

**Prospectus**

June 22, 2015

Please read Section 26 of the Companies Act, 2013

100% Fixed Price Issue

**JIYA ECO-PRODUCTS LIMITED**

Our Company was incorporated as "Jiya Eco-Products Private Limited" under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 27, 2011 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli bearing registration no. 068414, in Bhavnagar, Gujarat. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to "Jiya Eco-Products Limited" vide a Fresh Certificate of Incorporation consequent upon Change of Name on Conversion to Public Limited Company dated February 11, 2014. Our corporate identity number is U01111GJ2011PLC068414. For further details of incorporation, changes of name and changes in Registered Office of our Company please refer to the chapters titled 'General Information' and 'Our History and Certain Other Corporate Matters' beginning on pages 62 and 154 respectively, of this Prospectus.

**Registered Office:** G-6/7 B, Raturaj Complex, Opp. A.V. School Ground, Crecent Road Bhavnagar - 364001, Gujarat, India

**Corporate Office:** A-25 Circle – "B", Above Pakwan-2 Judges, Bunglow Road Bodakdev, Ahmedabad, Gujarat, India

**Tel. No.:** 02841 - 281028; **Fax No.:** 02841 - 281028

**Contact Person:** Harshil Shah, Company Secretary and Compliance Officer

**Email:** ipo@jiyaeco.in; **Website:** www.jiyaeco.com

**PROMOTERS OF OUR COMPANY: MR. BHAVESH KAKADIYA, MR. HARSHAD MONPARE & MR. YOGESH PATEL**

THE ISSUE	
PUBLIC ISSUE OF 24,12,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH ("EQUITY SHARES") OF JIYA ECO-PRODUCTS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 19 PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 9 PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS. 458.28 LAKHS ("THE ISSUE"), OF WHICH 1,26,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 19 PER EQUITY SHARE, AGGREGATING RS. 23.94 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 22,86,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 19 PER EQUITY SHARE, AGGREGATING RS. 434.34 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.01% AND 25.60% RESPECTIVELY OF THE 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. 19.00 IS 1.9 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.	
All potential investors may participate in the Issue 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 253 of this Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay. 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 243 of this Prospectus.	
RISKS IN RELATION TO FIRST ISSUE	
This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10.00 and the Issue price of Rs. 19 per Equity Share is 1.9 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 the Issue Price' beginning on page 97 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 offered in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. <b>Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 16 of this Prospectus.</b>	
ISSUER'S ABSOLUTE RESPONSIBILITY	
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Issuer 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 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 offered through this Prospectus are proposed to be listed on the SME platform of BSE Limited ('BSE'). In terms of the Chapter XB of the SEBI (ICDR) Regulations, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being offered in this issue. However, our Company has received an approval letter dated March 23, 2015 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, SME Platform of the BSE shall be the Designated Stock Exchange.	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p>PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 108, Madhava Premises Co-operative Society Limited Bandra Kurla Complex, Bandra East, Mumbai - 400051 Tel: +91-22 2659 8687 Fax: +91-22 2659 8690 Website: www.pantomathgroup.com Investor Grievance Id: ipo@pantomathgroup.com Contact Person: Mr. Mahavir Lunawat SEBI Registration No: INM000012110</p>	 <p>BIGSHARE SERVICES PRIVATE LIMITED E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072 Tel: +91-22-40430200 Fax: +91-22-28475207 Email: ipo@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Ashok Shetty SEBI Registration Number: INR000001385</p>
ISSUE PROGRAMME	
ISSUE OPENS ON MONDAY, JUNE 29, 2015	ISSUE CLOSES ON THURSDAY, JULY 2, 2015

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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

### DEFINITIONS AND ABBREVIATIONS

In this Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

#### 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 Auditor of our Company, being M/s Hitesh Agrawal & Co., Chartered Accountants
Banker to our Company	Federal Bank Limited and IDBI 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	Harshil Shah
Corporate Office	The Corporate Office of our Company, situated at A-25 Circle – “B”, Above Pakwan -2 Judges Bungalow Road, Bodakdev, Ahmedabad, Gujarat, India.
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 holding Equity Shares of our Company
Group Companies	Such entities as are included in the chapter titled ‘Our Group Entities’ beginning on page number 180 of this Prospectus
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time
Peer Reviewed Auditor	The Peer Reviewed Auditor of our Company, being R.T Jain & Co.
“Promoters” or “our Promoters”	Promoters of our Company being Bhavesh Kakadiya, Harshad Monpara and Yogesh Patel
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled “Our Promoter and Promoter Group” beginning on page 173 of this Prospectus
Registered Office	The registered office of our Company, situated at G-6/7 B, Ruturaj Complex, Opp. A.V. School Ground, Crecent Road, Bhavnagar - 364001 Gujarat, India.
RoC/ Registrar of Companies, Gujarat	The Registrar of Companies, Ahmedabad, located at ROC Bhavan, Opposite Rupal Park Society, behind Ankur Bus Stop, Naranpur, Ahmedabad - 380013, Gujarat, India.
Shareholders	Shareholders of our Company
“Jiya Eco Products Limited”, or “the Company” ,or “our Company” or “we”, “us”, “our”, or “Jiya” or “Issuer” or the	Jiya Eco Products Limited, a public limited company incorporated under the provisions of the Companies Act, 1956

"Issuer Company"	
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## 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 Companies Act to the successful Applicants
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 this Prospectus
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus
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, Rajkot, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process
Banker(s) to the Issue/ Escrow Collection Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Account will be opened and in this case being ICICI Bank Limited and IndusInd 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 " <i>Issue Procedure</i> " beginning on page 253 of this Prospectus
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 <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> 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

Term	Description
	and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Designated Date	The date on which funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants
Designated Stock Exchange	SME Platform of BSE Limited
Draft Prospectus	The Draft Prospectus dated February 25, 2015 issued in accordance with section 32 of the Companies Act, 2013 and filed with the BSE 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 this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement dated February 24, 2015 to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected to the Applicants (excluding ASBA Applicants) on the terms and conditions thereof
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
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 24,12,000 Equity Shares of face value of Rs. 10/- each fully paid of Jiya Eco-Products Limited for cash at a price of Rs. 19 per Equity Share (including a premium of Rs. 9 per Equity Share) aggregating Rs. 458.28 lakhs.
Issue Agreement	The agreement dated February 24, 2015 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.

Term	Description
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. 19 per Equity Share of face value of Rs. 10 each fully paid
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being Rs. 458.28 Lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited
Lead Manager/ LM	Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI registered Category I Merchant Banker
Market Making Agreement	Market Making Agreement dated February 24, 2015 between our Company, Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being BCB Brokerage 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 or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 1,26,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 19 per Equity Share aggregating Rs. 23.94 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 of 1,26,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 19 per Equity Share aggregating Rs. 434.34 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

Term	Description
	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, filed with RoC containing, <i>inter-alia</i> , 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 Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FPI other than Category III FPI registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India
Refund Account (s)	Account(s) to which Application monies to be refunded to the Applicants (excluding the ASBA Applicants) shall be transferred from the Public Issue Account
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 NECS, Direct Credit, RTGS, NEFT or the ASBA process, as applicable
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at E -2/3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai-400072
Retail Individual Investor	Individual Applicants, or minors applying through their natural



Term	Description
	guardians, including HUFs (applying through their <i>Karta</i> ), 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 <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a> or at such other website as may be prescribed by SEBI from time to time
SME Platform of BSE	The SME Platform of BSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated February 24, 2015 entered into between the Underwriter and our Company
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All days other than a Sunday or a public holiday, and on which commercial banks in Gujarat and / or Mumbai are open for business in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

#### Technical and Industry Terms

Term	Description
CAD	Current Account Deficit
IMF	Internationally Monetary Fund
WEO	World Economic Outlook
DME	Dimethyl Ether
LPG	Liquefied Petroleum Gas
FAEE	Fatty Acid Ethyl Ester
FAME	Fatty Acid Methyl Ester
RME	Rapeseed Methyl Ester
SME	Soyabean Methyl Ester

## Conventional and General Terms/ Abbreviations

Term	Description
A/C	Account
AGM	Annual General Meeting
AICTE	All India Council for Technical Education
AIF	Alternative Investments Fund
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
BSE	BSE 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, 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
DTC	Direct Tax Code, 2013
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

Term	Description
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
GST	Goods and Service Tax
GDP	Gross Domestic Product
GIR Number	General Index Registry number
Gol/ Government	Government of India
HNI	High Networth 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
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 157 of this Prospectus
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

Term	Description
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 Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
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)	SME Platform of BSE 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

Term	Description
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 305 of the Prospectus, defined terms shall have the meaning given to such terms in that section;

(ii) In the section titled *“Financial Statements”* beginning on page 185 of the Prospectus, defined terms shall have the meaning given to such terms in that section;

(iii) In the section titled *“Risk Factor”* 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 99 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 206 of this Prospectus, defined terms shall have the meaning given to such terms in that section.

## 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 185 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 1<sup>st</sup> of each year and ends on March 31<sup>st</sup> of the next year. All references to a particular fiscal year are to the 12 months period ended March 31<sup>st</sup> 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 chapter titled “*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 185 of this Prospectus.

### CURRENCY OF PRESENTATION

In this Prospectus, references to “Rupees” or “Rs.” or “INR” are to Indian Rupees, the currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the 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 STATEMENTS

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 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 Bio-fuel Industry due to fragmented and unorganized nature of Industry;
- Factors affecting Bio-fuel Industry;
- Major change in policy and/or practice of road transport;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to continue to attract and retain qualified employees;
- Significant increase in labour costs;
- 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; and
- Changes in government policies, domestic laws, taxes 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”, “Our Business” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 16, 123 and 206 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.

Forward looking statements reflect the current views as on the date of this Prospectus and are not a guarantee of future performance. 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 time of grant of listing and trading permission by the Stock Exchange.



## SECTION II - RISK FACTORS

*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 offer 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.*

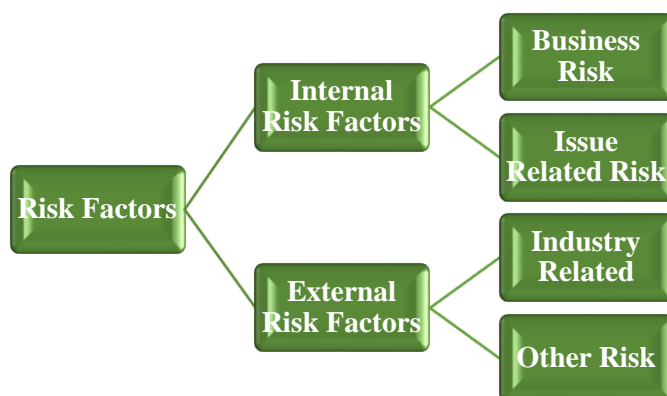
*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated 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 123, “Our Industry” beginning on page 109 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 206 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 Abbreviations” 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 RISKS

### BUSINESS RISKS / COMPANY SPECIFIC RISKS

- The bio-fuel production / manufacturing is a relatively new concept to India and is yet to have a defined market as compared to its contemporary conventional fuel.***

Bio-fuel manufacturing is a novel concept and is in a nascent stage to have a defined market as compared to other traditional sources of fuels. This could have significant impact on our Company and its future business operations. Depletion of fossil fuel combined with obvious environmental degradation has necessitated inventions and interest in the bio-fuel industry. The industry, however, is unorganized and fragmented with many small and medium-sized companies and entities. Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size. Though, our management believes that bio-fuel as a concept has not only been established but also demonstrated its numerous benefits such as renewable energy efficiency and being environment-friendly.

- We may face resistance to change from existing users of conventional fossil fuel.***

We may face resistance from existing users of traditional conventional fuel to switch to bio-fuel, as such switching may require them to make certain changes to their existing fuel feeding equipment such as furnace, stove etc. and other operating patterns and convenience. This could be perceived as a considerable factor for the users on the grounds of costs, man-power adaptability and training. The management, however, believes that the switching from traditional conventional fossil fuel to bio-fuel might not involve any considerable change except minor change in certain basic equipment. In view of our management, the existing customers who have switched to bio-fuel could make it swiftly without any reportable inconvenience. The benefits of bio-fuel are far more than some basic adaptation challenges.

- Our Company is yet to achieve scalable operations and has limited operating history and therefore investors may not be able to assess our Company's prospects based on past results.***

Our Company commenced operations in the year December 2011. Given our Company's limited operating history, we may not have sufficient experience to address the risks frequently encountered by early stage companies, including our ability to successfully complete our orders or maintain adequate control of our costs and expenses. Given the fragmented nature of the industry in which we operate, we often do not have complete information about our competitors and accordingly we may underestimate supply in the market. If we are unsuccessful in addressing such risks, our business may be materially and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an

early-stage company and should not rely on our results of operations for any prior periods as an indication of our future performance.

4. ***We generate our entire sales from our operations in certain geographical regions especially Gujarat and any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

Entire of our total sales are made in certain regions in the State of Gujarat. Such geographical concentration of our bio-fuel business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in Gujarat region to expand our operations in other parts of India and overseas markets, should we decide to further expand our operations.

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 Gujarat, and our experience in Gujarat 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 contractors, farmers, relevant government authorities, and who have access to existing waste sources 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 Gujarat market may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and 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 face as an early-stage company and should not rely on our results of operations for any prior periods as an indication of our future performance.

5. ***Absence of entry barriers into bio-fuel production may attract many players from both organized and unorganized sectors which will escalate competition and resultant price pressure on the products.***

There are no entry barriers for setting up bio-fuel production unit(s). Plant and machinery required for setting up a bio-fuel unit could be easily made and installed at low cost and less time. Further, in order to promote bio-fuel culture in our country, the Government provides various incentives and exemptions to companies engaged in this business. Thus, due to such exemptions, incentives and low entry barriers, many players from the organized as well as the un-organised sector may enter this industry. The entry of these players may result in competition and resultant price pressure on the products. The management, however, believes that setting up of a sustainable bio-fuel unit is dependent on several factors which are the cornerstones of the Company's business model including critical factors as promoter hands-on experience and ground-level understanding of the minute details such as variants of wastes as raw materials, moisture contents, mixture of different variants etc.

