | 0.00 | 0.00 | 0.00 | 142.88 |
| **TOTAL** | **64.14** | **62.31** | **181.41** | **154.32** | **143.89** |

Annexure – XX Details of Other Current Assets, As Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Miscelleaneous Expenditure not written off:** | | | | | |
| Preliminary Exp. | 0.02 | 0.03 | 0.05 | 0.07 | 0.09 |
| Office Rent | 0.00 | 0.00 | 0.00 | 0.00 | 0.06 |
| Stamp & Notary Exp. | 0.00 | 0.00 | 0.00 | 0.00 | 0.15 |
| Financial Charges | 0.00 | 0.00 | 0.00 | 0.00 | 3.89 |
| Bank Charges | 0.00 | 0.00 | 0.00 | 0.00 | 0.05 |

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Office Exp. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Printing & Stationery | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| Courier Charges | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| Factory Exp. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fees & Taxes | 0.00 | 0.00 | 0.00 | 0.00 | 0.10 |
| Membership Fees | 0.00 | 0.00 | 0.00 | 0.00 | 0.16 |
| **TOTAL** | **0.02** | **0.03** | **0.05** | **0.07** | **4.55** |

Annexure – XIII Details of Fixed Assets, As Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Tangible Assets** | | | | | |
| Factory Equipment | 0.00 | 2.50 | 0.00 | 0.00 | 0.00 |
| Buildings | 79.91 | 88.30 | 94.00 | 79.10 | 0.00 |
| Plant and Machinery | 351.92 | 384.00 | 391.37 | 401.70 | 0.00 |
| Electrification | 18.17 | 24.66 | 32.67 | 39.72 | 0.00 |
| Vehicles-Activa | 0.00 | 0.00 | 0.47 | 0.00 | 0.00 |
| Vehicles- Car | 22.52 | 3.09 | 5.63 | 0.00 | 0.00 |
| Vehicles-Jupiter | 0.30 | 0.50 | 0.00 | 0.00 | 0.00 |
| Computer & Printer | 0.70 | 0.72 | 1.13 | 0.12 | 0.00 |
| Computer System | 0.39 | 1.06 | 0.00 | 0.00 | 0.00 |
| Furniture & Fixture | **0.15** | **0.20** | **0.00** | **0.00** | **0.00** |
| Office equipment | 1.41 | 1.66 | 1.62 | 0.30 | 0.00 |
| Lab Equipment | 2.22 | 1.77 | 0.00 | 0.00 | 0.00 |
| **Total Tangible Asset** | **477.68** | **508.45** | **526.87** | **520.95** | **0.00** |
| **Capital Work In Progress** | | | | | |
| Factory Building | 0.00 | 0.00 | 0.00 | 0.00 | 20.53 |
| Factory Equipment | 0.00 | 0.00 | 3.05 | 3.05 | 0.00 |
| Plant & Machinery | 0.00 | 0.00 | 0.00 | 1.12 | 0.00 |
| **Total Capital Work in Progress** | **0.00** | **0.00** | **3.05** | **4.17** | **20.53** |
| | **477.68** | **508.45** | **529.92** | **525.12** | **20.53** |

Annexure – XXI Details of Revenue from operation, as Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Sale of Goods *** | | | | | |
| Sales of Traded Goods | 0.00 | 0.00 | 0.00 | 0.00 | |

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Sales of Manufactured Goods | 1594.17 | 1679.83 | 2939.82 | 680.21 | 0.00 |
| **Total - A** | **1594.17** | **1679.83** | **2939.82** | **680.21** | **0.00** |
| **Other Operating Income** | 0.00 | 0.00 | 0.00 | 0.00 | |
| Jobwork Income | 108.29 | 81.65 | 68.54 | 22.68 | 0.00 |
| Export Incentives | 35.38 | 92.38 | 53.88 | 18.29 | 0.00 |
| **Total - B** | **143.67** | **174.03** | **122.42** | **40.97** | **0.00** |
| **Total A + B** | **1737.84** | **1853.87** | **3062.24** | **721.17** | **0.00** |
| **Less: Excise Duty** | **120.41** | **56.76** | **39.12** | **41.81** | **0.00** |
| **Sales Discount** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** |
| **Total - [A + b]** | **1617.42** | **1797.11** | **3023.12** | **679.37** | **0.00** |

Annexure – XXII Details of Other Income, as Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Other income | 19.35 | 30.45 | 13.83 | 24.13 | 0.00 |
| Net profit before tax as restated | 73.47 | 24.80 | 95.37 | (0.85) | 0.00 |
| **Percentage** | **26.33%** | **122.75%** | **14.51%** | **-2834.97%** | |
| **Source of income** | | | | | |
| Interest from FD | 0.30 | 1.00 | 0.90 | 0.77 | 0.00 |
| Interest Income (Subsidy) | 17.00 | 15.37 | 0.00 | 11.68 | 0.00 |
| Discount Income | 0.00 | 0.00 | 0.00 | 0.20 | 0.00 |
| Electricity Duty Income | 0.00 | 0.00 | 0.00 | 11.48 | 0.00 |
| Foreign Exchange Fluctuation Income | 2.05 | 11.87 | 12.43 | 0.00 | 0.00 |
| Other income | 0.00 | 2.21 | 0.50 | 0.00 | 0.00 |
| **Other income** | **19.35** | **30.45** | **13.83** | **24.13** | **0.00** |

Annexure – XXIII Details of Cost of Material Consumed, as Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Opening Stock | 33.27 | 115.30 | 24.70 | 0.00 | 0.00 |
| Add : Purchases | 1051.79 | 947.32 | 2181.57 | 622.13 | 0.00 |
| Less: Discount on Purchase | (1.94) | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1083.12 | 1062.62 | 2206.27 | 622.13 | 0.00 |
| Less : Closing Stock | 38.78 | 33.27 | 115.30 | 24.70 | 0.00 |
| | **1044.34** | **1029.35** | **2090.97** | **597.43** | **0.00** |

Annexure – XXIV Details of Change in Inventories, as Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Inventories at the end of the year** | | | | | |
| Finished Goods | 206.36 | 191.36 | 204.73 | 87.80 | 0.00 |
| Work in Progress | 21.72 | 7.66 | 48.28 | 59.42 | 0.00 |
| Consumable Goods | 4.14 | 5.70 | 3.15 | 8.78 | 0.00 |
| | **232.23** | **204.72** | **256.16** | **156.01** | **0.00** |
| **Inventories at the beginning of the year** | | | | | |
| Finished Goods | 191.36 | 204.73 | 87.80 | 0.00 | 0.00 |
| Work in Progress | 7.66 | 48.28 | 59.42 | 0.00 | 0.00 |
| Consumable Goods | 5.70 | 3.15 | 8.78 | 0.00 | 0.00 |
| | **204.72** | **256.16** | **156.01** | **0.00** | **0.00** |
| **(Increase) / Decrease in Stock** | **(27.50)** | **51.44** | **(100.15)** | **(156.01)** | **0.00** |

Annexure – XXV Details of Employee Benefits Expenses, As Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Employee Benefits Expenses** | | | | | |
| Contribution to Provident Fund | 1.78 | 2.65 | 2.21 | 0.00 | 0.00 |
| Gratuity Expense | 0.70 | 2.17 | 1.97 | 0.93 | 0.00 |
| Director Remuneration | 0.00 | 0.00 | 7.68 | 0.00 | 0.00 |
| Labour Welfare Expenses | 1.65 | 4.04 | 4.33 | 0.12 | 0.00 |
| Leave Encashment | 3.24 | 3.44 | 3.09 | 0.75 | 0.00 |
| Medical Allowance | 0.09 | 0.05 | 0.17 | 0.06 | 0.00 |
| Salary, Wages and Bonus | 53.09 | 62.05 | 62.64 | 28.64 | 0.00 |
| **Total** | **60.56** | **74.40** | **82.08** | **30.49** | **0.00** |

Annexure – XXVI Details of Finance Cost, As Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Finance Cost** | | | | | |
| Bank Charges | 2.74 | 3.48 | 3.89 | 0.82 | |
| Interest on Income Tax | 0.87 | 0.02 | 0.02 | 0.00 | |
| Interest on Service Tax | 0.05 | 0.07 | 0.11 | | |
| Late Payment Charges | | 4.19 | 0.20 | | |
| Interest Paid to Bank | 34.40 | 42.91 | 50.71 | 30.15 | |
| Interest Paid to Depositors | 8.86 | 20.27 | 29.26 | 15.18 | |

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Total** | **46.91** | **70.96** | **84.19** | **46.15** | |

Annexure – XXVII Details of Other Expenses, As Restated *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **MANUFACTURING EXPENSES** | | | | | |
| Factory Expenses | 0.78 | 2.26 | 1.78 | 0.54 | - |
| General Expenses | 0.66 | 0.52 | 0.46 | 0.09 | - |
| Jobwork Expenses | 78.92 | 58.01 | 63.09 | 3.84 | - |
| Labor Charges | 14.79 | 16.42 | 13.71 | 3.88 | - |
| Loading & Unloading | 5.16 | 7.20 | 6.83 | 0.97 | - |
| Power Consumption | 163.26 | 176.44 | 251.95 | 88.60 | - |
| Rate, Rent & Taxes | 1.10 | 6.22 | 21.96 | 2.63 | - |
| Repairs to Machinery | 10.02 | 14.85 | 12.37 | 1.41 | - |
| Trasportation Inward | 5.52 | 4.56 | 6.14 | 0.66 | - |
| Foreign Exchange Difference | - | - | - | 1.44 | - |
| **SELLING AND ADMIN EXPENSES** | | | | | |
| Advertizement Expenses | 0.43 | 0.32 | 0.22 | 0.09 | - |
| Amortization Expenses | 0.02 | 0.02 | 0.02 | 0.02 | - |
| Books & Periodical | - | 0.37 | - | - | - |
| Clearing and Forwarding Expenses | 5.94 | 22.29 | 47.72 | 5.00 | - |
| Discount on Sales | 0.08 | - | 0.56 | - | - |
| Donation | 0.01 | 0.60 | - | - | - |
| Gardening Expenses | - | 0.11 | 0.01 | - | - |
| Insurance | 1.80 | 1.83 | 3.77 | 1.72 | - |
| Kasar | 0.19 | 0.62 | (0.06) | 0.01 | - |
| Legal Fees | 0.96 | 4.27 | 0.81 | 0.24 | - |
| Membership Subscription | 0.63 | 1.13 | 0.09 | 0.88 | - |
| Office Expenses | 2.47 | 0.73 | 0.66 | 0.11 | - |
| Payment to Auditor | 0.30 | 0.43 | 0.25 | - | - |
| Postage & Courier | 1.82 | 1.20 | 0.69 | 0.18 | |
| Printing & Stationery | 0.82 | 1.36 | 0.98 | 0.29 | |
| Professional Fees | 8.34 | 3.13 | 7.07 | 5.87 | |
| Rate, Rent & Taxes | 2.05 | 1.97 | 1.95 | 0.64 | |
| Repairs to Building | 0.72 | 2.88 | 0.12 | 0.15 | |
| Repairs to Electrification | 0.16 | - | 0.11 | 0.02 | |
| Sales Promotion | - | 0.51 | 0.94 | - | |
| Security Charges | 3.60 | 4.25 | 4.57 | 4.07 | |
| Selling Commission | 0.25 | 8.60 | 17.95 | 1.15 | |
| Telephone Expenses | 0.84 | 0.56 | 0.28 | 0.14 | |

| | | | | | |
|---|---|---|---|---|---|
| Transporation Outward | 20.22 | 121.19 | 212.80 | 18.88 | |
| Travelling Expenses | 10.82 | 6.42 | 2.01 | 0.19 | |
| Vehicle Repairs & Maintenance | 4.13 | 3.89 | 1.87 | 0.08 | |
| Water Charges | - | 0.18 | - | - | |
| Website Development | - | - | 0.19 | - | |
| **TOTAL** | **346.81** | **475.34** | **683.90** | **143.80** | |

Annexure – XXVIII Summary of Accounting Ratios *(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Restated PAT as per statement of profit and loss | 50.49 | 16.95 | 70.35 | -0.59 | 0 |
| Weighted average number of equity shares at the end of the year/ period | 785000 | 785000 | 785000 | 649452 | 10000 |
| Weighted average number of equity shares at the end of the year (After Issue of Bonus 10:22) | 2512000 | 2512000 | 2512000 | 2376452 | 1737000 |
| Net worth | 270.71 | 220.21 | 203.26 | 132.91 | 1 |
| **Earnings Per Share** | | | | | |
| Basic & Diluted (Rs)* | 6.43 | 2.16 | 8.96 | -0.09 | 0 |
| Basic & Diluted (Rs) (After issue of Bonus Share) | 2.01 | 0.67 | 2.80 | -0.02 | 0 |
| **Return on net worth (%)** | 18.65 | 7.70 | 34.61 | -0.44% | 0.00 |
| **Net asset value per share (Rs)**** | 34.48 | 28.05 | 25.90 | 20.47 | 10 |
| Nominal value per equity share (Rs.) | 10 | 10 | 10 | 10 | 10 |

ANNEXURE - XXIX Capitalisation Statement As At 31st March, 2017

| Particulars | Pre Issue | Post Issue |
|---|---|---|
| **Borrowings** | | |
| Short term debt (A) | 131.74 | 131.74 |
| Long term debt (B) | 249.91 | 249.91 |
| **Total debts (C)** | **381.65** | **381.65** |
| **Shareholders' funds** | | |
| Equity share capital | 78.50 | 581.20 |
| Reserve and surplus - as restated | 192.21 | 376.51 |
| **Total shareholders' funds** | **270.71** | **957.71** |
| **Long term debt / shareholders' funds** | **0.92** | |
| **Total debt / shareholders' funds** | **1.41** | |

ANNEXURE - XXX STATEMENT OF TAX SHELTERS

*(Rs. in Lacs)*

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Profit before tax as per books (A) | 73.47 | 24.80 | 95.37 | (0.85) | 0.00 |
| Tax Rate (%) | 0.31 | 0.31 | 0.31 | 0.31 | 0.31 |
| Tax at Notional Rate on Profits | 22.70 | 7.66 | 29.47 | (0.26) | 0.00 |
| **Adjustments :** | | | | | |
| **Permanent differences (B)** | | | | | |
| Donation | 0.01 | 0.60 | 0.00 | 0.00 | 0.00 |
| Income Tax Expense | 0.87 | 0.02 | 0.02 | 0.00 | 0.00 |
| **Total permanent differences(B)** | 0.88 | 0.62 | 0.02 | 0.00 | 0.00 |
| **Timing differences (D)** | | | | | |
| Difference between tax depreciation and book depreciation | | | | | |
| Difference due to Gratuity allowable/ disallowable | 7.64 | 9.18 | 24.34 | (15.26) | 0.00 |
| Difference due to Leave Encashment allowable/ disallowable | 0.70 | 2.17 | 1.97 | 0.93 | 0.00 |
| **Total timing differences (D)** | -1.87 | 1.93 | 3.09 | 0.75 | 0.00 |
| | 6.47 | 13.28 | 29.40 | (13.58) | 0.00 |
| Net adjustments E = (B+C+D) | | | | | |
| **Tax expense / (saving) thereon F = [E * Tax Rate]** | 7.35 | 13.89 | 29.41 | (13.58) | 0.00 |
| | 2.27 | 4.29 | 9.09 | (4.20) | 0.00 |
| **Taxable income/(loss) (A+E+F)** | | | | | |
| **Less : Set off of Brought Forward Losses** | 80.82 | 38.70 | 124.78 | (14.43) | 0.00 |
| **Taxable income/(loss)** | 0.00 | 0.00 | -14.43 | 0.00 | 0.00 |

| | | | | | |
|---|---|---|---|---|---|
| **Carried Forward of Looses** | 80.82 | 38.70 | 110.34 | (14.43) | 0.00 |
| Taxable income/(loss) as per MAT | 0.00 | 0.00 | 0.00 | 14.43 | 0.00 |
| | 74.34 | 24.83 | 95.38 | (0.85) | 0.00 |
| Income tax as returned/computed | | | | | |
| Tax paid as per normal or MAT | 24.97332 | 11.95781 | 34.09597 | 0 | 0 |

D

ANNEXURE – XXXI RELATED PARTY TRANSACTION *(Rs. in Lacs)*

| Year | Key Personnel of the Company | Relatives of Key Managerial Persons | Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|---|---|
| **2012-13** | Bhavesh T. Barsiya | Chunibhai Muljibhai Sardhara | **Key Managerial Persons** | | | | | |
| | Ajaybhai V. Sardhara | | Director Remuneration | 0.00 | 0.00 | 7.68 | 0.00 | 0.00 |
| **2013-14** | Bhavesh T. Barsiya | Chunibhai Muljibhai Sardhara | **Relatives of Key Managerial Persons** | | | | | |
| | Ajaybhai V. Sardhara | | Rent | 0.60 | 0.60 | 0.60 | 0.60 | 0.00 |
| **2014-15** | Bhavesh T. Barsiya | Chunibhai Muljibhai Sardhara | **Receivable / (Payable)** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Ajaybhai V. Sardhara | | | | | | | |
| **2015-16** | Bhavesh T. Barsiya | Chunibhai Muljibhai Sardhara | | | | | | |
| | Ajaybhai V. Sardhara | | | | | | | |
| **2016-17** | Bhavesh T. Barsiya | Chunibhai Muljibhai Sardhara | | | | | | |
| | Ajaybhai V. Sardhara | | | | | | | |
| | Hiteshbhai G. Thumar | | | | | | | |

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

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which is included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements, as restated for the years ended March 31, 2017, March 31, 2016 and March 31, 2015, including the related notes and reports, included in this Prospectus is prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 16 and 15 respectively, and elsewhere in this Prospectus.