6. ***Our bio-fuel output could have varying calorific value impacting fuel generation, as our production process is based on manual raw-materials mixing and related sub-processes***

Our raw-material mixing processes are not fully automated and are dependent on manual intervention resulting into approximation method which in turn could have varying calorific value impacting fuel generation. This could also be a deterrent in producing standardized output irrespective of seasonal variation in agricultural waste inputs. While our management believes that our Company has requisite expertise and its research and development department is equipped to balance the seasonal variation appropriately, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company

with semi-automated processes and should not rely on our results of operations for any prior periods as an indication of our future performance.

**7. *Our Company has not complied with certain statutory provisions under Companies Act 1956. Such non-compliances/lapses may attract penalties.***

Our Company has not filed certain Annual Returns appropriately with respect to shareholding records. Though our Company has appropriately maintained our Register of Members, Transfer Deeds and issued share certificates appropriately, inappropriate disclosures, as aforesaid, may in the future render us liable to statutory penalties.

**8. *The availability, quality and timely delivery of raw material is an important factor for our business, any fluctuation, delay or increase in cost in same may affect our business and prices.***

Our basic raw material is threefold (a) agricultural wastes, (b) forest wastes and (c) solid waste of house-hold etc. We procure these wastes from gram panchayats, local households and farmers through appointed collection centres therefor. However, there is no structured formal supply centres of wastes and moreover, prices of these waste inputs do not have any base linked to demand-supply forces. While we believe that we could find additional collection centres and gram panchayats to supply wastes, any failure of our suppliers to deliver wastes in the necessary quantities or to adhere to delivery schedules would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. Any material shortage or interruption in the supply of wastes due to natural causes or other factors could impact production, which in turn would have a material adverse effect on our growth and operations. Further, increase in prices of wastes shall lead to an increase in cost of production, thereby increasing the price of our final product. This would have an adverse impact on our business, financial conditions and results of operations. Our Company has appointed collection centres and entered into MOUs with them besides having MOUs with gram panchayats for procuring wastes. Our management believes that our Company procures much less wastes at present that what is currently available in and around Bhavnagar and the same would be sufficient in foreseeable future.

**9. *Prices of solid bio-fuel briquettes might be more than non-renewable conventional fossil fuel. Moreover, decline in price of fossil fuel may affect the demand for bio-fuel.***

Prices of solid bio-fuel briquettes could, at times, be more than non-renewable conventional fossil fuel such as coal. Moreover, bio-fuel briquettes is not a substitute of gaseous / liquid conventional fossil fuel. Further, there remains some risk that the price of fossil fuels such as crude prices, could decline, rendering bio-fuels further non-competitive. Our management believes that the overall cost-benefit should be in favour of bio-fuel considering the renewability of energy and environmental aspects of bio-fuel. Our Company has broad-based production of bio-fuels by making bio-fuel pellets, which is a substitute of gaseous / liquid conventional fossil fuel. Further, prices of bio-fuel pellets are relatively much cheaper with more efficient output. Besides, bio-fuel could be said to be superior fuel compared to conventional fossil fuels on account of renewability, efficiency and environmental implications.

**10. *Our wastes collection centres / agents are farmers and may lack education / business sense and to that extent we may face difficulties in our business operations***

Our input being wastes, the suppliers at back-end value chain are farmers, household and similar collection agents. By and large, our suppliers lack business background and might not even have basic educational background. Our supplies are key to our overall manufacturing process, like for any other industry. However, our suppliers, unlike in other industry, might not understand corporate culture and withstand corporate pressure. Our business is vulnerable to that extent, which could adversely affect our production and / or delay production processes, which in turn could impact our margins and business operations.

**11. Our Company has manufacturing facility located in Bhavnagar, Gujarat. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.**

Our Company has manufacturing facility located in Bhavnagar, Gujarat. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Our bio-fuel manufacturing facilities are 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. If our Company experiences delays in production or shutdowns at any or all of these facilities 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.

**12. We need to store wastes for a long period of time in an open ground inside our manufacturing facility at Bhavnagar. Cyclone, heavy rainfall and similar natural incidents may cause significant damage to our collection of wastes, which is the raw material for our finished output.**

We have to store piles of wastes for a long period of time in an open ground inside our manufacturing facility at Bhavnagar. Any natural incident such as cyclone, heavy rainfall etc. could damage the wastes collection which in turn could have adverse implications on our production and business operations. Moreover, we might have to incur additional expenses in putting temporary fencing, covers during any such natural incident(s), which in turn could increase our cost of production and our margins significantly. Our Company has not witnessed any such situation so far. Moreover, our Company has built a shed which could accommodate the wastes inputs sufficient for production of four months at current level.

**13. Our Company has negative cash flow in the past 3 years details of which are given below; Sustained negative cash flow could impact our growth and business.**

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends and make new investments without raising finance from external resources. Our Company has negative cash flows from the operating and investing activities in the past.

(Rs in Lakhs)

Particulars	March 31, 2012	March 31, 2013	March 31, 2014	For the period ended December 31, 2014
Cash Flow from / (used in) Operating Activities	0.70	(5.30)	(27.96)	100.67
Cash Flow from / (used in) Investing Activities	-	(241.75)	(415.83)	(591.51)
Cash Flow from / (used in) Financing Activities	3.05	278.74	409.62	527.71

If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

**14. 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 is working capital intensive. Major portion of our working capital is consumed towards trade receivables and inventories. Summary of our working capital position is given below:-

Rs in lakhs

Particulars	For the year ended			December 31, 2014
	2012	2013	2014	
a. Inventories	0.27	92.58	51.04	72.18
b. Trade Receivables	1.16	99.02	561.98	924.63
c. Cash and Cash Equivalents	3.75	35.44	1.27	38.14
d. Short Term Loans & Advances	0.20	-	78.69	147.61
e. Other Current Assets	0.07	1.38	1.87	0.56
<b>A. Current Assets</b>	<b>5.45</b>	<b>228.42</b>	<b>694.86</b>	<b>1183.12</b>
Short Term Borrowings	-	150.44	137.22	130.52
Trade Payables	1.05	7.73	236.23	200.72
Other Current Liabilities	3.04	35.25	45.84	242.38
Short Term Provisions	-	1.82	23.84	47.91
<b>B. Current Liabilities</b>	<b>4.09</b>	<b>472.17</b>	<b>443.13</b>	<b>621.52</b>
<b>Working Capital (A-B)</b>	<b>1.36</b>	<b>33.18</b>	<b>251.72</b>	<b>561.59</b>
<b>Inventories as % of total current assets</b>	<b>5%</b>	<b>41%</b>	<b>7%</b>	<b>6%</b>
<b>Trade receivables as % of total current assets</b>	<b>21%</b>	<b>43%</b>	<b>81%</b>	<b>79%</b>

We have been sanctioned fund based working capital limits of Rs. 300 lakhs from the existing bankers. The business is working capital intensive and involves a lot of investment in inventory as well as debtors. We intend to continue growing by reaching out to newer customers and also increasing the sales in the existing customers. All these factors may result in increase in the quantum of current assets. 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 or pay out debts, could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled "Objects of the Issue" beginning on page 92 of this Prospectus.

**15. Our Company is dependent on third party transportation providers for the delivery of raw materials and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations**

Our Company uses third party transportation providers for delivery of our raw materials. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition raw materials may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery products which may affect our business and results of operation negatively.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, or other events could impair ability to

procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

In order to mitigate the above risks we choose to work with contractors who have adequate resources and have demonstrated consistent track record for given work.

**16. *We are subject to liquidated damages under our contracts.***

We are required to provide bio-fuel to our clients within a specified timeframe. If we fail to complete the transaction as scheduled, or there is a performance shortfall in the quality, we may generally be held liable for penalties in the form of agreed liquidated damages. In addition, any delays in the manufacturing process could increase our working capital requirements. In the event that we do not complete our delivery on time or at all, we may be liable to other liabilities including liquidated damages. Any such inability of ours to complete these orders in a timely manner could adversely affect our business, financial condition and results of operations.

**17. *We do business with our customers on purchase order basis and do not have long-term contracts with most of them.***

Our business is conducted on purchase order basis, depending on customer requirements for energy generation. We do not have long-term contracts with most of our customers and there can be no assurance that we will continue to receive repeat orders from any of them. Further, even if we were to continue receiving orders from our customers, there can be no assurance that they will be on the same terms, and the new terms may be less favorable to us than those under the present terms. Our management attempts to ensure customer satisfaction and continuing repeat orders from them endorse our attempts.

**18. *Our manufacturing facility is located on the land taken on lease from our promoter and shareholder.***

The manufacturing facility of our Company is situated at 202/2, Navagam Gayakwadi, Taluka: Vallabhipuar, Bhavnagar, Gujarat. We have obtained this land on lease from our promoter and shareholder through Lease Deeds dated June 7, 2012 with effect from January 1, 2012 for a period of 10 years. The agreement is valid through December 31, 2021. There can be no assurance that renewal of lease agreement with the owner of the land will be entered into. In the event of non-renewal of lease, we may be required to shift our manufacturing facility to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.

**19. *Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and workmen's compensation etc. 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 standard fire and special perils with add on of earthquake (fire and shock). 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, workmens compensation insurance 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.

**20. *Our Group Entity, M/s. Sahaj Chemical Industries ("Partnership Firm") have been forcefully shut down by Gujarat Pollution Control Board ("GPCB")***

The Gujarat Pollution Control Board ("GPCB") issued an order against the Firm inter-alia directing the Firm to stop the production on its premises as the firm was discharging waste products into

the creek. Firm has suspended its production on its premises till further intimation from GPCB. Any adverse outcome may hamper the goodwill of our Company and our Promoters.

**21. *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 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.

**22. *Our promoter and directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration***

Our promoter and directors may be deemed to be interested to the extent of the Equity Shares held and dividends paid and rent received by them or their relatives and benefits deriving from their directorship in our Company. For further details, please refer to the chapters titled “Our Business”, “Our Promoter and Promoter Group” and “Related Party Transactions” beginning on page 123, 173 and 183 respectively of this Prospectus.

**23. *Our expansion and diversification plans are subject to the risk of cost and time overrun, which may have a material adverse effect on our business, results of operations and financial condition.***

Our plan for expansion and diversification as referred to in the chapter titled “Objects of the Issue” beginning on page 92 of this Prospectus contains project costs and implementation schedules. Our expansion plans are subject to a number of contingencies, including changes in laws and regulations, government action, accidents, natural calamities, terrorist activity and other factors, many of which may be beyond our control. We, therefore, cannot assure you that the costs incurred or time taken for implementation of these plans will not vary from our estimated parameters. This may lead to time and cost overruns, and may have a material adverse effect on our business, results of operations and financial condition.

**24. *Our Company has unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.***

As on December 31, 2014 our Company has unsecured loans amounting to Rs. 57.01 lakhs from our Directors, shareholders, etc. which are repayable on demand. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on our business, cash flows and financial conditions.

For further details of unsecured loans of our Company, please refer “Annexure VII- Statement of Unsecured Loans” of chapter titled —Financial Statements as Restated beginning on page 185 under the chapter Auditors’ Report and Financial Information of Our Company” of the Prospectus.

**25. *Negative publicity with respect to our products or the industry in which we operate could adversely affect our business, financial condition and results of operations.***

Our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding us or our products i.e., briquettes and pellets and bio-fuel Industry, generally in India and internationally could adversely affect our reputation and our results of operations. Such challenges may result in negative change in consumer’s attitude towards our products or the industry we operate in, and thus this can have an adverse effect on our business, financial conditions.



**26. Our Company has not complied with certain statutory provisions under Companies Act 1956.**

Our Company has in past entered into certain related party transactions which required prior approval of the central government under section 297 of the Companies Act, 1956. We have not taken any such approval before entering into the abovementioned contracts. Our Company and its officers are in default with respect to the same and thus are liable for penalties. However, no show cause notice in respect of the same has been received by the Company till date. Any penalty imposed for such non-compliances in future by any regulatory authority could affect our financial conditions to that extent.

**27. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.**

Our Company may have not complied with certain accounting standards and Section 4A of The Payment of Gratuity Act, 1972, in the past. Although no show cause notice in respect of the same has been received by the Company till date. Any penalty imposed for such non-compliance could affect our financial conditions to that extent. In relation to gratuity we have not received any notice/communication from the relevant authority, for the previous defaults till date. Further, our Company has not obtained any insurance for its liability towards the payment for gratuity as prescribed under Section 4A of The Payment of Gratuity Act, 1972 from Life Insurance Corporation of India or any other prescribed insurer till date. However, now our Company is complying with all the accounting standards and has given effects in the Restated Financial Statements for such non-compliances.

**28. Our Company has not been making the required filings with the Registrar of Companies (ROC) in a timely manner.**

Our Company is required under the Companies Act, 1956 and Companies Act, 2013 to make filings with the RoC 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. Also our Company has filed some forms incorrectly or have not filed with RoC. Further, our Company has not followed the Preferential Issue guidelines in respect of certain allotments. While this could be attributed technical lapses and human errors, our Company has now appointed a whole time Company Secretary and is in the process of setting up system to ensure that requisite filings are done appropriately within the requisite timeline.

**29. There is some discrepancy with respect to recording of the collaterals in Form 8/CHG-1 for the purpose of creation of charge.**

There is discrepancy with respect to recording of the collaterals and other details in Form 8/CHG-1 which has been filed with the RoC. Further, a consortium agreement was entered into by our Company and Federal Bank Limited and IDBI Bank Limited, our Company has not filed a modification form clubbing the charges created by Federal Bank Limited and IDBI Bank Limited. We have not been furnished with any notices by the RoC/any other statutory authority with respect to this discrepancy. However, we cannot guarantee that we will not be subject to any penalties for the same in future.

The Company has appointed a whole time Company Secretary who shall look after the legal compliances of the Company and shall ensure the timely compliances in future.

**30. Our Company has not complied with the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 and which can be subject to penalties and regulatory actions**

Our Company has not complied with the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 for the contract labourers which we have employed. Such non-compliance can render us liable to penalties and other regulatory actions under the Contract Labour (Regulation and Abolition) Act, 1970.

- 31. *The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds in the project is entirely at the discretion of our management and as per the details mentioned in the section titled “Objects of the Issue”. Any revision in the estimates may require us to reschedule our project expenditure and may have a bearing on our expected revenues and earnings.***

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management’s estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time and consequently our funding requirements may also change. Our estimates for expansion may exceed the value that would have been determined by third party appraisals and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the objects of the Issue is entirely at the discretion of our management and is not subject to monitoring by any external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.

- 32. *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 92 of this Prospectus.

- 33. *We have not yet identified or entered into any specific written agreements or arrangements for acquisition of machinery as specified in the chapter titled ‘Objects of the Issue’ beginning on page no 92 of this Prospectus. Any delay in finalizing agreements for such acquisition may delay our expansion plans.***

One of the objects of the Issue is acquisition of machinery; we have not entered into any specific written agreement or arrangement for such acquisition. Identification of the suitable machinery may take a longer time than anticipated and such delay(s) may adversely affect our production plans.


- 34. *We require certain statutory and regulatory approvals, registrations and licenses for our business, and failure or inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.***


Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. Further, we may require new registrations and approvals for any proposed operations, including any expansion of existing operations. While we believe that we will be able to renew or obtain such registrations and approvals, as and when required. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals.

Failure to obtain and renew such registrations and approvals with statutory time frame attracts penal provisions. Further, such non-compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations and may have a material adverse effect on our revenues, profits and operations and profits.

Our Company has not yet obtained certain statutory and regulatory approvals, registrations and licenses under Factories Act, ESIC, PTEC, PTRC and registration for Shops and Establishments for offices situated in Bhavnagar and Ahmedabad. Further, has obtained registration for Employee's Provident Fund and inadvertently mentioned that our Company is a Private Limited Company and is engaged in export activities. Such non-compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations

For further details of approvals, licenses, registrations and permits required by our Company, please refer the chapter titled "Government and Other Key Approvals" on page 225 of this Prospectus.

35. **A few trademarks  of our Company have not been registered. Consequently we may not be able to effectively protect our intellectual property.**

We have filed applications for registration of our Company trademarks , which are pending with the Registrar of Trademarks. Consequently, our applications for the registration of such trademarks may be opposed by third parties. In the event we are not able to obtain registrations in respect of such trade mark applications, we may not be able to obtain statutory protections available under the Trade Marks Act, 1999, as otherwise available for registered logos and trademarks. Consequently, we are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. For details on the trademark applications, kindly refer to "Government and Other Key Approvals" appearing on page 225 of this Prospectus.

36. **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 favorable 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. Further, any perception or belief that further issues might occur may adversely affect the trading price of our Equity Shares.

37. **Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.**

The Company has not proposed any dividend till date. The amount of our future dividend payments, if any, will depend upon various factors such as our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future. Additionally, the terms of any financing we obtain in the future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

38. **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.

**39. *Our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

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

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Shortage of skilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations.

**40. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

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

Modernization and technology upgradation is essential to provide better services. 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. *Frauds, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

We have manufacturing facility containing Briquetting, pellet machines, shredder machine, trolley, tractor, weight brize and we maintain large amount of inventory at our factory at all the times. Our operation may be subject to incidents of theft or damage to inventory in transit. Although we have set up various security measures, security guards and follow stringent operational processes but there can be no assurance that we will not experience fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future. Additionally, in case of losses due to theft, fire, breakage or damage caused by the other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in timely manner. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have a

material adverse effect on our business, results of operations and financial condition. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

- 43. *Our success depends largely upon the services of our Directors 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 Directors have built relations with clients and other persons who are connected with us. Our success is substantially dependent on the expertise and services of our Directors 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 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.

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

Our Company has entered into transactions with our certain related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation.

For details on the transactions entered by us, please refer to section "Related Party Transactions" in Section "Financial Statements" beginning on page 185 of this prospectus.

- 45. *Delay in raising funds from the IPO could adversely impact the implementation schedule and affect our ability to execute the expansion project within the given time frame, thus impeding our growth plans and profitability***

The expansion of our proposed project is to be funded from the proceeds of the IPO and internal accruals. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion project within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

- 46. *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. Our Promoters and the members of our Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.***

After completion of the Issue, our Promoters and Promoters Group will collectively own 62.39 % 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.

**47. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements.***

Under certain of our existing financing arrangements, the lenders have the right to withdraw the facilities in the event of any change in circumstances, including but not limited to, any material change in the ownership or shareholding pattern or management of the Company. Further, certain of our financing arrangements impose restrictions on the utilization of the loan for certain specified purposes only, such as for the purposes of meeting the expenses of land acquisition and development and related activities. We are also required to obtain the prior consent from some of our lenders for, among other matters amending our Articles of Association, our capital structure and changing the composition of our management. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain lender consents necessary for our future operations and growth on time or at all. This may limit our ability to pursue our business and limit our flexibility in planning for, or reacting to, changes in our business or industry.

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

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 550.49 Lakhs as on December 31, 2014. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders. For further information on the Financial Indebtedness please refer to page 216 of this Prospectus.

**49. *Our operating results depend on the effectiveness of our marketing and advertising programs.***

Our revenues are heavily influenced by product marketing, awareness and advertising. Our marketing and advertising programs may not be successful and we may, therefore, fail to attract new customers and retain existing customers. If our marketing and advertising programs are unsuccessful, our results of operations could be materially adversely affected.

The support of our employees, particularly our farm managers, is also critical for the success of our marketing programs and any new strategic initiatives we seek to undertake. While we can mandate certain strategic initiatives, we need the active support of our employees if the implementation of these initiatives is to be successful. The failure of our employees to support our marketing programs and strategic initiatives could adversely affect our ability to implement our business strategy and could materially harm our business, results of operations and financial condition.

**50. *Some of the lease agreements entered into by our Company with respect to our immovable properties may not be duly registered or may be inadequately stamped, which may adversely affect our operations.***

Some of our lease agreements with respect to our immovable properties may not be duly registered or may be inadequately stamped. Unless such documents are adequately stamped or duly registered, such documents may be rendered as inadmissible as evidence in a court in India or attract penalty as prescribed under applicable law, which may result in a material and adverse effect on the continuance of the operations and business of our Company.

**RISK RELATING TO THE ISSUE****51. *We have issued Equity Shares in the last twelve months, the price of which is lower than the Issue Price.***

Our Company has issued 3,52,200 and 9,08,500 Equity Shares to promoter, promoter group and public on March 10, 2014 and July 21, 2014 respectively at Rs 10 per Equity Share a price which is lower than the Issue Price. The price at which the Equity Shares have been issued in last twelve months is not indicative of the price at which shares may be offered in the Issue. For further details of Equity Shares issued, please refer to chapter titled, 'Capital Structure' beginning on page 71 of this Prospectus.

**52. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

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

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

**54. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors;
- d. Adverse media reports on the Company or pertaining to the bio-fuel industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies;

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

**55. *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 is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 97 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.

**56. *You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor’s demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the New Companies Act, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors

## External Risk Factors

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

The following external risks may have an adverse impact on our business and results of operations should any of them materialize:

- A change in the central or Gujarat state government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- High rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins; and
- A slowdown in economic growth or financial instability in India could adversely affect our business and results of operations.
- Civil unrest, acts of violence, terrorist’s attacks, regional conflicts or situations or war involving India or other countries could materially and adversely affect the financial markets which could impact our business. Such incidents could impact economic growth or create a perception that investment in Indian companies could involve higher degree in risk which could reduce the value of the equity shares.
- National disasters in India may disrupt or adversely effect the Indian economy which in turn may affect the health of our business
- Any downgrading of Indian Sovereignty rating by international credit rating agencies may negatively impact our business and access to capital



**58. *The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.***

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

**59. *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.***

The “Financial Statements” beginning from page 185 included in this Prospectus are 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.

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

The Government of India has propose 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.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. 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 securities transaction tax ("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 held for a period of 12 months or less will be subject to capital gains tax in India. 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.

**62. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the financial services sector contained in the Prospectus.**

While facts and other statistics in the Prospectus relating to India, the Indian economy and the Bio-fuel sector 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 'Our Industry' beginning on page 109 of the Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, 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.

**63. Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.**

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on the BSE could adversely affect the trading price of the Equity Shares.

**64. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner, or at all.**

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

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

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchange. The percentage limit on our circuit breakers will be set by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares.

The Stock Exchange may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

#### Prominent Notes

- a) The Public Issue of 24,12,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 19/- per Equity Share (including a premium of Rs. 9 /- per Equity Share) aggregating Rs. 458.28 Lakhs ("the Issue"). Issue of Equity Shares will constitute 27.01% of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "*The Issue*" on page 61 of this Prospectus.
- b) The pre-issue net worth of our Company was Rs. 609.97 Lakhs, Rs. 105.21 Lakhs and Rs. 0.17 Lakhs as of March 31, 2014, March 31, 2013 and March 31, 2012 respectively. The book value of each Equity Share was Rs. 19, Rs. 22 and Rs. 2 as of March 31, 2014, March 31, 2013, and March 31, 2012 respectively as per the restated financial statements of our Company. For more information, please refer to section titled "*Financial Statements*" beginning on page 185 of this Prospectus.
- c) The average cost of acquisition per Equity Share by our Promoters, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Bhavesk Kakadiya	15,23,433	10.15
Harshad Monpara	16,29,333	10.07
Yogesh Patel	13,30,666	10.10

As certified by our Auditors vide Certificate dated February 19, 2015.

- d) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled "*Related Party Transactions*" beginning on page 183 of this Prospectus.
- e) Except as disclosed in the chapter titled "*Capital Structure*", "*Our Promoter and Promoter Group*" and "*Our Management*" beginning on pages 71, 173 and 157 respectively, of this Prospectus, none of our Promoter, Directors or Key Management Personnel has any interest in our Company.
- f) Except as disclosed in the chapter titled "*Capital Structure*" beginning on page 71 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.
- g) Investors may contact the LM or the Company Secretary and Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the LM and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever. For contact details of the LM and the Company Secretary and Compliance Officer, please refer to the chapter titled "*General Information*" beginning on page 62 of this Prospectus.

- h) Investors are advised to refer to chapter titled *“Basis for Issue Price”* on page 97 of this Prospectus.
- i) Trading in Equity Shares for all investors shall be in dematerialized form only.
- j) There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoter of our Company, the Independent 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.
- k) Except as stated in the chapter titled *“Our Group Entities”* beginning on page 180 and chapter titled *“Related Party Transactions”* beginning on page 183 of this Prospectus, our Group Entities have no business interest or other interest in our Company.
- l) Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled *“Issue Structure”* beginning on page 250 of this Prospectus
- m) Our Company was incorporated as *“Jiya Eco-Products Private Limited”* under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 27, 2011 bearing registration no. 068414, in Bhavnagar, Gujarat. Later Our Company was converted into a public limited company vide fresh Certificate of Incorporation dated February 11, 2014 bearing CIN U01111GJ2011PLC068414 and consequently the name of our Company was changed to *“Jiya Eco-Products Limited”*. However, the new name does not suggest any change of activity and company continues to carry on the same activity. For further details of changes in the name of our Company, please refer to the chapter titled *“Our History and Certain Other Corporate Matters”* beginning on page 154 of this Prospectus.

## SECTION III - INTRODUCTION

### SUMMARY OF INDUSTRY

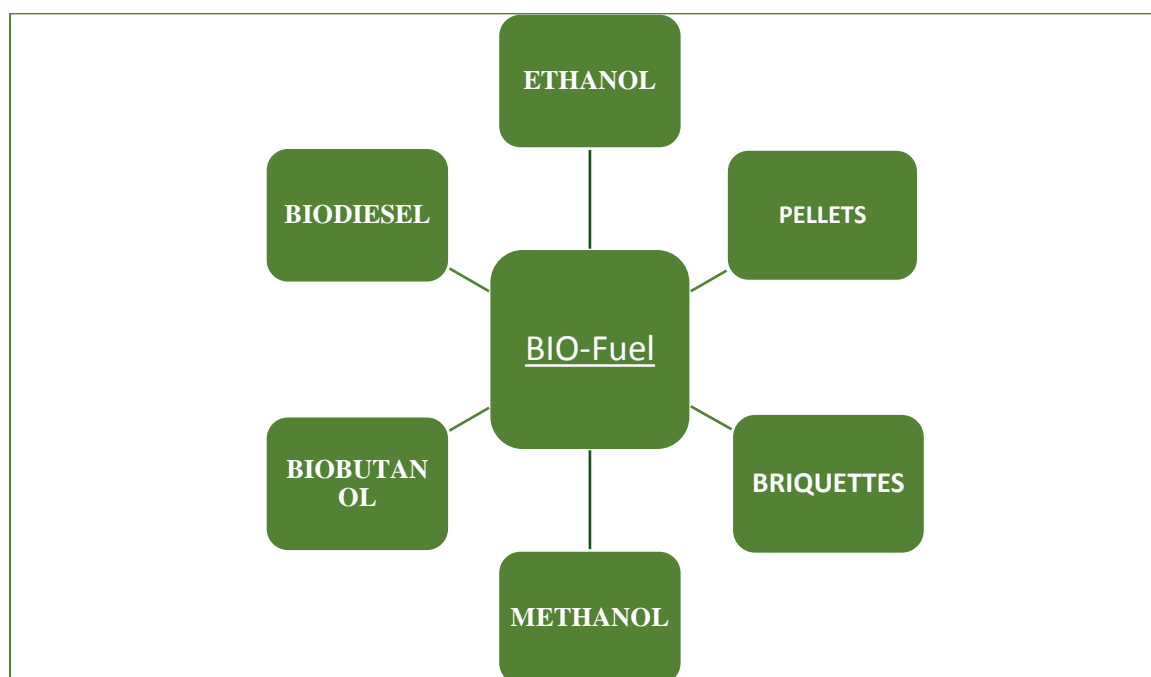
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for 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 page 16 and 185 respectively of this Prospectus before deciding to invest in our Equity Shares.