Our FY ends on March 31 of each year. Accordingly, all references to a particular FY are to the 12 months ended March 31 of that year.

### OVERVIEW

Incorporated in 2012, our Company, Tirupati Forge Limited is an ISO 9001:2008 certified Company engaged in manufacturing of closed die forged products like auto component, bearings, gears, etc and forged flanges of mild steel, carbon steel, stainless steel, etc. based out at Hadamtala Industrial Estate, Rajkot, Gujarat.

We started our operations in 2012, under the management of our Directors, Ajay Sardhara and Bhavesh Barsiya. Later on, Hitesh Thummar joined the board of our Company and under his guidance we have expanded our sales and operations to domestic market on long scale basis. Our Company was initially set up to cater the requirements of international market mainly to United States of America and gradually, we have started exporting our products to Italy, Morocco, etc and domestic market.

Out of our total revenue from operations, more than 88.04% was from exports in the financial year 2014-15. For the financial year 2015-16 and 2016-17, revenue from exports is 63.04% and 28.47% respectively while revenue from domestic sales is 36.96% and 71.53% respectively.

Our facility is equipped with CNC machines which enable us to supply products based on internationally recognized standards. Our manufacturing facilities are well equipped with required facilities including machinery, other handling equipment to facilitate smooth manufacturing process. We endeavour to maintain safety in our premises by adhering to key safety norms.

Our Company also complies with TUV Nord for Quality Assurance System besides ISO and strives to deliver quality products to the customers. We believe in manufacturing and delivering quality products and our manufacturing process is under constant supervision by Engineers. The entire system is backed by proper documentation, traceability until the end product, with full proof checks required as per ISO regulations. We are dedicated towards supply of quality products by controlling the procurement of our raw material, monitoring the process parameters and maintaining appropriate measures to comply with applicable statutory and regulatory requirements of our products.

Our Company is equipped with in-house testing laboratory for checking of our raw materials. Raw material purchased by us undergoes independent testing and quality check to ensure that they are of relevant quality and match the standards as specified. The finished products are checked in our in

house testing laboratory to ensure that the same is of relevant standards and design as specified by the customer; the products are then packed and dispatched.

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 16 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

***There exists an investigation for anti dumping duty and countervailing duty for exports of carbon steel flange to USA and in our revenue may be largely affected in case the order for countervailing duty is passed by the USA Government.***

An investigation has been initiated by USA regulatory bodies against manufacturers and exporters of India for carbon steel flange to USA. The USA regulatory bodies have preliminary determined that carbon steel flange is dumped and subsidies are provided by Indian Government which causes a material injury to local manufacturers in USA. The Government has levied preliminary Anti Dumping and Countervailing Duty. However, final outcome of the duty shall be declared by the USA regulatory bodies in due course. Revenue from sale of carbon steel flange for the year financial year 2014-15 is Rs. 2,577.42 lakhs, which has dipped to Rs. 1,133.22 lakhs in the financial year 2015-16 and further dipped to Rs. 64.59 lakhs in the financial year 2016-17 due to anti dumping and countervailing duties. Our revenues have been derived from exports to USA and levy of anti dumping and countervailing duty in USA would affect exports of carbon steel flange. Tariffs are often driven by local political pressure in a particular country and therefore there can be no assurance that quotas or tariffs will not be imposed on our Company. Our exports could further reduce and such restrictions could have a negative impact on our business from operations, profit margins and cash flow.

***We generate our major portion of sales from our operations in certain geographical regions especially United States of America. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

We generated major sales from our customers situated in United States of America till the financial year 2014-15 and first three quarters of financial year 2015-16. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as political, economic, policy and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. In recent past there is an on going investigation for material injury to manufacturers in USA of carbon steel flange and thus a proposed anti dumping duty and countervailing duty is imposed resulting in dip of our exports to USA since January 2016. We may not be able to leverage our experience in United States of America to expand our operations in other parts of world and domestic markets, should we decide to further expand our operations. Though we have started to export to other countries like Morocco, United Arab Emirates and Italy, factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside United States of America may adversely affect our business prospects, financial conditions and results of operations. However, our Company at present is supplying goods to domestic market and few other countries and has started strengthening its customer base in other regions, but we are yet to scale our operations there. While our management believes that the Company has requisite expertise to mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance.

***The shortage or non-availability of power facilities may adversely affect our manufacturing process and have an adverse impact on our results of operations and financial condition.***

Our manufacturing process requires substantial amount of power facilities. The quantum and nature of power requirements of our industry and Company very high and thus to meet our electricity requirements, we have a sanctioned load power capacity of 1300 KW from Paschim Gujarat Vij Company Limited. Any disruption / non availability of power or failure on our part to arrange alternate sources of electricity, in a timely manner and at an acceptable cost shall directly affect our production which in turn shall have an impact on operations and results of our Company.

**OVERVIEW OF REVENUE AND EXPENDITURE**

Revenue and Expenditure

Revenue: Our revenue comprises of revenue from operations by sell of open die forge products and forged flange and other incomes

Revenue from operations: Our revenue from operations comprises of revenue from open die forge products and forged flange.

Other Income: Our other income comprises of interest income on FD, subsidy and foreign exchange fluctuation income

Expenses: Our expenses comprise of cost of material consumed, changes in inventories of finished goods work in progress employee benefit expenses, finance cost, depreciation and amortisation expenses and other expenses.

Cost of goods sold: Cost of goods sold consists of cost of material consumed and changes of inventories of finished goods, work in progress and consumable goods

Cost of material consumed consists of expenditure on raw materials.

Changes in inventory of finished goods, work in progress and consumables consist of change in our inventory of finished goods, work in progress and consumable goods as at the beginning and end of the year.

Employee benefit expense: Our employee benefit expense consists of salary, wages & bonus expenses contribution to provident fund expense, gratuity expense, labour welfare expenses, leave encashment expenses, medical expenses and

Finance costs: Our finance costs comprises of bank charges, interest on tax, interest on bank borrowings and interest paid to depositors.

Depreciation and amortisation expenses: Tangible and intangible assets are depreciated and amortised over periods corresponding to their estimated useful lives. See "Significant Accounting Policies – Depreciation" on Annexure IV on page 156 of this Prospectus.

Other expenses: Our other expenses primarily include consumption of factory expenses, general expenses, jobwork expenses, labour charges, loading and unloading charges, power consumption, repairs to machinery expenses, clearing and forwarding expenses, insurance expenses, office expenses, postage and courier expenses, professional fees, rent, rate & taxes, security charges, transportation outward expense travelling expenses, vehicle repair and maintenance expenses, etc.

**Revenue and Expenditure** **Amount (Rs. In Lakhs)**

| Particulars | For the Year Ended March 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| INCOME | | | |
| Revenue from operations/ Operating income | 1617.42 | 1797.11 | 3023.12 |
| As a % of Total Revenue | 98.82% | 98.33% | 99.54% |
| Other income | 19.35 | 30.45 | 13.83 |
| As a % of Total Revenue | 1.18% | 1.67% | 0.46% |

| Particulars | For the Year Ended March 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Total Revenue (A) | 1,636.77 | 1,827.56 | 3,036.96 |
| EXPENDITURE | | | |
| Cost of Material Consumed | 1,044.34 | 1,029.35 | 2,090.97 |
| As a % of Total Revenue | 63.80% | 56.32% | 68.85% |
| Changes in inventories of finished goods, traded goods and work-in-progress | -27.50 | 51.44 | -100.15 |
| As a % of Total Revenue | -1.68% | 2.81% | -3.30% |
| Operating Expenses | 1,016.84 | 1,080.78 | 1,990.82 |
| As a % of Total Revenue | 62.12% | 59.14% | 65.55% |
| Employee benefit expenses | 60.56 | 74.40 | 82.08 |
| As a % of Total Revenue | 3.70% | 4.07% | 2.70% |
| Finance costs | 46.91 | 70.96 | 84.19 |
| As a % of Total Revenue | 2.87% | 3.88% | 2.77% |
| Depreciation and amortization expense | 92.18 | 101.27 | 100.61 |
| As a % of Total Revenue | 5.63% | 5.54% | 3.31% |
| Other expenses | 346.81 | 475.34 | 683.90 |
| As a % of Total Revenue | 21.19% | 26.01% | 22.52% |
| Total Expenses (B) | 1563.30 | 1802.75 | 2941.59 |
| As a % of Total Revenue | 95.51% | 98.64% | 96.86% |
| Profit before exceptional, extraordinary items and tax | 73.47 | 24.80 | 95.37 |
| As a % of Total Revenue | 4.49% | 1.36% | 3.14% |
| Exceptional items | - | - | - |
| Profit before extraordinary items and tax | 73.47 | 24.80 | 95.37 |
| As a % of Total Revenue | 4.49% | 1.36% | 3.14% |
| Extraordinary items | - | - | - |
| Profit before tax | 73.47 | 24.80 | 95.37 |
| PBT Margin | 4.49% | 1.36% | 3.14% |
| Tax expense : | | | |
| (i) Current tax | 24.97 | 11.96 | 34.10 |
| (ii) Deferred tax | (2.00) | (4.10) | (9.08) |
| (iii) MAT Credit | - | - | - |
| Total Tax Expense | 22.97 | 7.86 | 25.01 |
| % of total income | - | - | - |
| Profit for the year/ period | 50.50 | 16.95 | 70.35 |
| PAT Margin | 3.09% | 0.93% | 2.32% |

**COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2017 WITH FINANCIAL YEAR ENDED MARCH 31, 2016**

**Total Revenue**

Our total revenue decreased by 10.44% to Rs.1,636.77 lakhs in financial year 2017 from Rs.1,827.56 lakhs in financial year 2016 due to the factors described herein:

Revenue from operations: Our revenue from operations decreased by 10.00% to Rs.1617.42 lakhs in financial year 2017 from Rs.1,797.11 lakhs in financial year 2016. The decrease in revenue from operations was primarily due to decrease in our export sales and export incentive which was primarily set off by increase in job work income and increase in our domestic sales. Our export sales decreased to Rs.460.52 lakhs in financial year 2017 from Rs.1134.12 lakhs in financial year 2016. The decrease in export sale was due to imposition of anti dumping and countervailing duties by USA Government. Our Domestic sales increased from Rs.1133.65 lakhs in financial year 2017 from Rs.488.96 lakhs in financial year 2016.

Other income: Our other income decreased by 36.46% to Rs.19.35 lakhs in financial year 2017 from Rs.30.45 lakhs in financial year 2016. This decrease was primarily due to increase in our interest income from FD and decrease in foreign exchange fluctuation income which was primarily offset by increase in our subsidy income. Our Foreign exchange fluctuation income decreased to Rs.2.04 lakhs in financial year 2017 from Rs.11.86 lakhs in financial year 2016.

**Total Expenses**

Our total expenses decreased by 13.28% to Rs.1563.30 lakhs in financial year 2017 from Rs.1802.75 lakhs in financial year 2016, due to the factors described herein:

Cost of goods sold: Our cost of goods sold comprises of cost of material consumed and change in inventory of finished goods, consumables and work in progress. Our cost of goods sold decreased by 5.92% to Rs.1016.84 lakhs in financial year 2017 from Rs. 1080.78 lakhs in financial year 2016. This was primarily due to increase in cost of material consumed which increased by 1.46% to Rs.1044.34 lakhs in financial year 2017 from Rs.1029.35 lakhs in financial year 2016. Our changes in inventory of finished goods, consumables and work in progress changed by (153.47)% to Rs.(27.50) lakhs in financial year 2017 from Rs.51.44 lakhs in financial year 2016. Our cost of goods sold decreased due to decrease in revenue in the fiscal year 2016-17

Employee benefits expense: Our employee benefits expense decreased by 18.60% to Rs.60.56 lakhs in financial year 2017 from Rs.74.40 lakhs in financial year 2016. This increase was primarily due decrease in salary, wages & bonus of employees, contribution to PF, gratuity expenses, leave encashment expenses and labour welfare expenses. Our staff salary decreased to Rs.53.09 lakhs in financial year 2017 from Rs.62.05 lakhs in financial year 2016. Decrease in staff salary was due to decrease in number of employees.

Finance costs: Our finance costs decreased by 33.89% to Rs.46.91 lakhs in financial year 2017 from Rs.70.96 lakhs in financial year 2016. This was primarily due to decrease in interest paid to banks, bank charges, late payment charges and other interest paid to depositors. Interest paid to banks decreased to Rs.34.39 in financial year 2017 from Rs.42.91 lakhs in financial year 2016; which was due to decrease in our secured loan from banks, our secured loans from banks decreased to Rs.145.64 lakhs in financial year 2017 from Rs.212.98 lakhs in financial year 2016. Interest paid to depositors decreased to Rs.8.86 lakhs in financial year 2017 from Rs.20.27 lakhs in financial year 2016; which was due to decrease in our unsecured loan from other corporates, our unsecured loans from corporates decreased to Rs.164.80 lakhs in financial year 2017 from Rs.194.8 lakhs in financial year 2016.

Depreciation and amortisation expense: Our depreciation and amortisation expense decreased by (8.98)% to Rs.92.18 lakhs in financial year 2017 from Rs.101.27 lakhs in financial year 2016.

Other expenses: Our other expenses decreased by 27.04% to Rs.346.81 lakhs in financial year 2017 from Rs.475.34 lakhs in financial year 2016. This increase was due to an decrease in our factory expenses, labour charges, power charges, repairs to machinery, books and periodicals, clearing and forwarding expenses, legal fees, repair to building, sales promotion expenses etc.

**Profit before tax**: Our restated profit before tax increased by 196.21% to Rs.73.47 lakhs in financial year 2017 from Rs.24.80 lakhs in financial year 2016. This was primarily due increase in sale of our products to domestic market.

**Tax expenses**: Our tax expenses increased by 192.45% to Rs.22.97 lakhs in financial year 2017 from Rs.7.86 lakhs in financial year 2016. This was primarily due to increase in sales and profit.

**Profit after tax for the year, as Restated**: Due to the factors mentioned above, our profit after tax increased by 197.96% from Rs.16.95 lakhs in financial year 2016 to Rs.50.50 lakhs in financial year 2017.

**COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015**

**Total Revenue**

Our total revenue decreased by 39.82% to Rs.1827.56 lakhs in financial year 2016 from Rs.3036.96 lakhs in financial year 2015 due to the factors described herein:

Revenue from operations: Our revenue from operations decreased by 40.55% to Rs.1797.11 lakhs in financial year 2016 from Rs.3023.12 lakhs in financial year 2016. The decrease in revenue from operations was primarily due to decrease in our export sales which were primarily set off by increase in our domestic sales. Our export sales decreased to Rs.1134.12 lakhs in financial year 2016 from Rs.2577.42 lakhs in financial year 2015. The decrease in export sale was due to imposition of antidumping and countervailing duties by USA Govt. on forged flanges. Our domestic sales increased to Rs 488.96 lakhs in financial year 2016 from Rs 323.28 lakhs in financial year 2015.

Other income: Our other income increased by 120.08% to Rs.30.45 lakhs in financial year 2015 from Rs.13.83 lakhs in financial year 2015. This increase was primarily due to increase in our subsidy income, other income, interest income on FD which was set of by decrease in our subsidy income, our subsidy income in financial year 2016 was Rs.15.37.

**Total Expenses**

Our total expenses decreased by 38.71% to Rs1802.75 lakhs in financial year 2016 from Rs2941.59 lakhs in financial year 2015, due to the factors described herein:

Cost of goods sold: Our cost of goods sold comprises of cost of material consumed and change in inventory of finished goods, consumables and work in progress. Our cost of goods sold decreased by 45.71% to Rs.1080.78 lakhs in financial year 2016 from Rs.1990.82 lakhs in financial year 2015. This was primarily due to decrease in cost of material consumed which decreased by 50.77% to Rs.1029.35 lakhs in financial year 2016 from Rs.2090.97 lakhs in financial year 2015. Our changes in inventory of finished goods, consumables and work in progress changed by (151.36)% to Rs.51.44 lakhs in financial year 2016 from Rs.(100.15) lakhs in financial year 2015.

Employee benefits expense: Our employee benefits expense decreased by 9.35% to Rs.74.40 lakhs in financial year 2016 from Rs.82.08 lakhs in financial year 2015. This increase was primarily due decrease in our directors remuneration. Decrease in director's remuneration was primarily due to

Finance costs: Our finance costs decreased by 15.71% to Rs.70.96 lakhs in financial year 2016 from Rs.84.19 lakhs in financial year 2015. This was primarily due to decrease in interest paid to banks, bank charges, and other interest paid to depositors which was sett off by increase in late payment charges.

Depreciation and amortisation expense: Our depreciation and amortisation expense increased by 0.66% to Rs.101.27 lakhs in financial year 2016 from Rs.100.61 lakhs in financial year 2015.

Other expenses: Our other expenses decreased by 30.50% to Rs.475.34 lakhs in financial year 2016 from Rs.683.90 lakhs in financial year 2015. This decrease was due to an decrease in our job work expenses, power, rent, rate & taxes, transportation inward, clearing and forwarding expenses, insurance expenses, professional fees, selling commission, transportation outward etc.

**Profit before tax**: Our restated profit before tax decreased by 73.99% to Rs.24.80lakhs in financial year 2016 from Rs.95.37 lakhs in financial year 2015. This was primarily due to decrease in our sales.

**Tax expenses**: Our tax expenses decreased by 68.59% to Rs.7.86 lakhs in financial year 2016 from Rs.25.01 lakhs in financial year 2015. This was primarily due to decrease in our profit.

**Profit after tax for the year, as Restated**: Due to the factors mentioned above, our profit after tax decreased by 75.91% from Rs.70.35 lakhs in financial year 2015 to Rs.16.95 lakhs in financial year 2016.

**Other Key Ratios**

| Particulars | March 31, 2017 | March 31, 2016 | March 31, 2015 |
|---|---|---|---|
| Fixed Asset Turnover Ratio | 3.39 | 3.53 | 5.70 |
| Debt Equity Ratio | 1.63 | 2.35 | 3.13 |

| | | | |
|---|---|---|---|
| Current Ratio | 1.06 | 1.13 | 1.11 |
| Inventory Turnover Ratio | 6.36 | 5.90 | 10.95 |

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total net block, based on Restated Financial Information.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturity of long term debt, based on Restated Financial Information.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Information.

Inventory Turnover Ratio: This is defined as revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on Restated Financial Information.

The table below summaries our cash flows from our Restated Financial Information of cash flows for the financial year 2017, 2016 and 2015:

Amount (Rs. In Lakhs)

| Particulars | March 31, 2017 | March 31, 2016 | March 31, 2015 |
|---|---|---|---|
| Net cash generated from operating activities | 156.35 | 257.15 | 263.24 |
| Net cash (used) in investing activities | (61.41) | (79.81) | (105.41) |
| Net cash (used) in financing activities | (108.38) | (172.73) | (158.66) |
| Net increase/ (decrease) in cash and cash equivalents | (13.43) | 4.61 | (0.82) |
| Cash and Cash Equivalents at the beginning of the period | 23.89 | 19.28 | 20.10 |
| Cash and Cash Equivalents at the end of the period | 10.45 | 23.89 | 19.28 |

**Operating Activities**

Financial year 2017

Our net cash generated from operating activities was Rs. 156.35 lakhs in financial year 2017. Our operating profit before working capital changes was Rs.195.98 lakhs in financial year 2017, which was primarily adjusted by direct tax paid of Rs.9.98 lakhs, increase in inventories by Rs.33.01 lakhs, increase in trade receivables by Rs.68.72 lakhs, increase in short term loans and advances by Rs.1.83 lakhs and increase in current liabilities by Rs.73.91 lakhs

Financial year 2016

Our net cash used in operating activities was Rs.257.15 lakhs in financial year 2016. Our operating profit before working capital changes was Rs.182.86 lakhs in financial year 2016, which was primarily adjusted by direct tax paid of Rs.32.38 lakhs, decrease in inventories by Rs. 133.46 lakhs, decrease in trade receivables by Rs.178.63 lakhs, decrease in short term loans and advances by Rs.119.10 lakhs and decrease in current liabilities by Rs.345.52 lakhs.

Financial year 2015

Our net cash generated in operating activities was Rs263.24. lakhs in financial year 2015. Our operating profit before working capital changes was Rs.281.25 lakhs in financial year 2015, which was primarily adjusted by increase in inventories by Rs.190.75 lakhs , increase in trade receivables by Rs.199.17 lakhs, decrease in long term loans and advances by Rs.130 lakhs, increase in short term loans and advances by Rs.27.09 lakhs and increase in current liabilities by Rs.399.59 lakhs.

**Investing Activities**

Financial year 2017

Net cash used in investing activities was Rs.61.41 lakhs in financial year 2017. This was primarily on account of purchase of fixed assets of Rs.61.41 lakhs.

Financial year 2016

Net cash used in investing activities was Rs.79.81 lakhs in financial year 2016. This was primarily on account of purchase of fixed assets of Rs.79.81 lakhs.

Financial year 2015

Net cash used in investing activities was Rs.105.41 lakhs in financial year 2015. This was primarily on account of purchase of fixed assets of Rs.105.41 lakhs.

**Financing Activities**

Financial year 2017

Net cash used in financing activities in financial year 2017 was Rs.108.38 lakhs. This primarily consisted of proceed from short borrowing of Rs.21.92 lakhs, repayment long term borrowings of Rs.100.69 lakhs an payment of interest of Rs.29.61 lakhs

Financial year 2016

Net cash used in financing activities in financial year 2016 was Rs.172.73 lakhs. This primarily consisted of repayment of short borrowing of Rs.43.12 lakhs, repayment of long term borrowings of Rs.75.02 lakhs and payment of interest of Rs.54.60 lakhs

Financial year 2015

Net cash used in financing activities in financial year 2015 was Rs.158.66 lakhs. This primarily consisted of proceeds from short borrowing of Rs.8.00 lakhs, repayment of long term borrowings of Rs.83.36 lakhs and payment of interest of Rs.83.29 lakhs

**Borrowings**

As on March 31, 2017, the total outstanding borrowings of our Company includes long-term borrowings of Rs.249.91 lakhs, short-term borrowings of Rs.131.74 lakhs and, current maturities of long term debt of Rs.60.52 lakhs .For further details, refer to the chapter titled, Financial Indebtedness beginning on page 188 of this Prospectus.

**Long term borrowings**

Secured Borrowings

(Amount in Rs lakhs)

| **Particulars** | **As at March 31, 2017** |
|---|---|
| Secured | |
| (a)Term Loans | |
| From Bank & Financial Institutions | 129.23 |
| (b) Vehicle loans | |
| From Bank & Financial Institutions | 16.40 |
| **Total** | **145.63** |

Unsecured Borrowings:

(Amount in Rs lakhs)

| Particulars | As at March 31, 2017 |
|---|---|
| Loans From Other Corporates | 164.80 |
| **Total** | **164.80** |

**Short term borrowings**

Secured

(Amount in Rs lakhs)

| Particulars | As at 31st March 2017 |
|---|---|
| Working capital finance from bank | 131.74 |
| **Total** | **375.15** |

**Current maturities of long term debt**

(Amount in Rs lakhs)

| **Particulars** | **As at March 31, 2017** |
|---|---|
| Current maturities of Long Term Debt | 60.52 |
| **Total** | **60.52** |

In the event, any of our lenders declare an event of default, this could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

**Related Party Transactions**

Related party transactions with certain of our promoters and directors primarily relates to remuneration payable, loans taken and Issue of Equity Shares. For further details of such related parties under AS18, see—Financial Statements beginning on page 148 of this Prospectus.

**Contingent Liabilities**

As of March 31, 2017, there are no contingent liabilities.

**Off-Balance Sheet Items**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

**Qualitative Disclosure about Market Risk**

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

**Reservations, Qualifications and Adverse Remarks**

Except as disclosed in — Financial Statements beginning on page 148, there has been no reservations, qualifications and adverse remarks.

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in― Financial Statements beginning on page 148 there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company during the period April 1, 2015 up to March 31, 2017.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last five Fiscals.

**Unusual or Infrequent Events or Transactions**

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company‘s operations or are likely to affect income from continuing operations except as described in―Risk Factors beginning on page 16 of this Prospectus.

Known Trends or Uncertainties that have had or are Expected to Have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled “Risk Factors” on page 16 and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are Known

Other than as described in ―Risk Factors‖ and this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the last three financial year’s areas explained in the part financial year 2017 compared to financial year 2016, financial year 2016 compared to financial year 2015.

**Total Turnover of Each Major Industry Segment in Which the Issuer Operates**

Our business is limited to a single reportable segment.

**Competitive Conditions**

We have competition with Indian and international manufacturers and our results of operations could be affected by competition in the packaging industry / sector in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “Risk Factors” on page 16.

**Increase in income**

Increases in our income are due to the factors described above in ―Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations and Risk Factors beginning on pages 177 and 16 respectively.

**Status of any Publicly Announced New Products or Business Segments**

Except as disclosed elsewhere in the Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

**Significant Dependence on a Single or Few Suppliers or Customers**

Significant proportion of our revenues have historically been derived from a limited number of customers The % of Contribution of our Company's customer and supplier vis a vis the total revenue from operations respectively as March 31, 2017 is as follows:

| Particulars | Customers | Suppliers |
|---|---|---|
| Top 5 (%) | 37.26% | 63.48% |
| Top 10 (%) | 56.28% | 81.43% |

**Seasonality of Business**

The nature of business is not seasonal.

**Significant Developments after March 31, 2017 that may affect our Results of Operations**

Except as set out in this Prospectus and as mentioned below, in the opinion of the Board of Directors of our Company and to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

## FINANCIAL INDEBTNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or up to such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on March 31, 2017, our Company has total outstanding secured borrowings from banks and financial institutions aggregating to Rs. 422.18 lakhs

Set forth below is a brief summary of our aggregate borrowings from banks on a consolidated basis.

| Category of Borrowing | Sanctioned Amount (in lakhs ) | Outstanding Amount (in lakhs) |
|---|---|---|
| **Borrowings** | | |
| Indian Overseas Bank | 570.00* | 260.97 |

*Borrowing from Indian Overseas Bank in terms of sanction letter dated April 23, 2013 for term loan for buying machineries, cash credit and letter of guarantee which has been duly renewed from time to time and latest sanction letter issued by Indian Overseas Bank on March 4, 2017.
(1)

| Sr. No. | Nature of Facilities | Total | Rate of Interest in % |
|---|---|---|---|
| 1 | Cash Credit (including sub limit of Packing Credit LC (90 days) and Bills FDDBP/ FDUBD under LC/ Non LC (90 days) | 155.00 | One Year MCLR plus 2.50% (8.65% + 2.50%) |
| 2 | Term Loan | 345.00 | One Year MCLR plus 2.50% (8.65% + 2.50%) |
| 3. | Letter of Credit | 70.00 | As per circular in force |

**Principal terms of the borrowings availed by us from banks and financial institutions:**

**Tenor:** The tenor of the term loans availed by our Company is 75 months while cash credit facility and letter of guarantee are subject to renewal every year.

**Security:** In terms of our borrowings where security needs to be created, our Company has created following security:

*Personal Guarantees*

a. Ajay Sardhara
b. Bhavesh Barsiya
c. Chunibhai Sardhara

*Primary Security:* First Charge on entire current assets of the firm, present and future; hypothecation of plant and machineries and other fixed assets purchased and to be purchased from term loan and counter indemnity of the firm

*Collateral Security*: Registered Mortagage of Factory Land and Building situated at Plot No. 1-5, Survey No. 92/1, Hadmatala Industrial Zone, National Highway 8B, Rajkot.

**Re-payment:**

The cash credit facilities are repayable on demand, while term loan is repayable by way of 75 monthly installments.

**Restrictive Covenants:**

Borrowing arrangements entered into by our Company contain standard events of default, including:

Without prior consent of the aforesaid banks, our Company:

1. Effect any change in their capital structure which may affect Banks' interest adversely.
2. Formulate any scheme of Amalgamation or Reconstruction
3. Undertake any new project or expansion or modernization scheme or make any capital expenditure other than those estimated/ projected in the CMA data.

**Inter Corporate Deposits**

*(Rs. in lakhs)*

| Particulars | Amount Outstanding | Interest | Purpose |
|---|---|---|---|
| Bhumidev Credit Corporation Ltd. | 75.00 | 9.00 p.a. | Working Capital |
| GSD Trading and Financial Services Pvt Ltd | 89.80 | 9.00 p.a. | Working Capital |

**Auto Loan**

*1. Sanctioned by ICICI Bank*

*(Rs. in lakhs)*

| | |
|---|---|
| Sanctioned Amount | 14.99 |
| Interest p.a. | 8.50% |
| Security | Toyota Innova |
| Purpose | Purchase of Toyota Innova |
| Repayment | 36 Months |
| Outstanding Amount as on March 31, 2017 | 14.99 |

*2. Sanctioned by ICICI Bank**

*(Rs. in lakhs)*

| | |
|---|---|
| Sanctioned Amount | 5.75 |
| Interest p.a. | 11.01% |
| Security | Hyundai Xcent |
| Purpose | Purchase of Hyundai Xcent |
| Repayment | 36 Months |
| Outstanding Amount as on March 31, 2017 | 1.42 |

**The above mentioned Loan has been repaid as on the date of Prospectus*

## SECTION VI- LEGAL AND OTHER INFORMATION
## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT

Except, as stated in this section and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil 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 (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, Subsidiaries or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on August 3, 2017 determined that outstanding dues to creditors in excess of Rs. 5.00 lakhs as per last audited financial statements shall be considered as material dues ("Material Dues").

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered 'material' for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds 5.00 lakhs as determined by our Board, in its meeting held on August 3, 2017.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered 'material' only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to contrary, the information provided is as of date of this Prospectus/ Red Herring Prospectus.

# LITIGATIONS INVOLVING OUR COMPANY

## LITIGATIONS AGAINST OUR COMPANY

### Criminal Litigations

Nil

### Civil Proceedings

Nil

### Taxation Matters

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Proceedings against Our Company for economic offences/securities laws/ or any other law**

Nil

**Penalties in Last Five Years**

Nil

**Pending Notices against our Company**

Nil

**Past Notices to our Company**

Nil

**Disciplinary Actions taken by SEBI or stock exchanges against Our Company**

Nil

**Defaults including non-payment or statutory dues to banks or financial institutions**

Nil

**Details of material frauds against the Company in last five years and action taken by the Companies**

Nil

**LITIGATIONS FILED BY OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law**

Nil

## LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY

**LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

1. **INCOME TAX PROCEEDINGS OF RAMESH M PATEL FOR AY 2012-13**

   Income Tax Department's website under the head 'Response to Outstanding Tax Demand' for Ramesh M Patel displays (hereinafter referred to as the "**Assessee**") outstanding demand dated January 28, 2016 and March 23, 2016 under Section 245 of the Income Tax Act, 1961 amounting to **Rs. 9,160/-**. The Assessee has submitted response to outstanding demand dated July 30, 2016 and March 14, 2016. According to the Assessee the demand is raised due to no credit of TDS in Form 26 AS. The demand is currently outstanding.

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Directors**

Nil

**Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law**

Nil

**Directors on list of wilful defaulters of RBI**

Nil

**LITIGATIONSFILED BY DIRECTOR/S OF OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

## LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY

**LITIGATIONS AGAINST OUR PROMOTER/S**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Promoters**

Nil

**Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years**

Nil

**Penalties in Last Five Years**

Nil

**Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past.**

Nil

**Adverse finding against Promoter for violation of Securities laws or any other laws**

Nil

**LITIGATIONSFILED BY OUR PROMOTER/S**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

## LITIGATIONS INVOLVING OUR GROUP COMPANIES

**LITIGATIONS AGAINST OUR GROUP COMPANIES**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Group Companies**

Nil

**Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies**

Nil

**Adverse finding against Group Companies for violation of Securities laws or any other laws**

Nil

**LITIGATIONSFILED BY OUR GROUP COMPANIES**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

## LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES

**AS ON DATE OF THIS PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY SUBSIDIARY**

**OTHER MATTERS**

Nil

**DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES**

Nil

**OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHO'S OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

Nil

**MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter — "Management Discussion and Analysis of Financial Condition and Result of Operation" on page 177 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

As of March 31, 2017, our Company had 108 creditors, to whom a total amount of Rs. 278.83 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated August 3, 2017, considered creditors to whom the amount due exceeds Rs. 5.00 lakhs as per our Company's restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

| Creditors | Amount (Rs. in Lakhs) |
|---|---|
| Balaji Steel | 101.80 |
| Advance Technoforge Pvt. Ltd. | 24.12 |

| Creditors | Amount (Rs. in Lakhs) |
|---|---|
| Vallabh Ispat | 17.87 |
| RSK Industries Pvt. Ltd. | 17.61 |
| Godson Cement Pvt. Ltd | 13.13 |
| Helios Industries | 11.44 |
| Shiv Om Trading Co. | 9.32 |
| Narayani Steels Limited | 8.38 |
| Amar Steel | 8.13 |
| Phoenix Special Steels | 6.75 |
| Chandra Tecnocast | 5.57 |

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see website of our Company www.tirupatiforge.com.