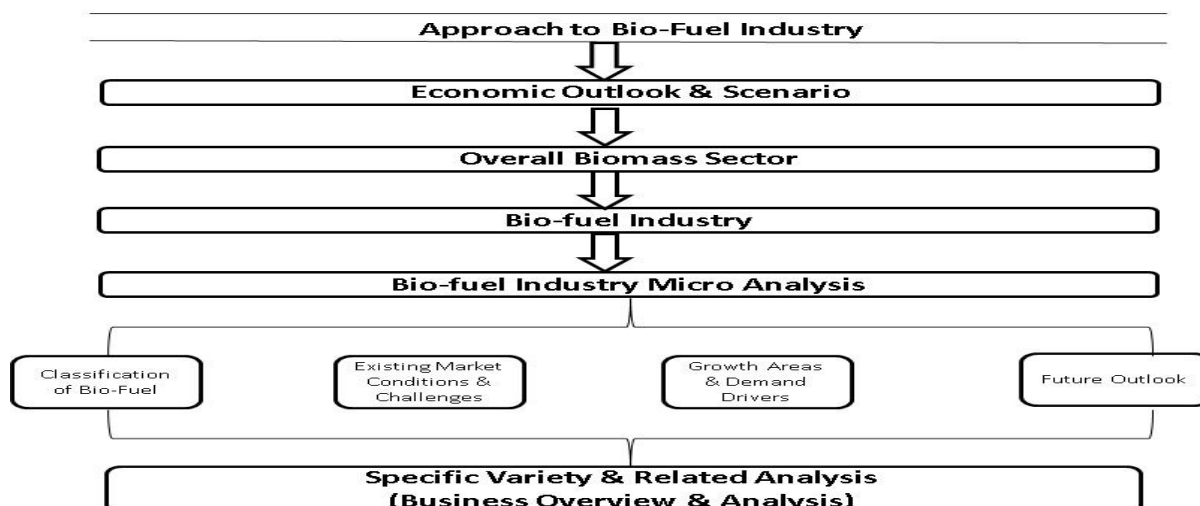
#### APPROACH TO BIO-FUEL INDUSTRY

Bio-fuels provide a strategic advantage to promote sustainable development and to supplement conventional energy sources in meeting the rapidly increasing requirements for transportation fuels associated with high economic growth, as well as in meeting the energy needs of India’s vast rural population. Bio-fuels can increasingly satisfy these energy needs in an environmentally benign and cost-effective manner while reducing dependence on import of fossil fuels and thereby providing a higher degree of National Energy Security. The Indian approach to bio-fuels is based solely on non-food feedstock to be raised on degraded or wastelands that are not suited to agriculture, thus avoiding a possible conflict of fuel vs. food security.

**Source: Press Information Bureau, Government of India**

#### Most popular types of Bio-Fuels across the world



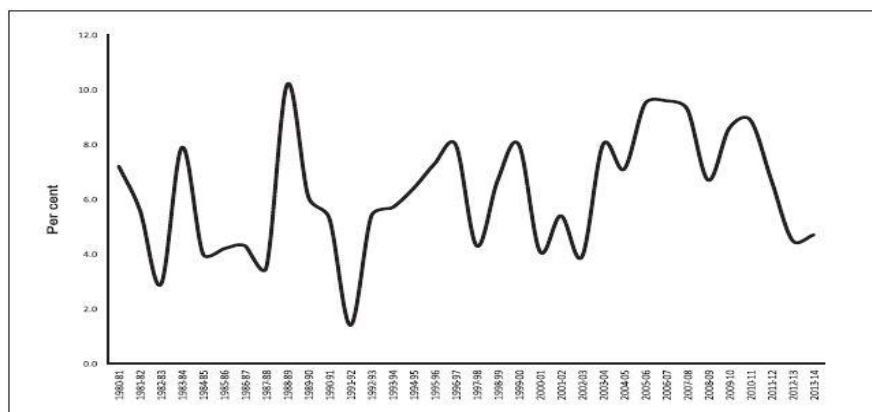


## OVERVIEW OF INDIAN ECONOMY

In 2014-15, the Indian economy is poised to overcome the sub-5 per cent growth of gross domestic product (GDP) witnessed over the last two years. The growth slowdown in the last two years was broad based, affecting in particular the industry sector. Inflation too declined during this period, but continued to be above the comfort zone, owing primarily to the elevated level of food inflation. Yet, the developments on the macro stabilization front, particularly the dramatic improvement in the external economic situation with the current account deficit (CAD) declining to manageable levels after two years of worryingly high levels was the redeeming feature of 2013-14. The fiscal deficit of the Centre as a proportion of GDP also declined for the second year in a row as per the announced medium term policy stance. Reflecting the above and the expectations of a change for the better, financial markets have surged. Moderation in inflation would help ease the monetary policy stance and revive the confidence of investors, and with the global economy expected to recover moderately, particularly on account of performance in some advanced economies, the economy can look forward to better growth prospects in 2014-15 and beyond.

Source (Economic survey 2013-14)

**Growth in Real GDP (per cent)**



Source – Economic Survey 2013-2014

## OUTLOOK FOR 2014-15

The descent into the present phase of sub-5 per cent growth has been rather sharp. The interplay of structural constraints alongside delays in project implementation, subdued domestic sentiments, and an uncertain global milieu led to general growth slowdown while rendering macroeconomic stabilization particularly challenging. Inflation also remained at elevated levels. These factors triggered risk-aversion and injected considerable uncertainty in investment activity. The current macroeconomic situation precludes fiscal stimulus to kick-start activity. Similarly, the task of monetary policy calibration for growth revival has been made difficult by persistent inflation and further complicated by uncertainty in international financial conditions and, until recently, by rupee depreciation. Targeted measures by the government and RBI have improved the external economic situation significantly, even as India remains exposed to risk on/off sentiments of investors and to policy shifts in advanced economies. Regaining growth momentum requires restoration of domestic macroeconomic balance and enhancing efficiency. To this end, the emphasis of policy would have to remain on fiscal consolidation and removal of structural constraints. Though some measures have been initiated to this end, reversion to a growth rate of around 7-8 per cent can only occur beyond the ongoing and the next fiscal.

Global economic activity is expected to strengthen in 2014-15 on the back of some recovery in advanced economies. The Euro area is also expected to register a growth rate of above 1 per cent as against contraction witnessed in 2012 and 2013 (IMF, WEO, April 2014). The European Central Bank's monetary policy measures, most significantly introduction of the negative deposit facility interest rate are expected to boost economic activity in Europe. In addition, the performance of the real sector in the US (that is likely affect the pace of taper) is a major factor that would impact the global economic situation in 2014-15. The growth outlook for emerging Asian economies is generally benign with some grappling with inflation, structural bottlenecks, and external imbalances. The slowdown in emerging economies comes at an inopportune juncture.

Downward movement along with heightened volatility, witnessed, for example, in fixed investment post 2008-09 in India, often tends to magnify the impact and transmission channels of shocks (e.g. below-normal monsoons and/or upshot in oil prices) and hampers build-up of positive expectations. Under such circumstances, the Indian economy can recover only gradually with the GDP at factor cost at constant prices expected to grow in the range of 5.4 – 5.9 per cent in 2014-15. This assumes the revival of growth in the industrial sector witnessed in April 2014 to continue for the rest of the year, the generally benign outlook on oil prices (notwithstanding the uncertainty on account of recent developments in the Middle East), and the absence of pronounced destabilizing shocks (including below-normal monsoons). Growth in the above range implies a pick-up, aided by an improved external economic situation characterized by a stable current account and steady capital inflows, improved fiscal situation and, on the supply side, robust electricity generation and some recovery in manufacturing and non-government services.

Growth in 2014-15 is expected to remain more on the lower side of the range given above, for the following reasons: (i) steps undertaken to restart the investment cycle (including project clearances and incentives given to industry) are perceived to be playing out only gradually; (ii) the benign growth outlook in some Asian economies, particularly China; (iii) still elevated levels of inflation that limit the scope of the RBI to reduce policy rates; and (iv) expectation of below-normal monsoons. Downside risk also emerges from prolonging of the geo-political tensions. On the upside, such factors as institutional

reform to quicken implementation of large projects and a stronger-than-expected recovery in major advanced economies would help the Indian economy clock a higher rate of growth.

**Source: Economic Survey 2013-2014**

## GLOBAL BIO-FUEL INDUSTRY

There is growing interest in bio-fuels in many developing countries as a means of “modernizing” biomass use and providing greater access to clean liquid fuels while helping to address energy costs, energy security and global warming concerns associated with petroleum fuels. Bio-fuels are drawing increasing attention worldwide as substitutes for petroleum-derived transportation fuels to help address energy cost, energy security and global warming concerns associated with liquid fossil fuels.

**Figure 1. Substitutability of biofuels with common petroleum-derived fuels**

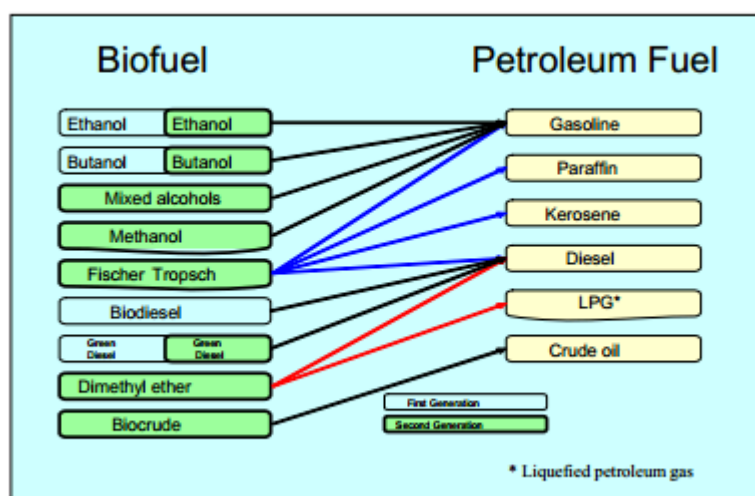
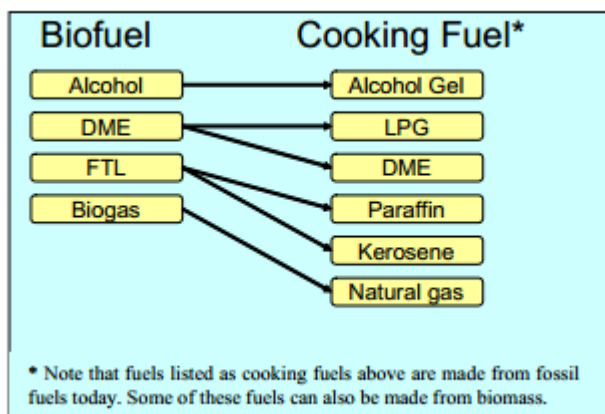


Figure 1 shows the substitutability of various bio-fuels for common petroleum-derived fuels. Alcohol fuels can substitute for gasoline in spark-ignition engines, while biodiesel, green diesel and DME are suitable for use in compression ignition engines. The Fischer-Tropsch process can produce a variety of different hydrocarbon fuels, the primary one of which is a diesel-like fuel for compression ignition engines

While there is much attention on bio-fuels for the transport sector, the use of bio-fuels for cooking (Figure 2), is a potential application of wide relevance globally, especially in rural areas of developing countries. In all cases, combustion of bio-fuels for cooking will yield emissions of pollutants that are lower (or far lower) than emissions from cooking with solid fuels. Some 3 billion people in developing countries cook with solid fuels and suffer severe health damages from the resulting indoor air pollution [1, 2]. Thus, bio-fuels could play a critical role in improving the health of billions of people. It is noteworthy that the scale of bio-fuel production needed to meet cooking energy needs is far smaller than that for meeting transportation fuel needs



**Figure 2. Substitutability of biofuels for clean fossil fuels used for cooking**

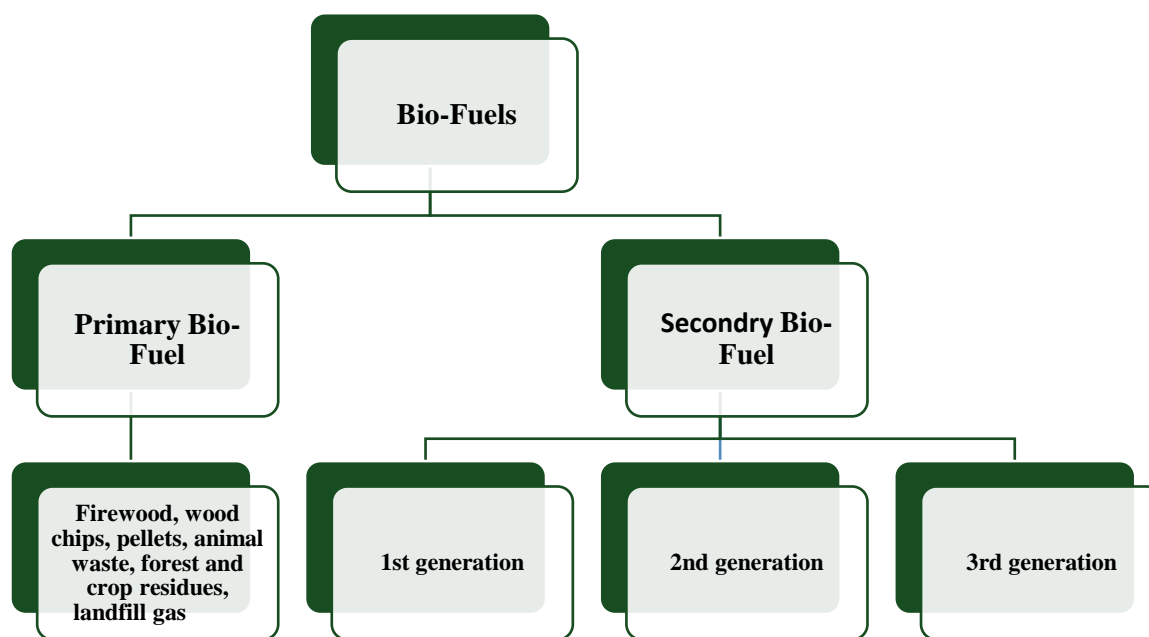


**Source: - United Nations Conference on Trade and Development**

[http://unctad.org/en/docs/ditcted200710\\_en.pdf](http://unctad.org/en/docs/ditcted200710_en.pdf)

## CLASSIFICATION OF BIO-FUELS

A relatively recently popularized classification for liquid bio-fuels includes “first-generation” and “second-generation” fuels. There are no strict technical definitions for these terms. The main distinction between them is the feedstock used. A first-generation fuel is generally one made from sugars, grains, or seeds, i.e. one that uses only a specific (often edible) portion of the above-ground biomass produced by a plant, and relatively simple processing is required to produce a finished fuel. First-generation fuels are already being produced in significant commercial quantities in a number of countries. Second-generation fuels are generally those made from non-edible lignocellulosic biomass, either non-edible residues of food crop production (e.g. corn stalks or rice husks) or non-edible wholeplant biomass (e.g. grasses or trees grown specifically for energy). Second-generation fuels are not yet being produced commercially in any country.



**Table 1. Biofuel classification**

<b>First-generation biofuels</b> (from seeds, grains or sugars)	<b>Second-generation biofuels</b> (from lignocellulosic biomass, such as crop residues, woody crops or energy grasses)
<ul style="list-style-type: none"> <li>• Petroleum-gasoline substitutes               <ul style="list-style-type: none"> <li>– Ethanol or butanol by fermentation of starches (corn, wheat, potato) or sugars (sugar beets, sugar cane)</li> </ul> </li> <li>• Petroleum diesel substitutes               <ul style="list-style-type: none"> <li>– Biodiesel by transesterification of plant oils, also called fatty acid methyl ester (FAME) and fatty acid ethyl ester (FAEE)                   <ul style="list-style-type: none"> <li>▪ From rapeseed (RME), soybeans (SME), sunflowers, coconut, palm, jatropha, recycled cooking oil and animal fats</li> </ul> </li> <li>– Pure plant oils (straight vegetable oil)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Biochemically produced petroleum-gasoline substitutes               <ul style="list-style-type: none"> <li>– Ethanol or butanol by enzymatic hydrolysis</li> </ul> </li> <li>• Thermochemically produced petroleum-gasoline substitutes               <ul style="list-style-type: none"> <li>– Methanol</li> <li>– Fischer-Tropsch gasoline</li> <li>– Mixed alcohols</li> </ul> </li> <li>• Thermochemically produced petroleum-diesel substitutes               <ul style="list-style-type: none"> <li>– Fischer-Tropsch diesel</li> <li>– Dimethyl ether (also a propane substitute)</li> <li>– Green diesel</li> </ul> </li> </ul>

**Source: - United Nations Conference on Trade and Development**

**[http://unctad.org/en/docs/ditcted200710\\_en.pdf](http://unctad.org/en/docs/ditcted200710_en.pdf)**

### **First generation bio-fuels**

The most well-known first-generation bio-fuel is ethanol made by fermenting sugar extracted from sugar cane or sugar beets, or sugar extracted from starch contained in maize kernels or other starch-laden crops. Similar processing, but with different fermentation organisms, can yield another alcohol, butanol. Commercialization efforts for butanol are ongoing [4], while ethanol is already a well-established industry. From the perspective of petroleum substitution or carbon emissions mitigation

efficiencies, the potential for most first-generation bio-fuels is limited. In addition, the significant amount of fossil fuel used to produce this ethanol substantially offsets the carbon emissions reductions from photosynthetic uptake of carbon by the corn plants.



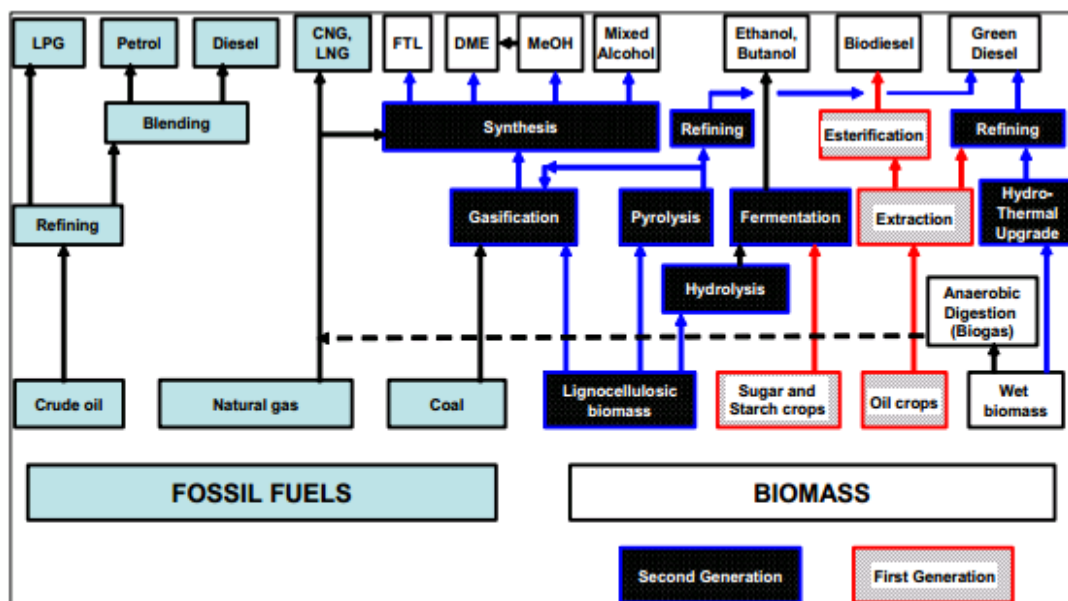
#### Pros and Cons of First Generation Bio-Fuel

Pros	Cons
<ul style="list-style-type: none"> <li>• Simple and well-known production methods</li> <li>• Familiar feedstocks</li> <li>• Scalable to smaller production capacities</li> <li>• Fungibility with existing petroleum-derived fuels</li> <li>• Experience with commercial production and use in several countries</li> </ul>	<ul style="list-style-type: none"> <li>• Feedstocks compete directly with crops grown for food</li> <li>• Production by-products need markets</li> <li>• High-cost feedstocks lead to high-cost production (except Brazilian sugar cane ethanol)</li> <li>• Low land-use efficiency</li> <li>• Modest net reductions in fossil fuel use and greenhouse gas emissions with current processing methods (except Brazilian sugar cane ethanol)</li> </ul>

#### ➤ Second Generation Bio-fuels

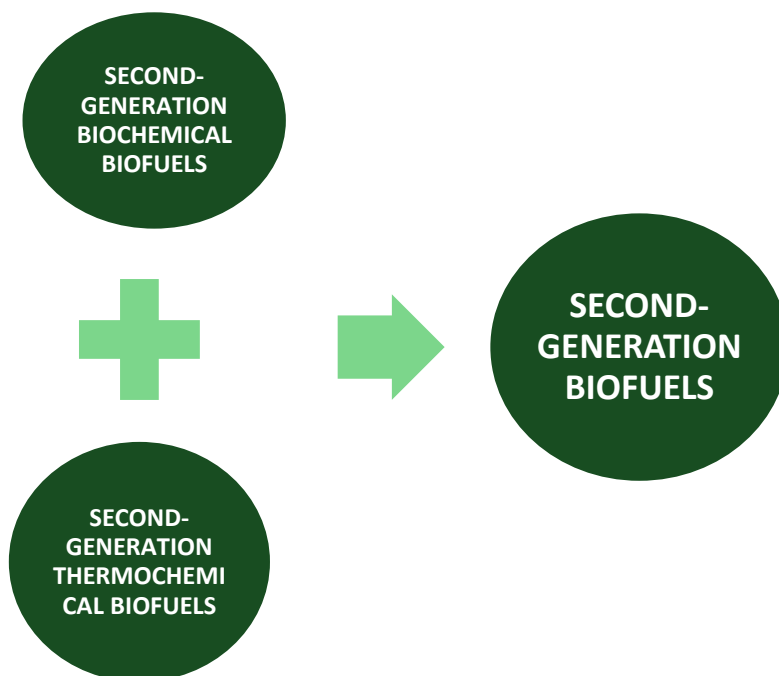
Second-generation bio-fuels share the feature of being produced from lignocellulosic biomass, enabling the use of lower-cost, non-edible feedstocks, thereby limiting direct food vs. fuel competition

## Production pathways to liquid fuels from biomass and, for comparison, from fossil fuels



*Note:* Several fuels can be made starting from biomass or from fossil fuels.

Second-generation bio-fuels can be further classified in terms of the process used to convert the biomass to fuel: biochemical or thermochemical. Second-generation ethanol or butanol would be made via biochemical processing, while all other second-generation fuels discussed here would be made via thermochemical processing



### Second-generation biochemical bio-fuel

The fuel properties of second-generation ethanol or butanol are identical to those of the first generation equivalents, but because the starting feedstock is lignocellulose, fundamentally different

processing steps are involved in producing them. Second-generation biochemically-produced alcohol fuels are often referred to as “cellulosic ethanol” and “cellulosic biobutanol”

### **Second-generation thermochemical bio-fuels**

Thermochemical biomass conversion involves processes at much higher temperatures and generally higher pressures than those found in biochemical conversion systems. Key intrinsic characteristics distinguishing thermochemical from biochemical bio-fuels are the flexibility in feedstocks that can be accommodated with thermochemical processing and the diversity of finished fuels that can be produced.

**Source: - United Nations Conference on Trade and Development**

[http://unctad.org/en/docs/ditcted200710\\_en.pdf](http://unctad.org/en/docs/ditcted200710_en.pdf)

### ➤ **Third generation bio-fuel**

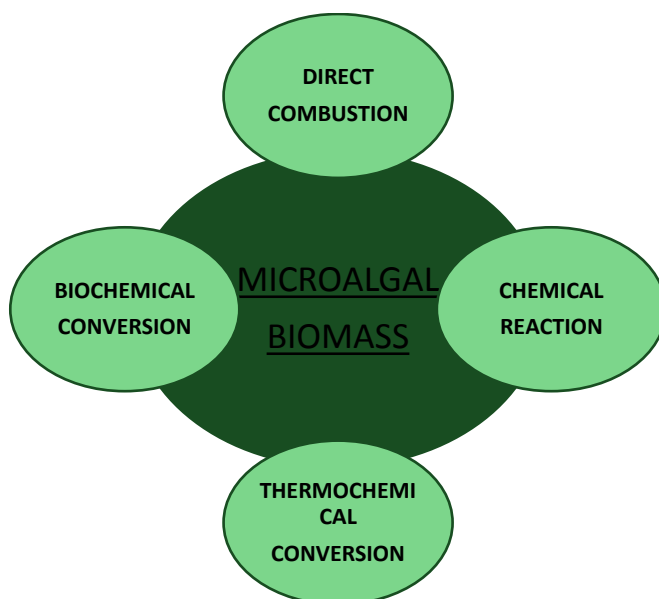
Third generation bio-fuel has only recently enter the mainstream it refers to bio-fuel derived from algae. Previously, algae were lumped in with second generation bio-fuels. However, when it became apparent that algae are capable of much higher yields with lower resource inputs than other feedstock, many suggested that they be moved to their own category Biodiesel from microalgae. Third generation bio-fuel consists of the following:-

- Biodiesel from microalgae
- Bioethanol from microalgae and seaweeds
- Hydrogen from green microalgae and microbes





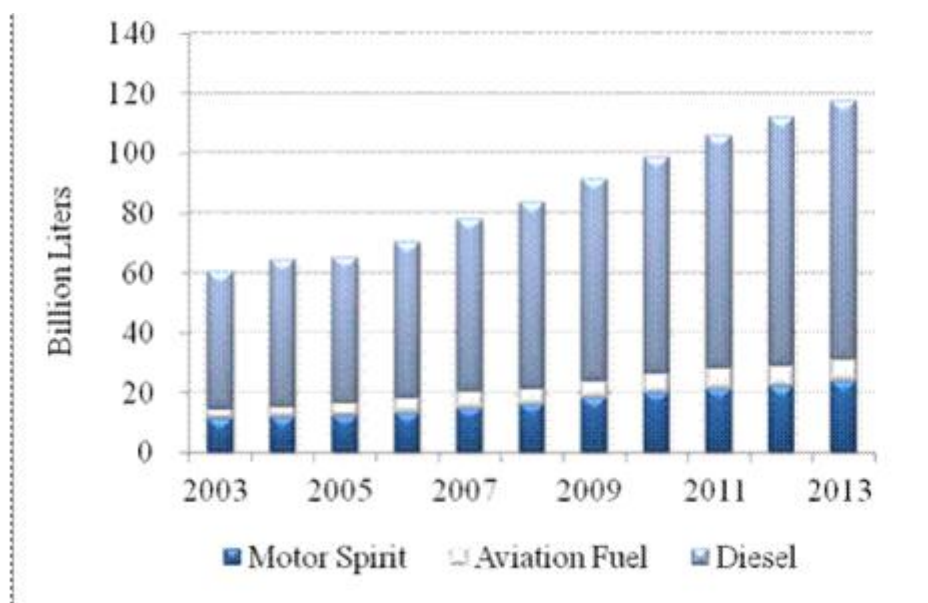
There are several ways to convert microalgal biomass to energy sources.