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company‘s website, www.tirupatiforge.com, would be doing so at their own risk.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business manufacturing Forged products and Flanges, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer chapter "*Key Industry Regulations and Policies"* on page 115 of this Prospectus.

The Company has its business located at:

**Registered Office and Manufacturing Unit:** Plot No. 1-5, Survey No.92/1, Near Shan Cement, Hadamtala Industrial Area, Taluka Kotada, Sangani Hadamtala, Rajkot - 360 311, Gujarat, India.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### APPROVALS FOR THE ISSUE

#### Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on June 30, 2017, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on July 31, 2017 authorized the Issue.

#### In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated September 20, 2017.

#### Agreements with NSDL and CDSL

1. The Company has entered into an agreement with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is, Link Intime India Pvt. Ltd. for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Link Intime India Pvt. Ltd. for the dematerialization of its shares.
3. The Company's International Securities Identification Number ("ISIN") is INE319Y01016.

### INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated August 17, 2012 issued by the Registrar of Companies, Gujarat, in the name of "TIRUPATI FORGE PRIVATE LIMITED".
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on August 11, 2017 by the Registrar of Companies, Gujarat in the name of "TIRUPATI FORGE LIMITED".
3. The Corporate Identification Number (CIN) of the Company is U27320GJ2012PLC071594.

### APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

| Sr. No. | Description | Authority | Registration No./ Reference No./ License No. | Date of Issue | Date of Expiry |
|---|---|---|---|---|---|
| 1 | Certificate of Importer-Exporter Code (IEC) | Foreign Trade Development Officer, Directorate General of Foreign Trade (DGFT) | 2412009198 | November 12, 2012 | NA |
| 2 | Udyog Aadhar Memorandum | Ministry of Micro, Small and Medium Enterprise, Government of India | GJ20B0008991 | August 19, 2013 | NA |
| 3 | License to work a Factory | Joint Director, Industrial Safety and Health , Rajkot Region, Directorate Industrial Safety & Health, Gujarat State | 3082/27109/2013 License no. 29315 FIN: R17029315A | April 4, 2017 D.A.: August 6, 2013 | December 31, 2018 |
| 4 | Certificate of Recognition-Export House (under Foreign Trade Policy 2015-2020) | Deputy Director General of Foreign Trade, Development Commissioner (SEZ), Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India | 240115000028 A/5289 | March 11, 2016 Valid from: February 10, 2016 | February 9, 2021 |

**TAX RELATED APPROVALS/LICENSES/REGISTRATIONS**

| Sr. No. | Authorisation granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---|---|---|---|---|---|
| 1 | Permanent Account Number (PAN) | Income Tax Department, Government of India | AAECT3591Q | August 17, 2012 | Perpetual |
| 2 | Tax Deduction Account Number (TAN) | Income Tax Department through National Securities Depository Limited, Government of India | RKTTO1199C | March 16, 2013 | Perpetual |
| 3 | Goods and Service Tax Identification Number (GSTIN) | Government of India | 24AAECT3591Q1ZQ | June 25, 2017 | Perpetual |
| 3 | Certificate of Registration | Commercial Taxes Department, | 24092502722 | December 6, 2012 | NA |

| Sr. No. | Authorisation granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---|---|---|---|---|---|
| | (under Gujarat Value Added Tax Act, 2003 read with Rule 6 of the Gujarat Value Added Tax Rules, 2006 | Government of Gujarat | | Effective from: November 23, 2012 | |
| 4 | Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994) | Superintendent, through Central Board of Excise and Customs, , Ministry of Finance, Department of Revenue | AAECT3591QSD001 | January 7, 2013 | NA |
| 5 | Certificate of Registration Central Sales Tax (Under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957) | Commercial Tax Department, Government of Gujarat | 24592502722 | December 6, 2012<br><br>Valid from: November 23, 2012 | until cancelled. |
| 6 | Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002) | Assistant Commissioner of Central Excise, Rajkot through Central Board of Excise and Customs under Ministry of Finance-Department of Revenue | AAECT3591QEM001 | Original RC: January 2, 2013 | Valid until registrant carries on the activity for which it is issued or surrendered, revoked or suspended. |
| 7 | Professional Tax Enrolment Certificate (PTEC) (under Section 5 (1)/ Section 5 (4) of Gujarat State Tax on Profession, Trades and Calling, Act, 1976) | Gujarat Profession, Business and Employment Tax Rules, 1976 | EC0906410012 | April 17, 2014 | Perpetual |
| 8 | Professional Tax Registration Certificate (PTRC) (under Section 5 (1)/ Section 5 (4) | Gujarat Profession, Business and Employment Tax Rules, 1976 | RC0906410013 | April 17, 2014 | Perpetual |

| Sr. No. | Authorisation granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---|---|---|---|---|---|
| | of Gujarat State Tax on Profession, Trades and Calling, Act, 1976) | | | | |

**LABOUR RELATED APPROVALS/REGISTRATIONS**

| Sr. No. | Description | Authority | Registration No./Reference No./License No. | Date of Issue |
|---|---|---|---|---|
| 1. | Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952) | Employees Provident Fund Organisation, Gujarat. | GJ/RAJ/0078947/000/0-1/IW/85 | May 1, 2014 and May 5, 2014 |

**ENVIRONMENT RELATED LICENSES /APPROVALS/ REGISTRATIONS**

*Note: The Gujarat Pollution Control Board has exempted certain industrial units from taking NOC. List is available at following link: http://gpcb.gov.in/industries-exempted.htm. Our company is falling in the list mentioning 'Induction furnaces', as it is used in our manufacturing unit.*

**OTHER BUSINESS RELATED APPROVALS**

| Sr. No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| 1 | Certificate of Management System for manufacture and supply of Forged and Machined Components in compliance with ISO 9001:2008 | TUV NORD CERT | 44 100 135140 | Initial certification: October 3, 2013 Date of Issue: October 15, 2016 Valid from October 15, 2016 | Valid until September 14, 2018 (Until October 2, 2019 in case of transition to ISO 9001-2015) |
| 2 | Certificate of Quality Assurance System for Material Manufacturer acc to Pressure Equipment Directive 97/23/EC | TUV NORD Systems GmbH & Co. KG | 07 -202-1409 WZ-2118/16 | May 17, 2016 | May 2019 |
| 3 | Certificate of Verification and Recognition as Material Manufacturer in compliance with | TUV NORD Systems GmbH & Co. KG | 07-203-1409-WP-2118/16 | May 17, 2016 | May 2019 |

| Sr. No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| | AD 2000-Merkblatt W0 (Annex : SEI-927/16/811 381 7085: Scope of Approval) | | | | |
| 4 | Award for Export Excellence | EEPC India, 32nd Export Awards, Western Region | NA | May 20, 2017 | NA |

**INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS**

**TRADEMARKS**

| Sr. No. | Trademark | Trade mark Type | Class | Applicant | Application No. | Date of Application | Validity/ Renewal | Registration status |
|---|---|---|---|---|---|---|---|---|
| 1. | Tirupati Forge Pvt. Ltd. | Device | 6 | Tirupati Forge Private Limited | 2563170 | July 11, 2013 | July 11, 2023 | Registered |

**Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.**

**PENDING APPROVALS:**

Nil

**MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY**

1. Company is yet to apply for change of name of all the approvals from "Tirupati Forge Private Limited" to "Tirupati Forge Limited".

## OTHER REGULATORY AND STATUTORY DISCLOUSRES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on June 30, 2017 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1) (c) of the Companies Act, 2013 passed at the EGM of our Company held on July 31, 2017 at registered office of the Company.

### PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither Company, nor our Directors, our Promoters or the relatives (as defined under the Companies Act) of Promoters, our Promoter Group, and our Group Companies have been declared as willful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group, Directors or Group Companies have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

Neither our Promoters, nor any of our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control of any other company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

### ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital is not more than ten crore and we shall hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "EMERGE Platform of the National Stock Exchange of India Limited")

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred per cent underwritten and that the Lead Manager to the Issue will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "*General Information*" beginning on page 59 of this Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our 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 SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits 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.

4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the arrangement of market making please refer to the chapter titled "*General Information"* beginning on page 59 of this Prospectus.
5. The Company has track record of 3 Years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and
6. Net worth of the Company is positive.
7. The Company has not been referred to Board for Industrial and Financial Reconstruction.
8. No petition for winding up is admitted by a court of competent jurisdiction against the Company.
9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
10. The Company has a website www.tirupatiforge.com

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.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 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 us in this Issue.

## DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN 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 THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE 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, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, SHALL FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 AFTER FILING OF PROSPECTUS WITH ROC AND BEFORE OPENING OF ISSUE.**

**"WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:**

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT 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 DRAFT PROSPECTUS FILED WITH THE EXCHANGE / 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 DRAFT 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 COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, 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 DRAFT 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. - NOTED FOR COMPLIANCE**
5. **WE CERTIFY THAT WRITTEN CONSENTS FROM PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF HIS 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 PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT 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 DRAFT 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. – NOT APPLICABLE**

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. – COMPLIED TO THE EXTENT APPLICABLE**

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 DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013 EQUITY SHARES IN THE ISSUE WILL BE ISSUED IN DEMATERIALISED FORM ONLY.**

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 DRAFT 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 COMPLIANCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF 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 DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. – NOTED FOR COMPLIANCE**

16. **WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN "ANNEXURE A"**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."- *COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT 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 DRAFT 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 DRAFT 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 DRAFT PROSPECTUS.**

**(6) WE CONFIRM THAT UNDERWRITING 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.**

**(7) WE CONFIRM THAT 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, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and 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 Lead Manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Himachal Pradesh, in terms of Section 26, 30, 32 and 33 of the Companies Act, 2013.

## DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.tirupatiforge.com would be doing so at his or her own risk.

**Caution**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated September 2, 2017, the Underwriting Agreement dated September 2, 2017, entered into among the Underwriter and our Company and the Market Making Agreement dated September 2, 2017, entered into among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available 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 or at collection centres, etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

**Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager 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 Equity Shares.**

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s. Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer "Annexure A" to this Prospectus and the website of the Lead Manager at www.pantomathgroup.com

## DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are 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 Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase 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 him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai 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, except that the Prospectus has been filed with EMERGE Platform of the National Stock Exchange of India Limited for its observations and NSE will give its observations in due course. 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 since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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.

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, legislations and Prospectus in each jurisdiction, including India.

## DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

"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 dated September 20, 2017 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 this 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 promoters, 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."

## FILING

The Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 106(M) (3). However, a copy of the Prospectus will be filed with SEBI at SEBI Regional Office, Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad, Gujarat 380009. A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the RoC situated at ROC Bhavan , Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013.

## LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in principle approval from EMERGE Platform of the National Stock Exchange of India Limited. However application has made to the EMERGE Platform of the National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. EMERGE Platform of the National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The EMERGE Platform of the National Stock Exchange of India Limited has given its in-principal approval for using its name in our Prospectus and Prospectus vide its letter NSE/LIST/20010 dated September 20, 2017

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the EMERGE Platform of the National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 working days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of the National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date

## CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, the Statutory Auditor, the Peer Reviewed Auditor, the Banker(s) to the Company; and (b) Lead Manager, Underwriters, Market Maker, Registrar to the Issue, Public Issue Banker/ Refund Banker, Legal Advisor to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Prospectus/ Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Peer Reviewed Auditor have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

## EXPERT TO THE ISSUE

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

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
- Report of the Peer Reviewed Auditor on the Restated Financial Statements for the financial year ended on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.

## EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter "*Objects of the Issue*" beginning on page 82 of this Prospectus.

## DETAILS OF FEES PAYABLE

**Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

**Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated August 28, 2017 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

**Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Offer is as set out in the Underwriting Agreement to entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2014

## PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

## PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled *"Capital Structure"* beginning on page 66 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

## PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

None of the equity shares of our Group Companies are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

## PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

## OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on August 3, 2017. For further details, please refer to the chapter titled "*Our Management*" beginning on page 131 of this Prospectus.

Our Company has appointed Banashri Joshi as Company Secretary and Compliance Officer and she may be contacted at the following address:

Banashri Joshi
**Tirupati Forge Limited**
Plot No. 1-5, Survey No. 92/1,
Near Shan Cement, Hadamtala Industrial Area,
Tal: Kotda Sangani Hadamtala Rajkot, Gujarat
**Tel**: 02827-209512
**Fax**: Not Available
**Email**: info@tirupatiforge.com
**Website**: www.tirupatiforge.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc*.

## CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

There has been no change in auditors of the Company during the last three financial years

## CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 66 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

## REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

## PURCHASE OF PROPERTY

Other than as disclosed in this 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 Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

## SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## SECTION VII- ISSUE INFORMATION
## TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, 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 FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 1, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

### RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 268 of this Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders 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 dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled *"Dividend Policy"* on page 147 of this Draft Red Herring Prospectus.

### FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 29/- per Equity Share.

The Price will be decided by our Company in consultation with the LM and advertised in all edition of the English national newspaper, all edition of the Hindi national newspaper and the Regional newspaper, each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites.

At any given point of time there shall be only one denomination of Equity Shares.

### COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all 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;
- Right to receive issue 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 law, 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, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 268 of this Prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is 4,000 Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 4,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 4,000 Equity Share subject to a minimum allotment of 4,000 Equity Shares to the successful applicants.

## MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, 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 issued or sold within the United States or 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, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the**

**jurisdiction where those issues 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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

## NOMINATION FACILITY TO BIDDERS

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, 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 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 the prescribed manner, 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/transfer/alienation 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 our Registered Office or to the registrar and transfer agents of our Company

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or

b. 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.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Prospectus with Stock Exchange.

## BID/ ISSUE OPENING DATE

| | |
|---|---|
| Bid / Issue Opening Date | Friday, September 29, 2017 |
| Bid / Issue Closing Date | Wednesday, October 4, 2017 |

The above timetable is indicative and does not constitute any obligation on our Company, and the LM. Whilst our Company 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 Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue 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.

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids 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 Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Prospectus is Indian Standard Time.

Our Company in consultation with the LM, reserves the right to revise the Price during the Bid/ Issue Period.

**In case of revision of the Price, the Bid/Issue Period will be extended for at least three additional working days after revision of Price subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Lead Manager and at the terminals of the Syndicate Member.**

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

## MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not be 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 issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight 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 the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

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.1,00,000/- (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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of NSE from SME Exchange on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, 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 Promoter 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), our Company shall apply to NSE for listing of its 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 our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter 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.*

## MARKET MAKING

The shares issued and transferred through this Issue are proposed to be listed on the EMERGE Platform of NSE with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on NSE EMERGE. For further details of the market making arrangement please refer to chapter titled *"General Information"* beginning on page 59 of this Prospectus.

## ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 4,000 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 NSE EMERGE.

## AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

## OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

## NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

## RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 66 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 268 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications 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..

## ISSUE STRUCUTRE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, our post issue face value capital exceeds three crore rupees but does not exceed ten crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 212 and 221 of this Prospectus.

**Following is the issue structure:**

Initial Public Issue of 18,00,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 29/- (including a premium of Rs. 19/- aggregating to Rs. 29/-. The Issue comprises a Net Issue to the public of up to 17,08,000 Equity Shares (the "Net Issue"). The Issue and Net Issue will constitute 30.96% and 29.38% of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of up to 92,000 Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

| Particulars | Net issue to Public* | Market Maker Reservation Portion |
|---|---|---|
| **Number of Equity Shares** | 18,00,000 Equity Shares | 92,000 Equity Shares |
| **Percentage of Issue Size available for allocation** | 94.89% of Issue Size | 5.11% of Issue Size |
| **Basis of Allotment / Allocation if respective category is oversubscribed** | Proportionate subject to minimum allotment of 4,000 equity shares and further allotment in multiples of 4,000 equity shares each. For further details please refer to the section titled *"Issue Procedure"* beginning *on* page 212 of the Prospectus | Firm allotment |
| **Mode of Bid cum Application** | All Applicants/Bidders shall make the application (Online or Physical through ASBA Process only) | Through ASBA Process only |
| **Minimum Bid Size** | ***For QIB and NII***<br>Such number of Equity Shares in multiples of 4,000 Equity Shares such that the Application size exceeds Rs 2,00,000<br>***For Retail Individuals***<br>4,000 Equity shares | 4,000 Equity Shares of Face Value of Rs. 10 each |
| **Maximum Bid Size** | ***For Other than Retail Individual Investors:***<br>For all other investors the maximum application size is the Net Issue to public subject to limits as the investor has to adhere under the relevant laws and regulations as applicable.<br>***For Retail Individuals:***<br>4,000 Equity Shares | 4,000 Equity Shares of Face Value of Rs 10 each |
| **Mode of Allotment** | Compulsorily in Dematerialised mode | Compulsorily in Dematerialised mode |
| **Trading Lot** | 4,000 Equity Shares | 4,000 Equity Shares, however the Market Maker may accept odd lots if any in the market |

| Particulars | Net issue to Public* | Market Maker Reservation Portion |
|---|---|---|
| | | as required under the SEBI ICDR Regulations |
| **Terms of payment** | The entire Bid Amount will be payable at the time of submission of the Bid Form | |

*allocation in the net offer to public category shall be made as follows:

(a) minimum fifty per cent. to retail individual investors; and

(b) remaining to:

(i) individual applicants other than retail individual investors; and

(ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

(c) the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

For the purpose of sub-regulation 43 (4), *if the retail individual investor category is entitled to more than fifty per cent. on proportionate basis, the retail individual investors shall be allocated that higher percentage.*

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## BID/ ISSUE OPENING DATE

| | |
|---|---|
| Bid / Issue Opening Date | Friday, September 29, 2017 |
| Bid / Issue Closing Date | Wednesday, October 4, 2017 |

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that

on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., all trading days of stock exchanges excluding Sundays and bank holidays.

## ISSUE 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 (the "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, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. 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 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*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 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. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. 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 Prospectus and the 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.*

### FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) 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 Application Collecting Intermediaries. In case of QIB Applicants, the 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 the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form.

Further the Equity shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

### APPLICATION FORM

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA Mode. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

| Category | Colour of Application Form |
|---|---|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis | White |
| Eligible NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals | Blue |

| Category | Colour of Application Form |
|---|---|
| bidding under the QIB Portion), applying on a repatriation basis (ASBA ) | |

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

*i)* an SCSB, with whom the bank account to be blocked, is maintained

*ii)* a syndicate member (or sub-syndicate member)

*iii)* a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')

*iv)* a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*v)* 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)

*vi)* Closure time of the Stock Exchange bidding platform for entry of applications.

*vii)* Applications not uploaded by bank, would be rejected.

*viii)* In case of discrepancy in the data entered in the electronic book viz. a viz. the data contained in the physical bid form, for a particular bidder, the details as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

*ix)* Standardization of cut-off time for uploading of application on the issue closing date.

*x)* A standard cut-off time of 3.00 PM for acceptance of applications.

*xi)* A standard cut-off time of 4.00 PM for uploading of applications received from non retail applicants i.e. QIBs, HNIs and employees (if any).

*xii)* A standard cut-off time of 5.00 PM for uploading of applications received from only retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by LM to the Exchange within half an hour of such closure

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.

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(s) 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 stock exchange(s). 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. |

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the 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, Registered Office of the Lead Manager to the Issue and Registered office of the Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com.

## WHO CAN APPLY?

In addition to the category of Applicants set forth under "***General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue***", 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 corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.

## OPTION TO SUBSCRIBE IN THE ISSUE

a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.

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 specified securities that can be held by him / her / it under the relevant regulations / statutory guidelines and applicable law.

## PARTICIPATION BY ASSOCIATED / AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

## APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depositary), foreign nationals, non residents (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 (HUF), 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 may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

## APPLICATIONS BY ELIGIBLE NRI'S / RFPI's ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the 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 for 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 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. 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 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'(IFCs) by the Reserve Bank of India; (l) 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 these regulations, holds 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 for 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:
        i. Any transactions in derivatives on a recognized stock exchange;
        ii. Short selling transactions in accordance with the framework specified by the Board;
        iii. 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;

iv. 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 for Disinvestment of Shares by 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 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;

viii. Any other transaction specified by the 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 regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

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.

4. 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.

5. 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.

6. 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.

7. 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 derivative 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 (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

A FII or its subaccount which holds a valid certificate of registration shall, subject to 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.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

## APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in 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 Applications made by the 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 Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

## APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *Equity shares of a company:* The least 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;
2. *The entire group of the investee company:* not more than 15% of the respective funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. *The industry sector in which the investee company operates:* not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

## APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 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 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.

With respect to 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, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate 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.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority 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.

In case of Applications made pursuant to a power of attorney by FIIs, 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 their SEBI registration certificate 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.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, 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, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

## APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, 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, the 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 Lead Manager 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 any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

## INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue 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 one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
3. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
5. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
6. The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary 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.
7. 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 participants 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 Issue will be made into the accounts of such Applicants.

8. 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 by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

## METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications during the Issue Period only through the following Application Collecting intermediary
   i) an SCSB, with whom the bank account to be blocked, is maintained
   ii) a syndicate member (or sub-syndicate member), if any
   iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
   iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
   v) 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 Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.

The Applicant cannot apply on another Application Form after one Application Form has been submitted to Application Collecting intermediaries Submission of a second Application Form to either the same or to another Application Collecting Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.

2. The 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.

3. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below

| | |
|---|---|
| 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(s) 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 stock exchange(s). 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. |

4. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the

Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.

5. 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 ASBA Applicant on request.
6. 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 withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is 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 case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## APPLICATIONS BY BANKING COMPANIES

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Circular dated July 1, 2015 – Para-banking Activities, 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.

## APPLICATIONS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

## ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant

## TERMS OF PAYMENT

### Terms of Payment

The entire Issue price of Rs. 29/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Registrar to the Issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account post finalisation of Basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants 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, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

**Payment mechanism for Applicants**

The Applicants shall specify the bank account number in the 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 finalisation 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 Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

## ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
2. The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m of the next Working day from the Issue Closing Date.
3. The Application collecting Intermediary shall be responsible for any acts, mistakes or errors or omission 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 them or (iv) In case the applications accepted and uploaded by any Application Collecting 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 re will be responsible for blocking the necessary amounts in the ASBA Accounts (v) Application accepted and uploaded but not sent to SCSBs for blocking of funds.
4. Neither the Lead Managers nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Application Collecting Intermediaries can 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 Issue Closing Date, the Application Collecting

Intermediaries shall 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 Application Collecting Intermediaries shall 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;
   - Numbers of Equity Shares Applied for;
   - Bank account number.

7. 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 Application Form number which shall be system generated.

8. 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. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

9. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Application Collecting Intermediaries shall have no right to reject applications, except on technical grounds.

11. 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.

12. The Application Collecting Intermediaries will be given time till 1.00 P.M on the next working day after the Issue Closing Date to verify the PAN No, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue 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.

13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

## ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 92,000 Equity Shares shall be reserved for Market Maker. 8,54,000 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 Issue Price. The balance of the Net Issue will be available for allocation on a 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 OFIs, 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 the 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 Issue.

## SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

a) Our Company has entered into an Underwriting agreement dated September 2, 2017

b) A copy of the Prospectus will be filed with the RoC in terms of Section 26 of the Companies Act.

## PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue 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.

## 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 Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

## 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 Depository Participant and 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 your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- 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 you have requested for and receive a acknowledgement;
- All applicants should submit their applications through the ASBA process only.

- Investors shall note that persons banned from accessing capital market are ineligible of investing in the offer.

***Dont's:***

- Do not apply for lower than the minimum Application size;
- Do not apply at 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 Banker to of the Issue.
- 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 same to the Application Collecting Intermediaries. Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue 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
- Do not submit more than five Application Forms per ASBA Account.

Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

**Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Application Collecting Intermediaries. Application Forms, which do not bear the stamp of the Application Collecting Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker ('broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e. www.nseindia.com With a view to broadbase the reach of Investors by substantialy enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e. www.nseindia.com.

**Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN Nos, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of

the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

## SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Application Collecting 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.

## COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

## DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at EMERGE Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 4 (four) and 6 (Six) days respectively of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

## 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 for action under Section 447."*

## UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed on sixth working day from issue closure date;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
4. That our Promoter's 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 refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.

## UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Lead manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

## EQUITY SHARES IN DEMATERIALSED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a. Agreement dated among NSDL, the Company and the Registrar to the Issue;

b. Agreement dated among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no **INE319Y01016** .

## 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. Bidders/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 Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the 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 Fixed Price Issues. 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").**

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 the 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 specified securities in accordance with provisions of this Chapter.

The present Issue is 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 the SEBI (ICDR) Regulations, 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 the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded 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) Regulations, 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 Regulations, 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 company should have track record of at least 3 years

(f) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive

(g) The post issue paid up capital of the company (face value) shall not be more than Rs. 25 Crore.

(h) The Issuer shall mandatorily facilitate trading in demat securities.

(i) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.

(j) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.

(k) 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.

(l) The Company should have a website.

(m) There has been no change in the promoter of the Company in the one year preceding the date of filing application to NSE for listing on EMERGE segment.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB 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) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), 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 Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M(2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds Rs. 1,000 lakhs but does not exceed Rs 2,500 lakhs. Company also complies with the eligibility conditions laid by the EMERGE 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 the 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 shall 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(s).

## 2.5 MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of NSE from NSE EMERGE on a later date subject to the following:

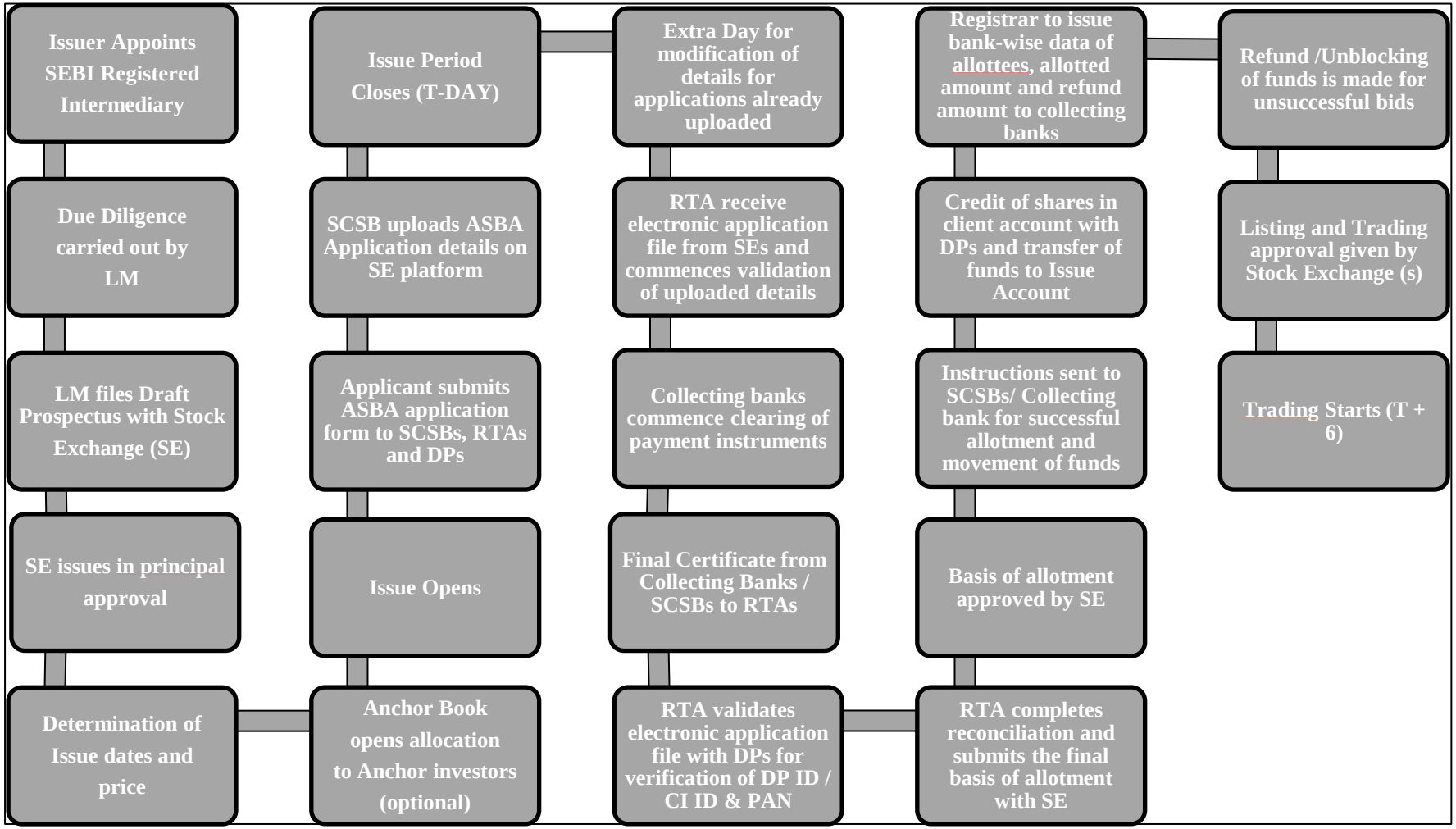
a. *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter 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), our Company shall apply to NSE for listing of its 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*

b. *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter 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.*

## 2.1 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues 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, FPIs and FVCIs may not be allowed to apply in the Issue 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:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. 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 would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. 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;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

## SECTION 4: APPLYING IN THE ISSUE

**Fixed Price Issue:** Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available Designated Branches of the SCSBs, at the registered office of the Issuer and at the registered office of 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 colour of the Application Form for various categories of Applicants is as follows:

| Category | Colour of the Application |
|---|---|
| Resident Indian, Eligible NRIs applying on a non-repatriation basis | White |
| NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis | Blue |
| Anchor Investors (where applicable) & Applicants applying in the reserved category | Not Applicable |

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 THE 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 the 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 R

**COMMON APPLICATION FORM**

**TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - R**

Reg Office: 1-5, Survey No. 92/1, Near Shan Cement, Hadamtala Industrial Estate, Rajkot, Tel. No.: 02827-270512/13; Fax No.: NA; E-mail: info@tirupatiforge.com Website: www.tirupatiforge.com CIN NO: U27320GJ2012PLC071594

**FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS**

TEAR HERE

Tirupati Forge Ltd.

To,
The Board of Directors
TIRUPATI FORGE LIMITED

FIXED PRICE SME ISSUE
ISIN – INE

Date : _____

Application Form No.

| BROKER'S / SCSB / DP / RTA STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE |
|---|---|
| | |
| **SCSB / BANK BRANCH STAMP & CODE** | **SCSB / BANK BRANCH SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT**

Mr. / Ms. _____ Age _____

Address _____

Email _____

Tel. No (with STD code) / Mobile _____

**2. PAN OF SOLE/FIRST APPLICANT**

**3. INVESTOR'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. APPLICATION DETAILS**

No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share [1 & 2]

(In Figures) _____ (In Words) _____

[1] Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.
[2] Please note that the trading of equity shares will be only in dematerialised mode on the NSE Emerge Platform.

**5. CATEGORY**

☐ **Retail Individual**
☐ **Non-Institutional**
☐ **QIB**

**6. INVESTOR STATUS**

| | |
|---|---|
| ☐ Individual(s) | - IND |
| ☐ Non- Resident Indians (Non- Repatriation Basis) | - NRI |
| ☐ Hindu Undivided Family* | - HUF |
| ☐ Bodies Corporate | - CO |
| ☐ Banks & Financial Institutions | - FI |
| ☐ Mutual Funds | - MF |
| ☐ National Investment Funds | - 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)

PLEASE FILL IN BLOCK LETTERS

**7. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment**

Amount Blocked (₹ 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 APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR 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 APPLICATION FORM GIVEN OVERLEAF.

**8 A. SIGNATURE OF SOLE / FIRST APPLICANT**

Date: ....., 2017

**8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)**

I/We authorize 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 Application in Stock Exchange System)**

TEAR HERE

Tirupati Forge Ltd.

**TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - R** | **Acknowledgement Slip for Broker / SCSB / DP / RTA**

Application Form No.