## INDIAN BIO-FUEL INDUSTRY



India is one of the fastest growing economies in the world. The Development Objectives focus on economic growth, equity and human well being. Energy is a critical input for socio-economic development. The energy strategy of a country aims at efficiency and security and to provide access which being environment friendly and achievement of an optimum mix of primary resources for energy generation. Fossil fuels will continue to play a dominant role in the energy scenario in our country in the next few decades. However, conventional or fossil fuel resources are limited, non-renewable, polluting and, therefore, need to be used prudently. On the other hand, renewable energy resources are indigenous, non-polluting and virtually inexhaustible. The crude oil price has been fluctuating in the world market and has increased significantly in the recent past Such unforeseen escalation of crude oil prices is severely straining various economies the world over, particularly those of the developing countries. Petro-based oil meets about 95% of the requirement for transportation fuels, and the demand has been steadily rising Bio-fuels are environment friendly fuels and their utilization would address global concerns about containment of carbon emissions. The transportation sector has been identified as a major polluting sector.



Source: Petroleum Planning and Analysis Cell, Government of India (GOI)

**Table 1: Projected demand for petrol and diesel and biofuel requirements**

Year	Petrol Demand Mt	Ethanol blending requirement (in metric ton)			Diesel Demand Mt	Biodiesel blending requirement (in metric ton)		
		@5%	@10%	@20%		@5%	@10%	@20%
2006-07	10.07	0.50	1.01	2.01	52.32	2.62	5.23	10.46
2011-12	12.85	0.64	1.29	2.57	66.91	3.35	6.69	13.38
2016-17	16.40	0.82	1.64	3.28	83.58	4.18	8.36	16.72

Source: Planning commission Govt. of India, 2003

Use of bio-fuels have, therefore, become compelling in view of the tightening automotive vehicle emission standards to curb air pollution Bio-fuels are derived from renewable bio-mass resources and, therefore, provide a strategic advantage to promote sustainable development and to supplement conventional energy sources in meeting the rapidly increasing requirements for transportation fuels associated with high economic growth, as well as in meeting the energy needs of India's vast rural population. Bio-fuels can increasingly satisfy these energy needs in an environmentally benign and cost effective manner while reducing dependence on import of fossil fuels and thereby providing a higher degree of National Energy Security.

The growth of bio-fuels around the globe is spurred largely by energy security and environmental concerns and a wide range of market mechanisms, incentives and subsidies have been put in place to facilitate their growth. Developing countries, apart from these considerations, also view bio-fuels as a potential means to stimulate rural development and create employment opportunities. The Indian approach to bio-fuels, in particular, is somewhat different to the current international approaches which could lead to conflict with food security. It is based solely on non-food feedstocks to be raised on degraded or wastelands that are not suited to agriculture, thus avoiding a possible conflict of fuel vs. food security.

**Source: - National Policy on Biofuels, Government of India Ministry of New & Renewable Energy**

In 2003, Government of India came up with 'Report of the Committee on Development of Biofuel', to promote bio-fuel (ethanol from sugarcane and biodiesel from Jatropha and Karanja) on wasteland. Biodiesel programme has been able to catch attention of different stakeholders due to the requirement of huge and scarce resources from the hinterland of country, viz., wasteland, manpower for employment and other related inputs, with emphasis on fulfilling the guzzling fuel requirement of transport sector.

***Source: Planning Commission 2003***



## SUMMARY OF BUSINESS

### **OVERVIEW**

Our Company, an ISO 9001:2008 certified is engaged in the manufacturing of bio-fuels viz. bio-briquettes and bio-pellets which is an alternative source of energy and has the ability to replace/are fairly good substitutes of traditional fossil fuels like coal, firewood, lignite, etc.

Driven by experience in agriculture, innovation and investment in R&D, our Promoters sensed that bio-fuel is the need of the hour and can be the next big thing in fuel sector. With the indiscriminate exploitation of all fossil fuels, our Promoters sought to capitalize on the growing global demand of an alternate source of renewable energy and thus incorporated our Company under the name “Jiya Eco-Products Private Limited” in December 2011. Subsequently in February 2014, our Company was converted into a public limited company and its name was changed to “Jiya Eco-Products Limited”.

In 2012, our Company succeeded in setting-up our manufacturing unit at Navagam, Bhavnagar. Our Company started with the production of bio-briquettes and within a short span of time of around 2 years it enhanced its installed capacity to around 31,000 tonnes by installing new machineries, and forayed into production of bio-pellets as well thus making diversification in our range of products and increasing the scalability of our business.

The location of our factory gives us the competitive edge over other players in terms of procurement and availability of raw material throughout the year. At present, our Company has authorised collection centres spread over surrounding villages to source agricultural waste which serves as the major raw material in production of bio-fuels. Also our Company has arrangements with various Gram-Panchayats in the State of Gujarat for procurement of solid waste, which serves as another important raw material in our business.

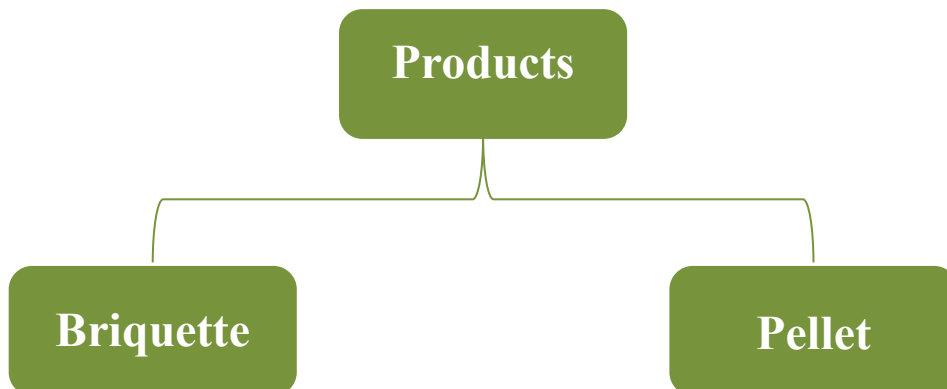
With the global and industrial realization of environmental benefits of use of bio-fuel which includes renewability of bio-fuel, pollution control, use of agricultural waste, etc., our Company has also received various incentives from Government including tax holiday, interest rate subvention and VAT exemption.

We believe in qualitative production matching the customer requirements, timely deliverables and cost efficiency and have thereby developed a long-continuing relationship with our customers. With the experience of our Promoters, technological drive, continuous research, supplier tie-ups, customer relationships, government support and industry demand for bio-fuel, our Company is one of the key players across the state of Gujarat in bio-fuel sector and has plans to expand its presence on PAN India basis.

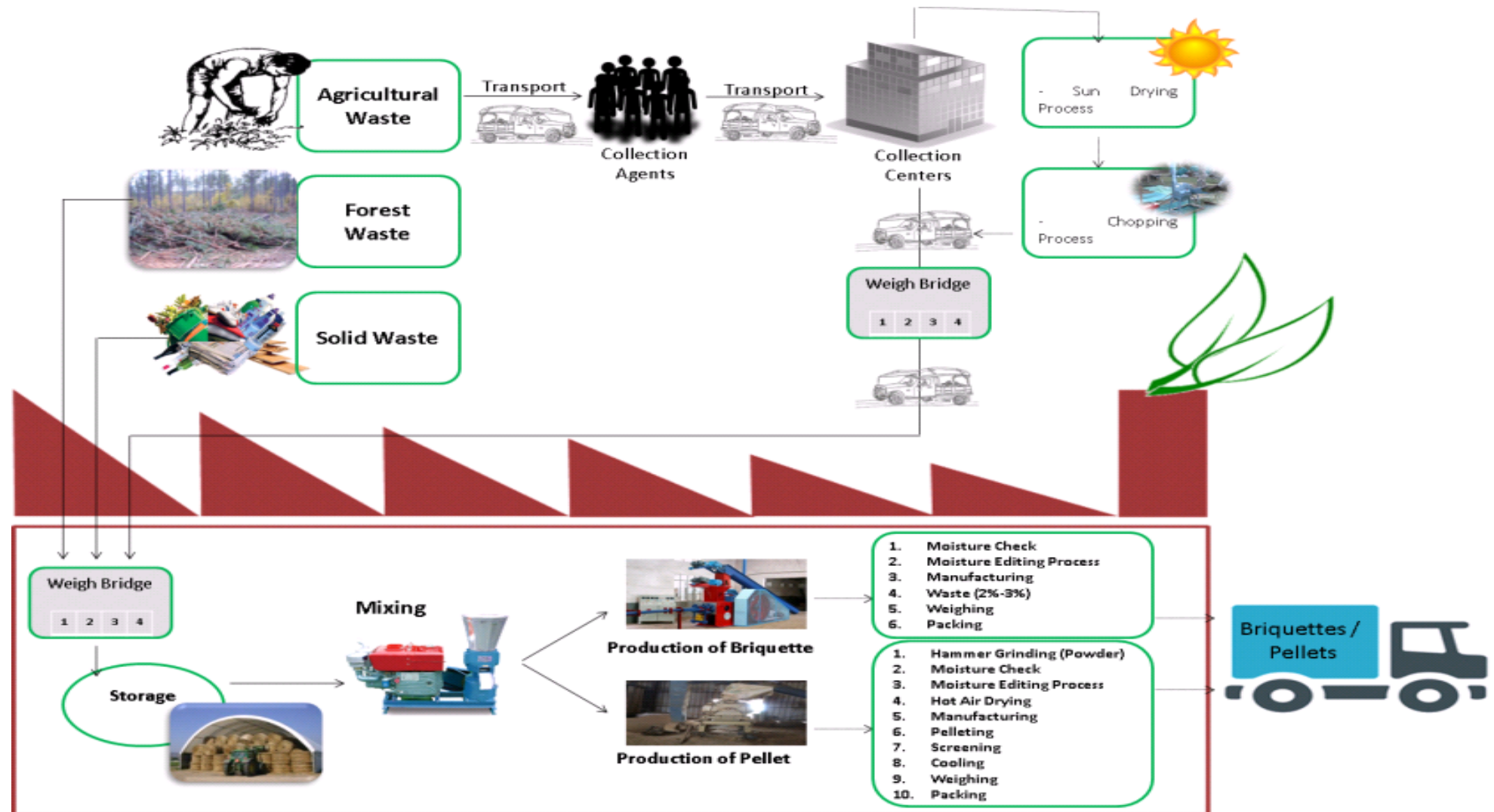
## OUR PRODUCTS

Our Company is engaged in the activity of manufacturing the following 2 products:

- Bio-briquettes
- Bio-pellets



## OUR MANUFACTURING PROCESS



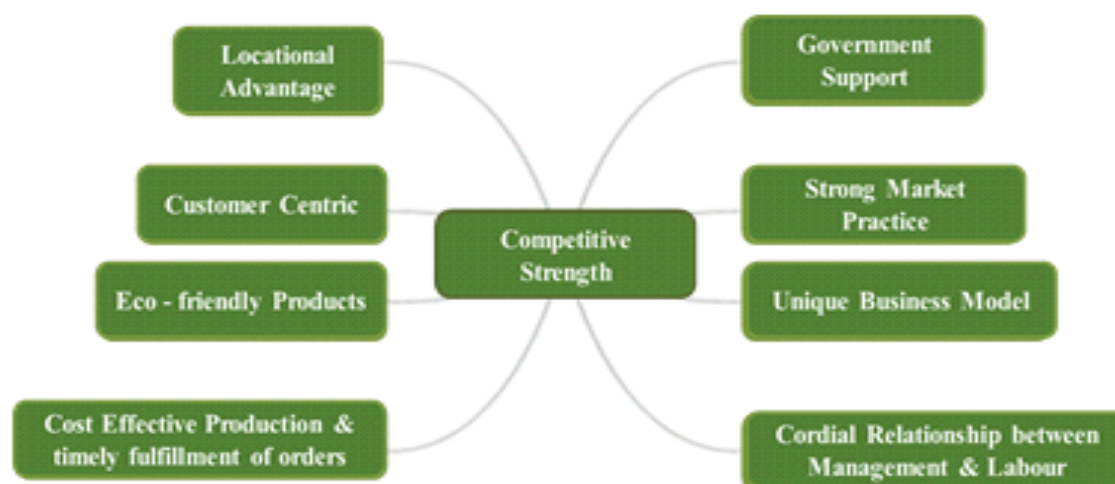
## OUR MANUFACTURING FACILITY AND BUSINESS PROCESS

Our manufacturing unit is situated approximately 40 kms. from Bhavnagar city at 202/2 Navagam, Taluka - Vallabhipur, Bhavnagar, Gujarat – 364040. Our Company is having infrastructural facilities admeasuring on 14963 sq. mts of land with adequate power connection and labour force. The group is having managerial team consisting of first generation management as well as technical experts.

### Machines used in our manufacturing process:



## OUR COMPETITIVE STRENGTH



### 1. Unique Business Model

Our Company's multifold growth in the past 2 years speaks of our unique business model, and our growth model. Our business model has proved successful and scalable as evidenced in the latest financials. We have adequate capacity to scale upward and we also undertake aggressive marketing of our products along with maintaining superior quality.