DPID / CLID _____ PAN _____

Received from Mr./Ms. _____

Address _____

Telephone/Mobile _____ E-mail _____

No. of Equity Shares applied for _____
in Figures _____
in words _____
Amount Blocked (₹ in figures) _____

SCSB Branch Stamp & Signature

ASBA Bank A/c No. _____ Name of Bank & Branch _____

TEAR HERE

**TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - R**

| | In Figures | In Words |
|---|---|---|
| No.of Equity Shares | | |
| Amount Blocked (₹) | | |

**Stamp & Signature of Broker / SCSB / DP / RTA**

**Name of Sole / First Applicant**

**Acknowledgement Slip for Applicant**

ASBA Bank A/c No.: _____

Bank & Branch: _____

Application Form No.

**TIRUPATI FORGE LIMITED** 1

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www.sapprints.com

## NR Application Form

**COMMON APPLICATION FORM**

**TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - NR**
Reg Office: 1-5, Survey No. 92/1, Near Shan Cement, Hadamtala Industrial Estate, Rajkot, Tel. No.: 02827-270512/13; Fax No.: NA; E-mail: info@tirupatiforge.com
Website: www.tirupatiforge.com CIN NO: U27320GJ2012PLC071594

**FOR NON-RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCIs ETC. APPLYING ON A REPATRIATION BASIS**

TEAR HERE

Tirupati Forge Ltd.

To,
The Board of Directors
TIRUPATI FORGE LIMITED

FIXED PRICE SME ISSUE
ISIN – INE

Date : _____

Application Form No.

| BROKER'S / SCSB / DP / RTA STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE |
|---|---|
| | |
| **SCSB / BANK BRANCH STAMP & CODE** | **SCSB / BANK BRANCH SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT**

Mr. / Ms. _____ Age _____

Address _____

Email _____

Tel. No (with STD code) / Mobile _____

**2. PAN OF SOLE/FIRST APPLICANT**

**3. INVESTOR'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. APPLICATION DETAILS**

No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share [1 & 2]

(In Figures) _____ (In Words) _____

[1] Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.
[2] Please note that the trading of equity shares will be only in dematerialised mode on the NSE Emerge Platform.

**5. CATEGORY**

☐ **Retail Individual**
☐ **Non-Institutional**
☐ **QIB**

**6. INVESTOR STATUS**

| | | |
|---|---|---|
| ☐ | Non-Resident Indians (Repatriation basis) | NRI |
| ☐ | FII or Sub Account not a Corporate / Foreign Individual | FII |
| ☐ | FII Sub Account Corporate/ Individual | FII SA |
| ☐ | Foreign Venture Capital Investor | FVCI |
| ☐ | Foreign Portfolio Investors | FPI |
| ☐ | Others (Please Specify) _____ | OTH |

PLEASE FILL IN BLOCK LETTERS

**7. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment**

Amount Blocked (₹ 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 APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR 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 APPLICATION FORM GIVEN OVERLEAF.

**8 A. SIGNATURE OF SOLE / FIRST APPLICANT**

Date: ....., 2017

**8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)**

I/We authorize 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 Application in Stock Exchange System)**

TEAR HERE

Tirupati Forge Ltd.

**TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - NR**

**Acknowledgement Slip for Broker / SCSB / DP / RTA**

Application Form No.

DPID / CLID _____ PAN _____

Received from Mr./Ms. _____

Address _____

Telephone/Mobile _____ E-mail _____

No. of Equity Shares applied for _____
in Figures _____
in words _____
Amount Blocked (₹ in figures) _____

SCSB Branch Stamp & Signature

ASBA Bank A/c No. _____ Name of Bank & Branch _____

TEAR HERE

**TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - NR**

| | In Figures | In Words |
|---|---|---|
| No.of Equity Shares | | |
| Amount Blocked (₹) | | |

**Stamp & Signature of Broker / SCSB / DP / RTA**

ASBA Bank A/c No.: _____
Bank & Branch: _____

**Name of Sole / First Applicant**

**Acknowledgement Slip for Applicant**

Application Form No.

TEAR HERE

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**TIRUPATI FORGE LIMITED** 1

### 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 in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(b) **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 payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(c) **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 of the said Act.

(d) **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 SOLE /FIRST APPLICANT

(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. An 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 sending allocation advice and 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 Issuer may mention Price in the Prospectus. However a prospectus registered with RoC contains one price.

(b) Minimum And Maximum Application Size

**i. For Retail Individual Applicants**

The Application must be for a minimum of 4,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 4,000 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. 2,00,000 and in multiples of 4,000 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 Issue 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 from 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 the Prospectus.

(c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to any other Application Collecting

Intermediary and 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 FPI 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. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.

iii. Applications 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

i. 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 RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

iii. 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, 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 7: PAYMENT DETAILS

(a) Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

#### 4.1.7.1 Payment instructions for Applicants

(a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.

(b) Applicants should specify the Bank Account number in the Application Form.

(c) Applicants 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) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one Bank Account, a maximum of five Application Forms can be submitted.

(f) Applicants 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. In case Applicant applying through Application Collecting Intermediary other than SCSB, after verification and upload, the Application Collecting Intermediary shall send to SCSB for blocking of fund.

(g) Upon receipt of the 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.

(h) 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 and may upload the details on the Stock Exchange Platform.

(i) 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.

(j) Upon submission of a completed Application Form each ASBA 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.

(k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are 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 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/ partial/ non allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, 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 ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, 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) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

#### 4.1.8.2 Additional Payment 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 applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

### 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 authorisation 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 Application Collecting Intermediaries, as applicable, for submission of the Application Form.

(a) All communications in connection with Applications made in the Issue 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 SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.

iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.

(b) The following details (as applicable) should be quoted while making any queries -

iv. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application And ASBA Account Number and Name.

v. 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 REVISION FORM

(a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.

(b) RII may revise/withdraw their applications till closure of the Issue period

(c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.

(d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

## Revision Form – R

| COMMON APPLICATION FORM | TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - REVISION - R<br>Reg Office: 1-5, Survey No. 92/1, Near Shan Cement, Hadamtala Industrial Estate, Rajkot, Tel. No.: 02827-270512/13; Fax No.: NA; E-mail: info@tirupatiforge.com Website: www.tirupatiforge.com CIN NO: U27320GJ2012PLC071594 | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS |
|---|---|---|

Tirupati Forge Ltd.

To,
The Board of Directors
TIRUPATI FORGE LIMITED

FIXED PRICE SME ISSUE
ISIN – INE

Date: _____

Application Form No.

| BROKER'S / SCSB / DP / RTA STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE |
|---|---|
| | |
| **SCSB / BANK BRANCH STAMP & CODE** | **SCSB / BANK BRANCH SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT**

Mr. / Ms.

Age

Tel. No (with STD code) / Mobile

**2. PAN OF SOLE/FIRST APPLICANT**

**3. INVESTOR'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 APPLICATION ☐ PHYSICAL

**4. FROM (as per last Application or Revision)**

| Options | No. of Equity Shares applied (Application must be in multiples of [•] equity shares) (In Figures) | | | | | | | Price per Equity Share (₹) [•]- (In Figures) Issue Price | | | | Discount, if any | | | | Net Price | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 |
| Option 1 | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |
| (OR) Option 3 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |

**5. TO (Revised Application)**

| Options | No. of Equity Shares applied (Application must be in multiples of [•] equity shares) (In Figures) | | | | | | | Price per Equity Share (₹) [•]/- (In Figures) Issue Price | | | | Discount, if any | | | | Net Price | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 |
| Option 1 | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |
| (OR) Option 3 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |

**7. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment**

Amount Blocked (₹ 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 APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR 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 APPLICATION FORM GIVEN OVERLEAF.

| 8 A. SIGNATURE OF SOLE / FIRST APPLICANT | 8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)<br>I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System) |
|---|---|---|
| Date: ....., 2017 | 1)<br>2)<br>3) | |

TEAR HERE

Tirupati Forge Ltd.

**TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - REVISION - R**

**Acknowledgement Slip for Broker/SCSB/DP/RTA**

Application Form No.

DPID / CLID | PAN

Additional Amount Blocked (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

SCSB Branch Stamp & Signature

TEAR HERE

TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - REVISION - R

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Issue Price | | NOT APPLICABLE | |
| Additional Amount Blocked (₹) | | | |

**Stamp & Signature of Broker / SCSB / DP / RTA**

**Name of Sole / First Applicant**

**Acknowledgment Slip for Applicant**

ASBA Bank A/c No.: _____

Bank & Branch: _____

Application Form No.

## Revision Form – NR

**COMMON APPLICATION FORM**

**TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - NR**
Reg Office: 1-5, Survey No. 92/1, Near Shan Cement, Hadamtala Industrial Estate, Rajkot, Tel. No.: 02827-270512/13; Fax No.: NA; E-mail: info@tirupatiforge.com
Website: www.tirupatiforge.com CIN NO: U27320GJ2012PLC071594

**FOR NON-RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCIs ETC. APPLYING ON A REPATRIATION BASIS**

Tirupati Forge Ltd.

To,
The Board of Directors
TIRUPATI FORGE LIMITED

FIXED PRICE SME ISSUE
ISIN – INE

Date: _____

Application Form No.

| BROKER'S / SCSB / DP / RTA STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE |
|---|---|
| | |
| **SCSB / BANK BRANCH STAMP & CODE** | **SCSB / BANK BRANCH SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT**
Mr. / Ms.
Age
Tel. No (with STD code) / Mobile

**2. PAN OF SOLE/FIRST APPLICANT**

**3. INVESTOR'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 APPLICATION ☐ PHYSICAL

**4. FROM (as per last Application or Revision)**

| Options | No. of Equity Shares applied (Application must be in multiples of [•] equity shares) (In Figures) | | | | | | | Price per Equity Share (₹) [•]/- (In Figures) Issue Price | | | | Discount, if any | | | | Net Price | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 |
| Option 1 | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |
| (OR) Option 3 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |

**5. TO (Revised Application)**

| Options | No. of Equity Shares applied (Application must be in multiples of [•] equity shares) (In Figures) | | | | | | | Price per Equity Share (₹) [•]/- (In Figures) Issue Price | | | | Discount, if any | | | | Net Price | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 |
| Option 1 | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |
| (OR) Option 3 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |

**7. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment**

Amount Blocked (₹ 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 APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR 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 APPLICATION FORM GIVEN OVERLEAF.

| 8 A. SIGNATURE OF SOLE / FIRST APPLICANT | 8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System) |
|---|---|---|
| | I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue | |
| | 1) | |
| | 2) | |
| Date: ....., 2017 | 3) | |

TEAR HERE

Tirupati Forge Ltd.

**TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR**

**Acknowledgement Slip for Broker/SCSB/DP/RTA**

Application Form No.

DPID / CLID | PAN

Additional Amount Blocked (₹ in figures) | Bank & Branch
ASBA Bank A/c No.
Received from Mr./Ms.
Telephone / Mobile | Email

SCSB Branch Stamp & Signature

TEAR HERE

TIRUPATI FORGE LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Issue Price | | NOT APPLICABLE | |
| Additional Amount Blocked (₹) | | | |

**Stamp & Signature of Broker / SCSB / DP / RTA**

**Name of Sole / First Applicant**

**Acknowledgment Slip for Applicant**

ASBA Bank A/c No.: _____
Bank & Branch: _____

Application Form No.

#### 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: APPLICATION REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares 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 exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

#### 4.2.3 FIELD 6: PAYMENT DETAILS

(a) All Applicants are required to make payment of the full application amount along with the Revision Form.

(b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to 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

#### 4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

| Mode of Application | Submission of Application Form |
|---|---|
| All Investors Application | To the Application Collecting Intermediaries as mentioned in the Prospectus/ Application Form |

## SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

### 5 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE

As the Issue 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 Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising 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 Issue 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.

## 6 GROUNDS OF REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names 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 (other than minor having valid depository accounts as per demographic details provided by the depositary);
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4,000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications 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;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;

- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date , unless the extended time is permitted by NSE.
- 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 the GID.

**APPLICANTS 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 EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES 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: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

## SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

### 7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the EMERGE 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 hereunder:

(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 4,000 equity shares the allotment will be made as follows:

   i. Each successful Applicant shall be allotted 4,000 equity shares; and

   ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl 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 4,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 4,000 equity shares subject to a minimum allotment of 4,000 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 or 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 Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 4,000 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, up to 110% of the size of the offer 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 SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

ii. The balance net offer of shares to the public shall be made available for allotment to

- individual applicants other than retails individual investors and
- other investors, including corporate bodies/ institutions irrespective of number of shares applied for.

iii. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to 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 NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue 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.

## 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 Shares that 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 Issue.

(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 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

# SECTION 8: INTEREST AND REFUNDS

## 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 5 Working Days of the Issue 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 5 Working Days of the Issue Closing Date.

## 8.2 GROUNDS FOR REFUND

### 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 finalised.

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 repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within 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 the Companies Act, and as disclosed in the Prospectus.

### 8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be 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 the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at a rate prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

### 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 refunded forthwith.

## 8.3 MODE OF REFUND

Within 6 Working Days of the Issue 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.

### 8.3.1 Mode of making refunds

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 Issue.

## 8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not done within the 4 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Issue 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 |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009. |
| Anchor Investor Portion | Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the Lead Manager, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors |
| Application | An indication to make an offer during the Issue Period by a prospective 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 including all revisions and modifications thereto. |
| 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 Collecting Intermediaries | *i)* an SCSB, with whom the bank account to be blocked, is maintained<br>*ii)* a syndicate member (or sub-syndicate member)<br>*iii)* a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')<br>*iv)* a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)<br>*v)* 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) |
| Application Supported by Blocked Amount/ (ASBA)/ ASBA | An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising 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 Bid Amount |

| Term | Description |
|---|---|
| | of the ASBA Applicant |
| ASBA Application | An Application made by an ASBA Applicant |
| Application Amount | The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable). |
| Banker(s) to the Issue/ Public Issue Bank and Refund Banker | The banks which are clearing members and registered with SEBI as Banker to the Issue/ Public Issue Bank and Refund Banker with whom the Public Issue Account(s) and Refund Account may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer |
| Basis of Allotment | The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue |
| Issue Closing Date | The date after which the SCSBs may not accept any Application for the Issue, 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 Issue Closing Date |
| Issue Opening Date | The date on which the SCSBs may start accepting application for the Issue, 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/ bidders may refer to the Prospectus for the Issue Opening Date |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period |
| Book Building Process/ Book Building Method | The book building process as provided under SEBI ICDR Regulations, 2009 |
| Lead Manager(s)/Lead Manager/ LM | The Lead Manager to the Issue as disclosed in the Prospectus/ Prospectus and the Bid 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 |
| Companies Act | The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified) |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |

| Term | Description |
|---|---|
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Bidders/Applicants including the Bidder/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 Bid cum Application Forms used by the ASBA Bidders/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 Date | The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may allot Equity Shares to successful Applicants in the Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale |
| Designated Stock Exchange | The designated stock exchange as disclosed in the Prospectus/Prospectus of the Issuer |
| Discount | Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009. |
| Prospectus | The draft prospectus filed with the Designated stock exchange in case of Fixed Price Issues and which may mention a price or a Price Band |
| 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 promoter and immediate relatives of the promoter. For further details /Applicant may refer to the Draft Prospectus |
| Equity Shares | Equity shares of the Issuer |
| FCNR Account | Foreign Currency Non-Resident Account |
| Applicant | The Applicant whose name appears first in the Application Form or Revision Form |
| FPI(s) | Foreign Portfolio Investor |
| 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 |
| 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 |
| Issue Price | The final price, less discount (if applicable) at which the |

| Term | Description |
|---|---|
| | Equity Shares may be Allotted in terms of the Prospectus. The Issue 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 Issue | The Issue less Market Maker Reservation Portion |
| Non-Institutional Investors or NIIs | All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 2,00,000 (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, FPIs registered with SEBI and FVCIs registered with SEBI |
| 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 |
| 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 |
| 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, containing the Issue Price, the size of the Issue and certain other information |

| Term | Description |
|---|---|
| Public Issue Account | An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date |
| QIB Category Qualified Institutional Buyers or QIBs | The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009 |
| RTGS | Real Time Gross Settlement |
| Refunds through electronic transfer of funds | Refunds through ASBA |
| Registrar to the Issue/RTI | The Registrar to the Issue as disclosed in the Prospectus / Prospectus and Bid cum Application Form |
| Reserved Category/ Categories | Categories of persons eligible for making application 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 for a value of not more than Rs. 2,00,000. |
| Retail Individual Shareholders | Shareholders of a listed Issuer who applies for a value of not more than Rs. 2,00,000. |
| 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 to modify the quantity of Equity Shares in an 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 |
| SME IPO | Initial public offering as chapter XB of SEBI (ICDR) Regulation |
| SME Issuer | The Company making the Issue under chapter XB of SEBI (ICDR) Regulation |
| Stock Exchanges/SE | The stock exchanges as disclosed in the Prospectus/ Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed |
| 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 |
| Specified Locations | Collection centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time. |

| Term | Description |
|---|---|
| Underwriters | The Lead Manager |
| Underwriting Agreement | The agreement dated September 2, 2017 entered into between the Underwriter and our Company |
| Working Day | 1. Till Application / Issue closing date: All days other than a Saturday Sunday or a public holiday<br>2. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 India |

## 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 Foreign Exchange Management Act, 1999 **("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. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("**RBI**") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP")**.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP"),** has issued consolidated FDI Policy Circular of 2016 **("FDI Policy 2016")**, which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. Further, DIPP has issued Press note 5, dated June 24, 2016 which introduces few changes in FDI Policy 2016. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2016 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India **("RBI")** also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted under automatic route. FDI is permitted upto 100 % in Greenfield projects and 74% in Brownfield projects under the automatic route and FDI beyond 74% in Brownfield projects requires FIPB approval. FDI is permitted up to 100 percent under the automatic route in the hospital sector and in the manufacture of medical devices.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfilment 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 FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors 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. 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.

**Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2016, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FII, FPI, NRI, FVCI, LLPs, DRs and Investment Vehicles under Schedule 1, 2, 2A, 3, 6, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49 % or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

**i. Investment by FIIs under Portfolio Investment Scheme (PIS)**:

With regards to purchase/sale of share/s convertible debentures by a registered FII under PIS the total holding by each FII/SEBI approved sub-account of FII shall not exceed 10 % of the total paid-up equity capital or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs/sub-accounts of FIIs put together shall not exceed 24 % of paid-up equity capital or paid-up value of each series of convertible debentures. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body. For arriving at the ceiling on holdings of FIIs, shares/ convertible debentures acquired both through primary as well as secondary market will be included. However, the ceiling will not include investment made by FII through off-shore Funds, Global Depository receipts and Euro-Convertible Bonds. With regard to convertible debentures, these investments permitted to be made shall not exceed 5 % of the total paid-up equity capital or 5% of the paid-up value of each series of convertible debentures issued by an Indian Company, and shall also not exceed the over-all ceiling limit of 24 % of paid-up equity capital or paid up value of each series of convertible debentures.

**ii. Investment by Registered Foreign Portfolio Investor (RFPI) under Foreign Portfolio Investment (FPI) Scheme**

With respect to purchase/sale of shares or convertible debentures or warrants, a RFPI registered in accordance with SEBI (FPI) Regulations, 2014 as amended in regular intervals may purchase shares or convertible debentures or warrants of an Indian company under FPI scheme. The total holding by each RFPI shall be below 10 % of the total paid-up equity capital or 10 % of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all RFPI put together shall not exceed 24 % of paid-up equity capital or paid up value of each series of convertible debentures. The said limit of 24 % will be called aggregate limit. However, the aggregate limit of 24 % may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its General Body. For arriving at the ceiling on holdings of RFPI, shares or convertible debentures or warrants acquired both through primary as well as secondary market will be included. However, the ceiling will exclude investment made by RFPI through of off-shore Funds, Global Depository Receipts and Euro-Convertible Bonds but include holding of RFPI and deemed RFPI in the investee company for computation of 24 % or enhanced limit.

**iii. Investment by NRI on repatriation and non-repatriation basis under PIS:**

With respect to purchase/sale of shares and/or convertible debentures by a NRI on a stock exchange in India on repatriation and/or non-repatriation basis under PIS is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2000. Further, with regard to limits:

- the paid-up value of shares of an Indian company, purchased by each NRI both on repatriation and on non-repatriation basis, does not exceed 5 % of the paid-up value of shares issued by the company concerned;
- the paid-up value of each series of convertible debentures purchased by each NRI both on repatriation and non-repatriation basis does not exceed 5 % of the paid-up value of each series of convertible debentures issued by the company concerned;
- the aggregate paid-up value of shares of any company purchased by all NRIs does not exceed 10 % of the paid up capital of the company and in the case of purchase of convertible debentures
- the aggregate paid-up value of each series of debentures purchased by all NRIs does not exceed 10 % of the paid-up value of each series of convertible debentures;

  However, the aggregate ceiling of 10 % may be raised to 24 % if a special resolution to that effect is passed by the General Body of the Indian company concerned.

**iv. Investment by NRI on Non-repatriation basis**

As per current FDI Policy 2016, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase and sale of shares and convertible debentures or warrants by a NRI on Non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.**

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 Application 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. Our Company and the Lead Manager 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 Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

| Sr. No | Particulars | |
|---|---|---|
| **1.** | No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto. | **Table F Applicable.** |
| | **Interpretation Clause** | |
| **2.** | In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context: | |
| | (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force. | **Act** |
| | (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution. | **Articles** |
| | (c) "Auditors" means and includes those persons appointed as such for the time being of the Company. | **Auditors** |
| | (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company. | **Capital** |
| | (e) *****"The Company" shall mean TIRUPATI FORGE LIMITED | |
| | (f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963. | **Executor or Administrator** |
| | (g) "Legal Representative" means a person who in law represents the estate of a deceased Member. | **Legal Representative** |
| | (h) Words importing the masculine gender also include the feminine gender. | **Gender** |
| | (i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form. | **In Writing and Written** |
| | (j) The marginal notes hereto shall not affect the construction thereof. | **Marginal notes** |
| | (k) "Meeting" or "General Meeting" means a meeting of members. | **Meeting or General Meeting** |

| Sr. No | Particulars | |
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| | (l) "Month" means a calendar month. | **Month** |
| | (m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act. | **Annual General Meeting** |
| | (n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof. | **Extra-Ordinary General Meeting** |
| | (o) "National Holiday" means and includes a day declared as National Holiday by the Central Government. | **National Holiday** |
| | (p) "Non-retiring Directors" means a director not subject to retirement by rotation. | **Non-retiring Directors** |
| | (q) "Office" means the registered Office for the time being of the Company. | **Office** |
| | (r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act. | **Ordinary and Special Resolution** |
| | (s) "Person" shall be deemed to include corporations and firms as well as individuals. | **Person** |
| | (t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney. | **Proxy** |
| | (u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act. | **Register of Members** |
| | (v) "Seal" means the common seal for the time being of the Company. | **Seal** |
| | (w) Words importing the Singular number include where the context admits or requires the plural number and vice versa. | **Singular number** |
| | (x) "The Statutes" means the Companies Act, 2013and every other Act for the time being in force affecting the Company. | **Statutes** |
| | (y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time. | **These presents** |
| | (z) "Variation" shall include abrogation; and "vary" shall include abrogate. | **Variation** |
| | (aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act. | **Year and Financial Year** |
| | Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force. | **Expressions in the Act to bear the same meaning in Articles** |
| | **CAPITAL** | |
| **3.** | The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time. | **Authorized Capital.** |
| **4.** | The Company may in General Meeting from time to time | **Increase of capital by the** |

| Sr. No | Particulars | |
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| | by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe 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 and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64of the Act. | **Company how carried into effect** |
| **5.** | Except so far as otherwise provided by the conditions of issue or by these Presents, 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.** | The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force. | **Non Voting Shares** |
| **7.** | Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit. | **Redeemable Preference Shares** |
| **8.** | The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares. | **Voting rights of preference shares** |
| **9.** | On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions- shall take effect:<br>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;<br>(b) No such Shares shall be redeemed unless they are fully paid;<br>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; | **Provisions to apply on issue of Redeemable Preference Shares** |

| Sr. No | Particulars | |
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| | (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, 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 provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and<br>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital | |
| **10.** | The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce<br>(a) the share capital;<br>(b) any capital redemption reserve account; or<br>(c) any security premium account<br>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 up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted. | **Reduction of capital** |
| **11.** | Any 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, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution. | **Debentures** |
| **12.** | The Company may exercise the powers of issuing sweat equity shares conferred by Section 54of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder. | **Issue of Sweat Equity Shares** |
| **13.** | The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name | **ESOP** |

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| | called. | |
| **14.** | Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities. | **Buy Back of shares** |
| **15.** | Subject to the provisions of Section 61of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject 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. | **Consolidation, Sub-Division And Cancellation** |
| **16.** | Subject to compliance with applicable provision of the Act and rules framed there under the company shall have power to issue depository receipts in any foreign country. | **Issue of Depository Receipts** |
| **17.** | Subject to compliance with applicable provision of the Act and rules framed there under the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed there under. | **Issue of Securities** |
| | **MODIFICATION OF CLASS RIGHTS** | |
| **18.** | (a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than 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. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.<br>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation. | **Modification of rights** |
| | (b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith. | **New Issue of Shares not to affect rights attached to existing shares of that class.** |
| **19.** | Subject to the provisions of Section 62 of the Act and these | **Shares at the disposal of the** |

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| | Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of 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 and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. | **Directors.** |
| **20.** | The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder. | **Power to issue shares on preferential basis.** |
| **21.** | 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. | **Shares should be Numbered progressively and no share to be subdivided.** |
| **22.** | An 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 purposes of these Articles, be a Member. | **Acceptance of Shares.** |
| **23.** | Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid. | **Directors may allot shares as full paid-up** |
| **24.** | 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 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.** |
| **25.** | Every Member, or his heirs, executors, administrators, or | **Liability of Members.** |

| Sr. No | Particulars | |
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| | legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof. | |
| **26.** | Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind. | **Registration of Shares.** |
| | **RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT** | |
| **27.** | The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections39of the Act | |
| | **CERTIFICATES** | |
| **28.** | (a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. 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 issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued 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 a 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 | **Share Certificates.** |

| Sr. No | Particulars | |
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| | of the aforesaid two Directors shall be a person other than a Managing or 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.<br>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.<br>(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, equipment or other material used for the purpose. | |
| **29.** | If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.<br>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.<br>The provisions of this Article shall mutatis mutandis apply to debentures of the Company. | **Issue of new certificates in place of those defaced, lost or destroyed.** |
| **30.** | (a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share | **The first named joint holder deemed Sole holder.** |

| Sr. No | Particulars | |
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| | shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations. | |
| | (b) The Company shall not be bound to register more than three persons as the joint holders of any share. | **Maximum number of joint holders.** |
| **31.** | Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (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 its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them. | **Company not bound to recognise any interest in share other than that of registered holders.** |
| **32.** | If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative. | **Installment on shares to be duly paid.** |
| | **UNDERWRITING AND BROKERAGE** | |
| **33.** | Subject to the provisions of Section 40 (6) 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 subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. 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. | **Commission** |
| **34.** | The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful. | **Brokerage** |
| | **CALLS** | |
| **35.** | (1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.<br>(2) A call may be revoked or postponed at the discretion of the Board.<br>(3) A call may be made payable by installments. | **Directors may make calls** |
| **36.** | Fifteen days' notice in writing of any call shall be given by | **Notice of Calls** |

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| | the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid. | |
| **37.** | A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors. | **Calls to date from resolution.** |
| **38.** | Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class. | **Calls on uniform basis.** |
| **39.** | The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour. | **Directors may extend time.** |
| **40.** | If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member. | **Calls to carry interest.** |
| **41.** | If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly. | **Sums deemed to be calls.** |
| **42.** | On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a | **Proof on trial of suit for money due on shares.** |

| Sr. No | Particulars | |
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| | quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. | |
| **43.** | Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided. | **Judgment, decree, partial payment motto proceed for forfeiture.** |
| **44.** | (a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.<br>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company. | **Payments in Anticipation of calls may carry interest** |
| | **LIEN** | |
| **45.** | The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The | **Company to have Lien on shares.** |

| Sr. No | Particulars | |
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| | Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause. | |
| **46.** | For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned. | **As to enforcing lien by sale.** |
| **47.** | The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale. | **Application of proceeds of sale.** |
| | **FORFEITURE AND SURRENDER OF SHARES** | |
| **48.** | If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force. | **If call or installment not paid, notice maybe given.** |
| **49.** | The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at | **Terms of notice.** |

| Sr. No | Particulars | |
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| | which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.<br>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited. | |
| **50.** | If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture. | **On default of payment, shares to be forfeited.** |
| **51.** | When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members. | **Notice of forfeiture to a Member** |
| **52.** | Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit. | **Forfeited shares to be property of the Company and maybe sold etc.** |
| **53.** | Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so. | **Members still liable to pay money owing at time of forfeiture and interest.** |
| **54.** | The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved. | **Effect of forfeiture.** |
| **55.** | A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares. | **Evidence of Forfeiture.** |
| **56.** | The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application | **Title of purchase rand allottee of Forfeited shares.** |

| Sr. No | Particulars | |
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| | of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares. | |
| **57.** | Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto. | **Cancellation of share certificate in respect of forfeited shares.** |
| **58.** | In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable. | **Forfeiture may be remitted.** |
| **59.** | Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. | **Validity of sale** |
| **60.** | The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit. | **Surrender of shares.** |
| | **TRANSFER AND TRANSMISSION OF SHARES** | |
| **61.** | (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.<br>(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof. | **Execution of the instrument of shares.** |
| **62.** | The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.<br>The instrument of transfer shall be in a common form | **Transfer Form.** |

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| | approved by the Exchange; | |
| **63.** | The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law. | **Transfer not to be registered except on production of instrument of transfer.** |
| **64.** | Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—<br>(a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever; | **Directors may refuse to register transfer.** |
| **65.** | If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply. | **Notice of refusal to be given to transferor and transferee.** |
| **66.** | No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company. | **No fee on transfer.** |
| **67.** | The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security 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 at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board. | **Closure of Register of Members or debentureholder or other security holders..** |

| Sr. No | Particulars | |
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| **68.** | The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine. | **Custody of transfer Deeds.** |
| **69.** | Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice. | **Application for transfer of partly paid shares.** |
| **70.** | For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post. | **Notice to transferee.** |
| **71.** | (a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.<br>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.<br>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate<br>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons. | **Recognition of legal representative.** |
| **72.** | The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be | **Titles of Shares of deceased Member** |

| Sr. No | Particulars | |
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| | from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72of the Companies Act. | |
| **73.** | Where, in 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 Section 56 of the Act. | **Notice of application when to be given** |
| **74.** | Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they 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 this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'. | **Registration of persons entitled to share otherwise than by transfer.(transmission clause).** |
| **75.** | Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration. | **Refusal to register nominee.** |
| **76.** | Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity. | **Board may require evidence of transmission.** |
| **77.** | 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 or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, | **Company not liable for disregard of a notice prohibiting registration of transfer.** |

| Sr. No | Particulars | |
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| | and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or 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 Directors shall so think fit. | |
| **78.** | In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit. | **Form of transfer Outside India.** |
| **79.** | No transfer shall be made to any minor, insolvent or person of unsound mind. | **No transfer to insolvent etc.** |
| | **NOMINATION** | |
| **80.** | i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013shall apply in respect of such nomination.<br>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014<br>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.<br>iv) lf the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked. | **Nomination** |
| **81.** | A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-<br>(i) to be registered himself as holder of the security, as the case may be; or<br>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;<br>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;<br>(iv) a nominee shall be entitled to the same dividends and | **Transmission of Securities by nominee** |

| Sr. No | Particulars | |
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| | other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.<br><br>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with. | |
| | **DEMATERIALISATION OF SHARES** | |
| **82.** | Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form. | **Dematerialisation of Securities** |
| | **JOINT HOLDER** | |
| **83.** | Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles. | **Joint Holders** |
| **84.** | (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share. | **Joint and several liabilities for all payments in respect of shares.** |
| | (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person; | **Title of survivors.** |
| | (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and | **Receipts of one sufficient.** |
| | (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders. | **Delivery of certificate and giving of notices to first named holders.** |
| | **SHARE WARRANTS** | |
| **85.** | The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to | **Power to issue share warrants** |

| Sr. No | Particulars | |
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| | time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant. | |
| **86.** | (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.<br>(b) Not more than one person shall be recognized as depositor of the Share warrant.<br>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor. | **Deposit of share warrants** |
| **87.** | (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.<br>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company. | **Privileges and disabilities of the holders of share warrant** |
| **88.** | The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction. | **Issue of new share warrant coupons** |
| | **CONVERSION OF SHARES INTO STOCK** | |
| **89.** | The Company may, by ordinary resolution in General Meeting.<br>a) convert any fully paid-up shares into stock; and<br>b) re-convert any stock into fully paid-up shares of any denomination. | **Conversion of shares into stock or reconversion.** |
| **90.** | The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. | **Transfer of stock.** |
| **91.** | The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if | **Rights of stockholders.** |

| Sr. No | Particulars | |
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| | they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares , have conferred that privilege or advantage. | |
| **92.** | Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively. | **Regulations.** |
| | **BORROWING POWERS** | |
| **93.** | Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit<br>or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in 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 specified purpose. | **Power to borrow.** |
| **94.** | Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting. | **Issue of discount etc. or with special privileges.** |
| **95.** | The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation | **Securing payment or repayment of Moneys borrowed.** |

| Sr. No | Particulars | |
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| | undertaken by the Company or any person or Company as the case may be. | |
| **96.** | Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company. | **Bonds, Debentures etc. to be under the control of the Directors.** |
| **97.** | If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed. | **Mortgage of uncalled Capital.** |
| **98.** | Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. | **Indemnity may be given.** |
| | **MEETINGS OF MEMBERS** | |
| **99.** | All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings. | **Distinction between AGM & EGM.** |
| **100.** | (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members | **Extra-Ordinary General Meeting by Board and by requisition** |
| | (b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. | **When a Director or any two Members may call an Extra Ordinary General Meeting** |
| **101.** | No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer 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.** |
| **102.** | The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not | **Chairman of General Meeting** |

| Sr. No | Particulars | |
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| | present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director 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 the members to be the Chairman of the meeting. | |
| **103.** | No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant. | **Business confined to election of Chairman whilst chair is vacant.** |
| **104.** | a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.<br>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.<br>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.<br>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. | **Chairman with consent may adjourn meeting.** |
| **105.** | In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member. | **Chairman's casting vote.** |
| **106.** | Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith. | **In what case poll taken without adjournment.** |
| **107.** | 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.** |
| | **VOTES OF MEMBERS** | |
| **108.** | No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands,upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien. | **Members in arrears not to vote.** |
| **109.** | Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a | **Number of votes each member entitled.** |

| Sr. No | Particulars | |
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| | poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares. | |
| **110.** | On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. | **Casting of votes by a member entitled to more than one vote.** |
| **111.** | A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. | **Vote of member of unsound mind and of minor** |
| **112.** | Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company. | **Postal Ballot** |
| **113.** | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. | **E-Voting** |
| **114.** | a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.<br>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members. | **Votes of joint members.** |
| **115.** | Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles | **Votes may be given by proxy or by representative** |
| **116.** | A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any | **Representation of a body corporate.** |

| Sr. No | Particulars | |
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| | Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company. | |
| **117.** | (a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable. | **Members paying money in advance.** |
| | (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken. | **Members not prohibited if share not held for any specified period.** |
| **118.** | Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof. | **Votes in respect of shares of deceased or insolvent members.** |
| **119.** | No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. | **No votes by proxy on show of hands.** |
| **120.** | The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time forholding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. | **Appointment of a Proxy.** |
| **121.** | An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105. | **Form of proxy.** |
| **122.** | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death | **Validity of votes given by proxy notwithstanding death** |