### 2. Locational Advantage

Our manufacturing unit is located at Navagam which is approximately 40 kms from Bhavnagar surrounded by acres of farms land which facilitates easy access to raw materials and at very cheap rates

### 3. Cost effective production and timely fulfillment of orders

Timely fulfillment of the orders is a prerequisite in our industry. Our Company has taken various steps in order to ensure adherence to timely fulfillment and also to achieve greater cost efficiency. Our Company constantly endeavors to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

### 4. Business is Customer Centric

Our Company focuses on attaining highest level of customer satisfaction. The progress achieved by us is largely due to our ability to address and exceed customer satisfaction. The directors of the company have years of expertise and are well acquainted with domestic markets.

### 5. State of Art Infrastructure:

Our Company has invested significant resources in the development of state of art infrastructure for manufacturing of bio-fuels – briquettes and pellets. Our Company has invested significant resources in technological capabilities and has developed a scalable technology system.

## 6. Government Support

Our Company has been encouraged and given various incentives by the government in the form of tax holiday, VAT exemptions and interest rate subvention. These incentives have helped us in making our production cost effective.

## 7. Marketing Strategies:

Our marketing team is ready to take up challenges so as to scale new heights in India as well as in global market. Our commitment and competitive prices have helped us penetrate the market.

## 8. Leveraging the experience of our Promoter:

Mixing of raw materials is one of the major tasks for the manufacturing of briquettes and pellets. Our Promoters are basically from agricultural background and are technical experts in mixing the right amount to ensure high quality products with low moisture content and high calorific.

## 9. Cordial Relationship between management and labour

Our Company enjoys cordial relationship with employees and there has been no union. Further, there have been no strikes, lock-out or any labour protest in our organization since inception.

## 10. Eco- friendly products

Unlike fossil fuel, bio-fuel does not contribute to greenhouse gases and are renewable source of energy.

## BUSINESS STRATEGY

Our vision is **to offer best bio-fuel products to our clients in order to achieve their complete satisfaction**. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus first and foremost on capitalizing on our core strengths and enhancing the volume of our business. We intend to focus on our existing range of products with specific emphasis on the following factors as business and growth strategy:



**1. Improving functional efficiency**

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology development.

**2. Leveraging our market skills and relationship**

Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

**3. Brand image**

We would continue to associate ourselves with good quality customers and execute projects to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

**4. Enhancing existing production and product quality**

We believe quality service and products of global standards will be of utmost importance for customer retention and repeat-order flow. We intend to have close interaction with our customers in a bid to strengthen our relationships with them. We train our employees to consistently design and deliver client focused solutions.

**5. Expand our global footprint**

Through a combination of increased capacities, reduced costs, wider range of products adhering to global standards, marketing initiatives, competitive pricing and more efficient use of resources, we intend to expand our global footprint and become a preferred supplier for large international retail chains and institutions in the bio-fuel industry.



**SUMMARY FINANCIAL STATEMENTS**

The following summary of financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the Auditor's Report in the section titled "Financial Statements". You should read this financial data in conjunction with our financial statements for Financial Year 2012, 2013, 2014 and period ended December 31, 2014 including the notes thereto and the reports thereon, which appears under the section titled "Financial Statements" and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 185 and 206 of this Prospectus

**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED****(Rs. in Lakhs)**

Sr. No.	Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at December 31, 2014
<b>1)</b>	<b>Equity &amp; Liabilities</b>				
	<b>Shareholders funds</b>				
	a. Share capital	1.00	98.79	498.66	651.83
	b. Reserves & surplus	(0.83)	6.42	111.31	476.08
<b>2)</b>	<b>Share Application Money Pending Allotment</b>	-	-	-	-
<b>3)</b>	<b>Non current liabilities</b>				
	a. Long term borrowings	0.29	167.14	189.09	476.98
	b. Deferred tax liabilities	-	2.47	17.02	16.33
	c. Other Long Term Liabilities	0.71	0.71	-	-
	d. Long term provisions	0.19	1.40	4.29	8.70
<b>4)</b>	<b>Current liabilities</b>				
	a. Short Term Borrowings	-	150.44	137.22	130.52
	b. Trade Payables	1.05	7.73	236.23	200.72
	c. Other Current Liabilities	3.04	35.25	45.84	242.38
	d. Short Term Provisions	-	1.82	23.84	47.91
	<b>TOTAL (1+2+3+4)</b>	<b>5.45</b>	<b>472.17</b>	<b>1,263.51</b>	<b>2,251.45</b>
<b>5)</b>	<b>Non current assets</b>				
	a. Fixed assets				
	i. Tangible assets	-	241.75	593.38	875.22
	ii. Intangible assets	-	-	-	-
	Less: Accumulated Depreciation	-	(9.51)	(61.08)	(138.16)
	Net Block	-	232.24	532.30	737.06
	iii. Capital work in progress	-	-	-	240.75
	b. Long term loans & advances	-	11.51	36.36	84.90
	d. Other non current assets	-	-	-	5.62
<b>6)</b>	<b>Current assets</b>				
	a. Inventories	0.27	92.58	51.04	72.18



Sr. No.	Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at December 31, 2014
	b. Trade receivables	1.16	99.02	561.98	924.63
	c. Cash and cash equivalents	3.75	35.44	1.27	38.14
	d. Short term loans & advances	0.20	-	78.69	147.61
	e. Other current assets	0.07	1.38	1.87	0.56
	<b>TOTAL (5+6)</b>	<b>5.45</b>	<b>472.17</b>	<b>1,263.51</b>	<b>2,251.45</b>

## STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs. in Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2012	For the year ended March 31, 2013	For the year ended March 31, 2014	For the period ended December 31, 2014
	<b>INCOME</b>				
	Revenue from Operations	1.10	164.83	1401.33	2,045.64
	Other income	-	0.28	0.62	0.38
	<b>Total revenue (A)</b>	<b>1.10</b>	<b>165.11</b>	<b>1,401.95</b>	<b>2,046.02</b>
	<b>EXPENDITURE</b>				
	Cost of materials consumed	-	1.71	675.87	945.06
	Purchase of stock-in-trade	1.18	-	-	-
	Changes in inventories of finished goods, traded goods and work-in-progress	(0.27)	(26.62)	19.81	(32.33)
	Employee benefit expenses	0.29	67.97	203.15	195.09
	Finance costs	-	16.50	39.15	57.95
	Depreciation and amortisation expense	-	9.51	51.57	77.08
	Other expenses	0.73	86.32	296.97	563.73
	<b>Total expenses (B)</b>	<b>1.93</b>	<b>155.39</b>	<b>1,286.52</b>	<b>1,806.58</b>
	<b>Profit before tax (A-B)</b>	<b>(0.83)</b>	<b>9.72</b>	<b>115.43</b>	<b>239.44</b>
	Prior period items (net)	-	-	-	-
	<b>Profit before exceptional, extraordinary items and tax</b>	<b>(0.83)</b>	<b>9.72</b>	<b>115.43</b>	<b>239.44</b>
	Exceptional items	-	-	-	-
	<b>Profit before extraordinary items and tax</b>	<b>(0.83)</b>	<b>9.72</b>	<b>115.43</b>	<b>239.44</b>
	Extraordinary items	-	-	4.02	-
	<b>Profit before tax</b>	<b>(0.83)</b>	<b>9.72</b>	<b>119.45</b>	<b>239.44</b>
	Tax expense:				
	(i) Current tax	-	1.85	23.90	47.91
	(ii) Deferred tax (asset)/liability	-	2.47	14.56	(0.70)
	(iii)(Excess)/Short Provision of Tax of earlier years	-	-	0.38	0.65
	(iv)MAT Credit	-	(1.85)	(24.28)	(48.55)
	<b>Total tax expense</b>	<b>-</b>	<b>2.47</b>	<b>14.56</b>	<b>(0.69)</b>

<b>Sr. No.</b>	<b>Particulars</b>	<b>For the year ended March 31, 2012</b>	<b>For the year ended March 31, 2013</b>	<b>For the year ended March 31, 2014</b>	<b>For the period ended December 31, 2014</b>
	<b>Profit for the year/ period</b>	<b>(0.83)</b>	<b>7.25</b>	<b>104.89</b>	<b>240.13</b>
	<b>Earnings per equity share (face value of Rs. 10/- each): Basic and diluted (Rs.)</b>	<b>(8.26)</b>	<b>1.50</b>	<b>3.25</b>	<b>4.49</b>
	<b>Adjusted earnings per equity share (face value of Rs. 10/- each): Basic and diluted (Rs.)</b>	<b>(8.26)</b>	<b>1.50</b>	<b>3.25</b>	<b>4.49</b>

## STATEMENT OF CASH FLOW AS RESTATED

(Rs. in Lakhs)

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at December 31, 2014
<b>Cash flow from operating activities:</b>				
Net profit before tax as per statement of profit and loss	(0.83)	9.72	119.45	239.44
<b>Adjusted for:</b>				
Extra-ordinary Items	-	-	(4.02)	-
Depreciation & Amortisation	-	9.51	51.57	77.08
Provision for gratuity	0.19	1.23	2.95	4.49
Interest & finance cost	-	10.53	19.78	53.39
Interest income	-	(0.28)	(0.63)	-
<b>Operating profit before working capital changes</b>	<b>(0.64)</b>	<b>30.71</b>	<b>189.10</b>	<b>374.40</b>
<b>Adjusted for:</b>				
Increase in trade receivables	(1.16)	(97.86)	(462.96)	(362.65)
(Increase)/decrease in inventories	(0.27)	(92.31)	41.54	(21.14)
(Increase)/decrease in other current assets	(0.07)	(1.31)	(0.49)	1.31
Increase in loans and advances and other assets	(0.19)	(9.22)	(14.49)	(5.62)
Increase/(decrease) in short term borrowings	-	150.44	(13.22)	(6.70)
Increase in trade payables	-	7.73	228.50	(35.51)
Increase in liabilities & provisions	3.03	6.52	2.49	181.06
<b>Cash generated from/ (used in) operations before extra-ordinary items</b>	<b>0.70</b>	<b>(5.30)</b>	<b>(29.53)</b>	<b>125.15</b>
Add: Extra-ordinary items	-	-	4.02	-
<b>Cash generated from/ (used in) operations</b>	<b>0.70</b>	<b>(5.30)</b>	<b>(25.51)</b>	<b>125.15</b>
Direct tax paid	-	-	(2.45)	(24.48)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>0.70</b>	<b>(5.30)</b>	<b>(27.96)</b>	<b>100.67</b>
<b>Cash flow from investing activities:</b>				
Purchase of fixed assets	-	(241.75)	(351.63)	(508.10)
Advance to machine supplier	-	-	(64.20)	(83.41)
<b>Net cash flow used in investing activities (B)</b>	<b>-</b>	<b>(241.75)</b>	<b>(415.83)</b>	<b>(591.51)</b>
<b>Cash flow from financing activities:</b>				
Proceeds from issue of shares capital	1.00	97.79	399.87	277.81
Proceeds from borrowings (net)	2.05	181.83	30.80	305.23
Truck Loan	-	9.65	(2.30)	(1.94)
Interest on Truck Loan	-	(0.69)	(1.16)	-
Interest & finance cost	-	(9.84)	(17.59)	(53.39)
<b>Net cash flow from financing activities (C)</b>	<b>3.05</b>	<b>278.74</b>	<b>409.62</b>	<b>527.71</b>
Net increase/(decrease) in cash & cash equivalents (A+B+C)	3.75	31.69	(34.17)	36.87
Cash & cash equivalents as at beginning of	-	3.75	35.44	1.27

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at December 31, 2014
the year				
Cash & cash equivalents as at end of the year	<b>3.75</b>	<b>35.44</b>	<b>1.27</b>	<b>38.14</b>

## THE ISSUE

Particulars	Number of Equity Shares
Equity Shares Offered	24,12,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs.19 per Equity Share aggregating Rs. 458.28 Lakhs
<b>Of which:</b>	
Issue Reserved for Market Makers	1,26,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 19 per Equity Share aggregating Rs. 23.94 Lakhs
Net Issue to the Public	22,86,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs 19 per Equity Share aggregating Rs. 434.34 Lakhs <b>of which:</b>
	11,46,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 19 per Equity Share will be available for allocation to Retail Individual Investors.
	11,40,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 19 per Equity Share will be available for allocation to investors other than Retail Individual Investors.
Equity Shares outstanding prior to the Issue	65,18,314 Equity shares
Equity Shares outstanding after the Issue	89,30,314 Equity shares
Objects of the Issue	Refer to the chapter titled “Objects of the Issue” beginning on page 92 of this Prospectus

## Notes:

1. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, as amended from time to time. For further details please refer to “Issue Structure” on page 250 of this Prospectus.
2. The Issue is being made through the Fixed Price method and hence, as per sub-regulation (4) of Regulation 43, of SEBI (ICDR) Regulations allocation in the net offer to 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.
3. The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on December 19, 2014 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 EGM held on January 16, 2015.

## GENERAL INFORMATION

Our Company was incorporated as Jiya Eco-Products Private Limited' under the Companies Act, 1956 *vide* Certificate of Incorporation dated December 27, 2011 bearing registration number 068414 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Subsequently, *vide* fresh Certificate of Incorporation Consequent upon Change of Name on Conversion to Public Limited Company dated February 11, 2014, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli our Company was converted into a public limited company and the name of our Company was changed to 'Jiya Eco-Products Limited'. The corporate identity number of our Company is U01111GJ2011PLC068414.

Our Company is promoted by Bhavesh Kakadiya, Harshad Monpara and Yogesh Patel. It is engaged in the business of manufacturing of bio-fuels viz bio-briquettes and bio-pellets, which is an alternative source of energy and can replace traditional fossil fuels like coal, charcoal, wood, lignite's, LPG etc. For further details please refer to chapter titled "*Our History and Certain Other Corporate Matters*" beginning on page 154 of this Prospectus.