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| | or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used. | **of a member.** |
| **123.** | No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. | **Time for objections to votes.** |
| **124.** | Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive. | **Chairperson of the Meeting to be the judge of validity of any vote.** |
| | **DIRECTORS** | |
| **125.** | Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution | **Number of Directors** |
| **126.** | A Director of the Company shall not be bound to hold any Qualification Shares in the Company. | **Qualification shares.** |
| **127.** | (a) Subject to the provisions of the Companies Act, 2013and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement<br>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.<br>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.<br>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s. | **Nominee Directors.** |
| **128.** | The Board may appoint an Alternate Director to act for a | **Appointment of alternate** |

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| | Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for 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 to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director. | **Director.** |
| 129. | Subject to the provisions 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. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting. | **Additional Director** |
| **130.** | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him. | **Directors power to fill casual vacancies.** |
| **131.** | Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof. | **Sitting Fees.** |
| **132.** | The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified. | **Travelling expenses Incurred by Director on Company's business.** |
| | **PROCEEDING OF THE BOARD OF DIRECTORS** | |
| **133.** | (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.<br>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. | **Meetings of Directors.** |
| **134.** | a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the | **Chairperson** |

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| | Directors then present to preside at the meeting.<br>b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time. | |
| **135.** | Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote. | **Questions at Board meeting how decided.** |
| **136.** | The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose. | **Continuing directors may act notwithstanding any vacancy in the Board** |
| **137.** | Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee 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 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.** |
| **138.** | The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article. | **Committee Meetings how to be governed.** |
| **139.** | a) A committee may elect a Chairperson of its meetings.<br>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. | **Chairperson of Committee Meetings** |
| **140.** | a) A committee may meet and adjourn as it thinks fit.<br>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote. | **Meetings of the Committee** |
| **141.** | Subject to the provisions of the Act, 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 was 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 | **Acts of Board or Committee shall be valid notwithstanding defect in appointment.** |

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| | 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. | |
| | **RETIREMENT AND ROTATION OF DIRECTORS** | |
| **142.** | Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid. | **Power to fill casual vacancy** |
| | **POWERS OF THE BOARD** | |
| **143.** | The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. | **Powers of the Board** |
| **144.** | Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say | **Certain powers of the Board** |
| | (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India. | **To acquire any property , rights etc.** |
| | (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy. | **To take on Lease.** |
| | (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for | **To erect & construct.** |

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| | | the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company. | |
| | (4) | At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share 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 or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. | **To pay for property.** |
| | (5) | To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power. | **To insure properties of the Company.** |
| | (6) | To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit. | **To open Bank accounts.** |
| | (7) | To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit. | **To secure contracts by way of mortgage.** |
| | (8) | To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon. | **To accept surrender of shares.** |
| | (9) | To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees. | **To appoint trustees for the Company.** |
| | (10) | To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or | **To conduct legal proceedings.** |

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| | demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon. | |
| | (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency. | **Bankruptcy &Insolvency** |
| | (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company. | **To issue receipts &give discharge.** |
| | (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name. | **To invest and deal with money of the Company.** |
| | (14) 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 as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon; | **To give Security byway of indemnity.** |
| | (15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise. | **To determine signing powers.** |
| | (16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company. | **Commission or share in profits.** |
| | (17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company. | **Bonus etc. to employees.** |
| | (18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and | **Transfer to Reserve Funds.** |

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| | maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper. | |
| | (19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, 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 to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts 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 next following clauses shall be without prejudice to the general powers conferred by this clause. | **To appoint and remove officers and other employees.** |
| | (20) 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 discretions (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 authorised by | **To appoint Attorneys.** |

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| | 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 such appointments may (if the Board think 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, nominees or manager 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 powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them. | |
| | (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose 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, deeds and things in the name and on behalf of the Company as they may consider expedient. | **To enter into contracts.** |
| | (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees. | **To make rules.** |
| | (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company. | **To effect contracts etc.** |
| | (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests. | **To apply & obtain concessions licenses etc.** |
| | (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40of the Act and of the provisions contained in these presents. | **To pay commissions or interest.** |
| | (26) To redeem preference shares. | **To redeem preference shares.** |
| | (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim | **To assist charitable or benevolent institutions.** |

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| | to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise. | |
| | (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.<br>(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act. | |
| | (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise. | |
| | (31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.<br>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.<br>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.<br>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or | |

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| | otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.<br>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.<br>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.<br>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.<br>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with. | |
| | **MANAGING AND WHOLE-TIME DIRECTORS** | |
| **145.** | a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.<br>b) The Managing Director or Managing Directors so appointed shall not be liable to retire by rotation, however whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Whole-time Director who **i**s appointed as Director immediately on the retirement by rotation shall continue to hold his office as Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment Whole-time Director. | **Powers to appoint Managing/ Whole time Directors.** |
| **146.** | The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the | **Remuneration o Managing or Whole time Director.** |

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| | Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes. | |
| **147.** | (1) Subject to control, direction and supervision of the Board of Directors, the day-today management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.<br>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.<br>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.<br>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.<br>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company. | **Powers and duties of Managing Director or Whole-time Director.** |
| | **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer** | |
| **148.** | a) Subject to the provisions of the Act,—<br>i. A chief executive officer, manager, company | **Board to appoint Chief Executive Officer/ Manager/** |

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| | 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 a resolution of the Board;<br>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.<br>**b)** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer. | **Company Secretary/ Chief Financial Officer** |
| | **THE SEAL** | |
| **149.** | (a) The Board shall provide a Common Seal for the purposes 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.<br>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India. | **The seal, its custody and use.** |
| **150.** | The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. | **Deeds how executed.** |
| | **Dividend and Reserves** | |
| **151.** | (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.<br>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.<br>(3) 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 | **Division of profits.** |

| Sr. No | Particulars | |
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| | 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. | |
| **152.** | The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting. | **The company in General Meeting may declare Dividends.** |
| **153.** | a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.<br>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. | **Transfer to reserves** |
| **154.** | Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company. | **Interim Dividend.** |
| **155.** | The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. | **Debts may be deducted.** |
| **156.** | No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share. | **Capital paid up in advance not to earn dividend.** |
| **157.** | 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 dividends as from a particular date such share shall rank for dividend accordingly. | **Dividends in proportion to amount paid-up.** |
| **158.** | The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articleshas become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same. | **Retention of dividends until completion of transfer under Articles.** |
| **159.** | No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to | **No Member to receive dividend whilst indebted to the company and the** |

| Sr. No | Particulars | |
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| | the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company. | **Company's right of reimbursement thereof.** |
| **160.** | A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer. | **Effect of transfer of shares.** |
| **161.** | Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share. | **Dividend to joint holders.** |
| **162.** | a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.<br>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. | **Dividends how remitted.** |
| **163.** | Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act. | **Notice of dividend.** |
| **164.** | No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company. | **No interest on Dividends.** |
| | **CAPITALIZATION** | |
| **165.** | (1) The Company in General Meeting may, upon the recommendation of the Board, resolve:<br>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and<br>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.<br>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:<br>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;<br>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or<br>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).<br>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes | **Capitalization.** |

| Sr. No | Particulars | |
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| | of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.<br>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation. | |
| **166.** | (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —<br>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and<br>(b) generally to do all acts and things required to give effect thereto.<br>(2) The Board shall have full power -<br>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also<br>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.<br>(3) Any agreement made under such authority shall be effective and binding on all such members.<br>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit. | **Fractional Certificates.** |
| **167.** | (1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.<br>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof. | **Inspection of Minutes Books of General Meetings.** |

| Sr. No | Particulars | |
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| **168.** | a) 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.<br>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting. | **Inspection of Accounts** |
| | **FOREIGN REGISTER** | |
| **169.** | The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers. | **Foreign Register.** |
| | **DOCUMENTS AND SERVICE OF NOTICES** | |
| **170.** | Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed. | **Signing of documents & notices to be served or given.** |
| **171.** | Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company. | **Authentication of documents and proceedings.** |
| | **WINDING UP** | |
| **172.** | Subject to the provisions of Chapter XX of the Act and rules made thereunder—<br>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.<br>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.<br>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability. | |
| | **INDEMNITY** | |
| **173.** | Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and | **Directors' and others right to indemnity.** |

| Sr. No | Particulars | |
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| | damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court. | |
| **174.** | Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any lossor damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty. | **Not responsible for acts of others** |
| | **SECRECY** | |
| **175.** | (a) Every Director, Manager, Auditor, Treasurer, 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 pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained. | **Secrecy** |
| | (b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company | **Access to property information etc.** |

| Sr. No | Particulars | |
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| | without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate. | |

## 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 our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our from date of filing this Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

**Material Contracts**

1. Issue Agreement dated September 2, 2017 between our Company and the Lead Manager.
2. Agreement dated September 2, 2017 between our Company and Link Intime Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated September 2, 2017 between our Company and Underwriter viz. Lead Manager.
4. Market Making Agreement dated September 2, 2017 between our Company, Market Maker and the Lead Manager.
5. Banker to the Issue Agreement dated September 2, 2017 amongst our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated September 1, 2017
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue September 5, 2017

**Material Documents**

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated June 30, 2017 authorizing the Issue
3. Special Resolution of the shareholders passed at the EGM dated July 31, 2017 authorizing the Issue.
4. Statement of Tax Benefits dated August 28, 2017 issued by Peer Review Auditor, M/s M N Manwar & Co., Chartered Accountants.
5. Report of the Peer Review Auditor, M/s M N Manwar & Co., Chartered Accountants dated August 28, 2017 on the Restated Financial Statements for the year ended as on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors of our Company, Peer Reviewed Auditor, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Bankers to the Issue/ Public Issue Bank and Refund Bank, Banker to the Company and Market Maker to act in their respective capacities.
7. Copy of approval from National Stock Exchange of India Limited *vide* letter dated September 20, 2017, to use the name of NSE in this offer document for listing of Equity Shares on SME Platform of National Stock Exchange of India Limited.

None of the contracts or documents mentioned in this Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

**Signed by all the Directors of our Company**

| Name and Designation | Signature |
|---|---|
| *Hitesh Thummar*<br>*Promoter, Chairman and Managing Director* | Sd/- |
| *Ajay Sardhara*<br>*Promoter and Whole Time director* | Sd/- |
| *Bhavesh Barasiya*<br>*Director* | Sd/- |
| *Darshna Thummar*<br>*Director* | Sd/- |
| *Sachin Ravani*<br>*Independent Director* | Sd/- |
| *Ramesh Patei*<br>*Independent Director* | Sd/- |

Signed by Chief Financial Officer and Company Secretary & Compliance Officer of the Company

*Atul Natu*

*Chief Financial Officer*

*Banashri Joshi*

*Company Secretary & Compliance Officer*

*Place Hadamtala, Rajkot*

*Date: September21, 2017*

**Annexure A**

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**

| Sr. No | Issue Name | Issue Size (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. | Bohra Industries Limited | 25.15 | 55 | April 05, 2017 | 56.20 | -0.82% (1.02%) | -6.36% (3.78%) | Not Applicable |
| 2. | Creative Peripherals and Distribution Limited | 13.50 | 75 | April 12, 2017 | 75.75 | 72.67% (2.62%) | 78.13% (6.42%) | Not Applicable |
| 3. | Panache Digilife Limited | 14.58 | 81 | April 25, 2017 | 84.00 | 14.20% (0.58%) | 26.73% (7.09%) | Not Applicable |
| 4. | Zota Health Care Limited | 58.50 | 125 | May 10, 2017 | 140.40 | 6.64% (2.25%) | 5.84% (6.91%) | Not Applicable |
| 5. | Gautam Exim Limited | 3.32 | 40 | July 11, 2017 | 40.00 | 5.00% (-0.68%) | Not Applicable | Not Applicable |
| 6. | Bansal Multiflex Limited | 6.2 | 31 | July 12, 2017 | 34.00 | 50.00% (0.04%) | Not Applicable | Not Applicable |
| 7. | Shrenik Limited | 21.6 | 40 | July 18, 2017 | 41.90 | 101.88% (0.71%) | Not Applicable | Not Applicable |
| 8. | Jigar Cables Limited | 5.59 | 30 | July 28, 2017 | 33.15 | 50.00% (-2.21%) | Not Applicable | Not Applicable |
| 9. | Vaishali Pharma Limited | 14.23 | 72 | August 22, 2017 | 71.90 | Not Applicable | Not Applicable | Not Applicable |
| 10. | Lexus Granito (India) Limited | 25.92 | 45 | August 23, 2017 | 53.00 | Not Applicable | Not Applicable | Not Applicable |

Note:- Worth Peripherals Limited, Shree Tirupati Balajee FIBC Limited, R M Drip & Sprinklers Systems Limited, Poojawestern Metaliks Limited, Goldstar Power Limited and Airolam Limited have filed their Red Herring Prospectus and Prospectus as applicable with respective Registrar of Companies.

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

## SUMMARY STATEMENT OF DISCLOSURE

| Financial year | Total no. of IPO | Total funds raised (Rs. Cr) | Nos of IPOs trading at discount on 30th Calendar day from listing date | | | Nos of IPOs trading at premium on 30th Calendar day from listing date | | | Nos of IPOs trading at discount on 180th Calendar day from listing date | | | Nos of IPOs trading at premium on 180th Calendar day from listing date | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 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% |
| 15-16 | ***9 | 54.01 | - | - | 1 | 3 | 2 | 3 | - | 1 | 1 | 4 | 3 | - |
| 16-17 | ****24## | 204.56 | - | - | 5 | 6 | 3 | 9 | - | 1 | 5 | 8 | 1 | 5 |
| 17-18 | *****10$$ | 188.59 | - | - | 1 | 3 | 1 | 3 | - | - | - | - | - | - |

***The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2 015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

****The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos (India) Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Chemcrux Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016, November 16, 2016 December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017, March 28, 2017, March 31, 2017 and March 31, 2017 respectively.

##The Scripts of Chemcrux Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited have not completed 180 Days, 180 Days, 180 Days and 180 Days respectively from the date of listing.

*****The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited and Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited and Lexus Granito (India) Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017 and August 23, 2017 respectively. $$ The scripts of Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited and Lexus Granito (India) Limited have not completed, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 30 Days, 30 Days, 30 Days and 30 Days respectively from the date of listing.