### REGISTERED OFFICE OF OUR COMPANY

**Jiya Eco-Products Limited**

G-6/7 B, Raturaj Complex

Opp. A.V. School Ground

Crecent Road, Bhavnagar, Gujarat - 364001

**Tel:** 02841 - 281028

**Fax:** 02841 - 281028

**Email:** ipo@jiyaeco.in

**Website:** www.jiyaeco.com

**Registration Number:** 068414

**Corporate Identification Number:** U01111GJ2011PLC068414

### REGISTRAR OF COMPANIES

**Registrar of Companies, Ahmedabad**

ROC Bhavan, Opp Rupal Park Society

Behind Ankur Bus Stop

Naranpura, Ahmedabad-380013

Gujarat, India.

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

### DESIGNATED STOCK EXCHANGE:

**SME Platform of BSE**

P. J Towers, Dalal Street,

Mumbai, 400001

Maharashtra India

For details in relation to the changes to the name of our Company, please refer to the chapter titled, "*Our History and Certain Other Corporate Matters*" beginning on page 154 of this Prospectus.

**BOARD OF DIRECTORS OF OUR COMPANY**

Sl. No.	Name	Age	DIN	Address	Designation
1.	Harshad Monpara	50	05147699	Plot No 5/A, Sardar Patel Soc., Opp. Jewel circle, RTO Road, Bhavnagar - 364002, Gujarat, India	Managing Director
2.	Bhavesh Kakadiya	33	05147695	1101, Malabarhill Tower, Surat Siti, Surat, 395007, Gujarat, India	Managing Director
3.	Yogesh Patel	47	05147701	Plot No. C/1260, Kaliyabid, Nr. Sagwadi Chowk, Bhavnagar, 364002, Gujarat, India	Non Executive Director
4.	Hetalben Kakadiya	32	07073147	1101, Malabarhill Tower, Surat Siti, Surat - 395007, Gujarat, India	Additional Director (Non Executive)
5.	Nimish Jani	30	07074047	722-B-4, Jameen Wikas Benkani Bajuno Vistar, Daimand Chowk Bhav.Shaher, Bhavnagar-364005 Gujarat India	Independent Additional Director (Non Executive)
6.	Jitenkumar Shah	36	07068199	Plot No: 7-B, Abhishek Waghawadi Road, Near Radha Mandir, Bhavnagar -364001 Gujarat ,India	Independent Director (Non Executive)
7.	Nitinbhai Kapadia	39	06553638	C/57, Kaliyabid, Talaja Road, Bhavnagar - 364002 Gujarat India	Independent Director (Non Executive)
8.	Tushar Patel	41	07180750	Bambakhana Street, Kanbiwad, Bhavnagar -364001, Gujarat, India	Independent Additional Director (Non Executive)

For further details of our Directors, please refer to the chapter titled “Our Management” beginning on page 157 of this Prospectus.

**COMPANY SECRETARY & COMPLIANCE OFFICER**

**Harshil Shah**

**Jiya Eco-Products Limited**

A-25 Circle – “B”, Above Pakwan-2 Judges

Bungalow Road Bodakdev, Ahmedabad

**Tel:** 02841 - 281028

**Fax:** 02841 - 281028

**Email:** [cs@jiyaeco.in](mailto:cs@jiyaeco.in)

**Website:** [www.jiyaeco.com](http://www.jiyaeco.com)

**CHIEF FINANCIAL OFFICER**

**Vipul Vora**

**Jiya Eco-Products Limited**

G-6/7 B, Ruturaj Complex

Opp. A.V. School Ground

Crecent Road



Bhavnagar, Gujarat - 364001

**Tel:** 02841 - 281028

**Fax:** 02841 - 281028

**Email:** [cfo@jiyaeco.in](mailto:cfo@jiyaeco.in)

**Website:** [www.jiyaeco.com](http://www.jiyaeco.com)

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or the Lead Manager, 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 or refund orders, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs to whom the Application was submitted (at ASBA Locations) where the ASBA Form was submitted by the ASBA Applicants.

#### STATUTORY AUDITOR

**M/s Hitesh Agrawal & Co**

Chartered Accountants

204, Wall Street-1, Near Gujarat College,

Opp. Orient Club, Ellis Bridge

Ahmedabad - 380006

**Tel:** +91 – 79-3000 9185

**Fax:** + 91- 79-26401351

**E-mail:** [ca.vikasjain1@icai.org](mailto:ca.vikasjain1@icai.org)

**Contact Person:** Vikas Jain and Vinod Agrawal

**Firm Registration No:** 125172W

**Membership No:** 115545 of Vikas Jain and 119396 of Vinod Agrawal

#### PEER REVIEWED AUDITOR

**M/s. R.T. Jain & Co.**

Chartered Accountants

2nd Floor, Lotus Bldg,

59, Mohammed Ali Road,

Mumbai – 400 003

**Tel:** +91 22 23465218

**Fax:** + 91 22 23464955

**E-Mail:** [rtjain\\_ca@yahoo.co.in](mailto:rtjain_ca@yahoo.co.in)

**Contact Person:** Bankim Jain

**Firm Registration No:** 103961W

M/s. R.T Jain & Co holds a peer reviewed certificate dated September 20, 2011 issued by the Institute of Chartered Accountants of India.

## LEAD MANAGER

### **Pantomath Capital Advisors Private Limited**

108, Madhava Premises Co-Op Soc. Ltd.  
Bandra Kurla Complex, Bandra East  
Mumbai 400 051

**Tel:** +91 22 26598687

**Fax:** + 91 22 26598690

**Email:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)

**Contact Person:** Mahavir Lunawat

**SEBI Registration No:** INM000012110

## REGISTRAR TO THE ISSUE

### **Bigshare Services Private Limited**

E/2, Ansa Industrial Estate Saki Vihar Road,  
Saki Naka, Andheri (East), Mumbai 400 072

**Tel:** +91-22-40430200

**Fax:** +91-22-28475207

**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Contact Person:** Ashok Shetty

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**SEBI Registration No.:** INR000001385

## LEGAL ADVISOR TO THE ISSUE

### **Kanga & Co. Advocates & Solicitors**

Ready money Mansion,  
43, Veer Nariman Road, Fort,  
Mumbai - 400 001, Maharashtra, India

**Tel:** +91-22-6623 0000 / 2288

**Fax No.:** +91-22- 6633 9656 / 57

**Contact Person:** Mr. Chetan Thakkar

**Email:** [chetan.thakkar@kangacompany.com](mailto:chetan.thakkar@kangacompany.com)

**Web:** [www.kangacompany.com](http://www.kangacompany.com)

## BANKER TO THE COMPANY

### **Federal Bank Limited**

Bhavnagar Branch  
1<sup>st</sup> Floor, Shanti Aradhna Complex  
Waghawadi Road  
Bhavnagar, Gujarat

**Tel :** 0278 - 513960

**Fax :** 0278 – 513922

**Email :** [bvn@federalbank.co.in](mailto:bvn@federalbank.co.in)

**Contact Person:** Mitul Rameshkumar Mehta

### **IDBI Bank**

Ahmedabad Branch  
1<sup>st</sup> Floor, IDBI Bank Complex  
Near Lal Bungalow, Off CG Road  
Ahmedabad, Gujarat

**Tel :** 079 – 66072768

**Fax :** 079 – 26400814

**Email :** [sunil.panda@idbi.co.in](mailto:sunil.panda@idbi.co.in)

**Contact Person:** Sunil Panda

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

**Website:** [www.idbibank.com](http://www.idbibank.com)

#### ESCROW COLLECTION BANKS

##### **IndusInd Bank Limited**

IndusInd Bank, PNA House, 4th Floor  
Plot No 57 & 57/1, Road No. 17  
Near SRL, MIDC Andheri East  
Mumbai – 400093

**Tel:** 022 61069248

**Fax:** 022 66238021

**Email:** suresh.esaki@indusind.com

**Contact Person:** Suresh Esaki

**SEBI Registration No.:** INBI000000002

##### **ICICI Bank Limited**

Capital Market Division  
1st Floor, 122, Mistry Bhavan  
Dinshaw Vachha Road  
Mumbai – 400 020

**Tel:** - (91) 022 22859932

**Fax:** (91) 022 22611138

**Email:** rishav.bagrecha@icicibank.com

**Contact Person:** Rishav Bagrecha

**SEBI Registration No.:** INBI000000004

#### REFUND BANKER

##### **ICICI Bank Limited**

Capital Market Division  
1st Floor, 122, Mistry Bhavan  
Dinshaw Vachha Road  
Mumbai – 400 020

**Tel:** - (91) 022 22859932

**Fax:** (91) 022 22611138

**Email:** rishav.bagrecha@icicibank.com

**Contact Person:** Rishav Bagrecha

**SEBI Registration No.:** INBI000000004

#### SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognition-Intermediaries>. For details on Designated Branches of SCSBs collecting the ASBA Bid Form, please refer to the above-mentioned SEBI link.

#### CREDIT RATING

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

#### IPO GRADING

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

## APPRAISAL AND MONITORING 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 458.28 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Clause 52 of the SME Listing Agreement to be entered into with BSE upon listing of the Equity Shares and the corporate governance requirements, *inter-alia*, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

## EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits included in this Prospectus, our Company has not obtained any other expert opinion.

## DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

## UNDERWRITER

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated February 24, 2015, pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue.

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
<b>Pantomath Capital Advisors Private Limited</b> 108, Madhava Premises Co-Op Soc Ltd. Bandra Kurla Complex, Bandra East, Mumbai 400051 <b>Tel:</b> (022) 26598687 <b>Fax:</b> (022) 26598690 <b>Email:</b> <a href="mailto:ipo@pantomathgroup.com">ipo@pantomathgroup.com</a> <b>Contact Person:</b> Mahavir Lunawat <b>SEBI Registration No:</b> INM000012110	24,12,000	458.28	100%
<b>Total</b>	<b>24,12,000</b>	<b>458.28</b>	<b>100%</b>

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

#### DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated February 24, 2015 with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

**BCB Brokerage Private Limited**

1207/A P J Towers,

Dalal Street, Fort,

Mumbai – 400 001

**Tel:** 022 - 22720000

**Fax:** 022 - 22722451

**E-mail:** [uttam@bcbbrokerage.com](mailto:uttam@bcbbrokerage.com)

**Contact Person:** Uttam Bagri

**SEBI Registration No.:** INB011161131

**Market Maker Registration No. (SME Segment of BSE):** SMEMM0004218012012

BCB Brokerage Private Limited, registered with SME segment of BSE will act as the Market Maker and 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 or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by BSE 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. Further, the Market Maker(s) shall inform the Stock 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. 19 the minimum lot size is 6,000 Equity Shares thus minimum depth of the quote shall be Rs 1,14,000 the same ,would be revised by BSE.
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 1,26,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 1,26,000. 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, BSE 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, BCB Brokerage Private Limited is acting as the sole Market Maker.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker(s) shall have the right to terminate said arrangement by giving 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 reserve 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 particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

11. BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
12. BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(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.

13. SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 25,000 Lakhs, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT (Trade for Trade) segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME Platform:

Sl. No	Market Price Slab (In Rs)	Proposed Spread (in % to sale price)
1	Up to 50	9%
2	50 to 75	8%
3	75 to 100	6%
4	Above 100	5%

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 Crore	25%	24%
Rs. 20 Crore to Rs. 50 Crore	20%	19%
Rs. 50 Crore to Rs. 80 Crore	15%	14%
Above Rs. 80 Crore	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/BSE from time to time.

**CAPITAL STRUCTURE**

The share capital of our Company as of the date of this Prospectus before and after the Issue is set forth below:

(Rs. In Lakhs except share data)

Sr. No	Particulars	Aggregate Value	
		Face Value	Issue Price
<b>A</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	1,00,00,000 Equity Shares of face value of Rs. 10/- each	1,000.00	
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>		
	65,18,314 fully paid up Equity Shares of face value of Rs. 10/- each	651.83	
<b>C</b>	<b>PRESENT ISSUE IN TERMS OF PROSPECTUS*</b>		
	24,12,000 Equity Shares of face value of Rs. 10/- each	241.20	458.28
	Which comprises		
	1,26,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 9/- per Equity Share reserved as Market Maker Portion	12.60	23.94
	Net Issue to Public of 22,86,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 9/- per Equity Share to the Public	228.60	434.34
	Of which		
	11,46,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. 9/- per Equity Share will be available for allocation to Investors up to Rs. 2.00 Lakhs	114.60	217.74
	11,40,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. 9/- per Equity Share will be available for allocation to Investors above Rs 2.00 Lakhs	114.00	216.60
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE</b>		
	89,30,314 Equity Shares of face value of Rs. 10 each	893.03	
<b>E</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		124.64
	After the Issue		341.72

\* The Issue has been authorized pursuant to a resolution of our Board dated December 19, 2014 and by Special Resolution passed under Section 62(1)(c) of the Companies Act at an Extra Ordinary General Meeting of our shareholders held on January 16, 2015.



The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

#### NOTES TO THE CAPITAL STRUCTURE:

##### 1. Details of increase in authorised Share Capital

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

Particulars of Change		Date of Shareholders' Meeting		AGM / EGM
From	To			
Rs. 1,00,000 consisting of 10,000 Equity shares of Rs. 10 each		On incorporation		
Rs.1,00,000 consisting of 10,000 Equity shares of Rs. 10 each.	Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10 each.	September, 5 2012	EGM	
Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10 each.	Rs. 5,00,00,000 consisting of 50,00,000 Equity shares of Rs. 10 each.	June 26, 2013	EGM	
Rs. 5,00,00,000 consisting of 50,00,000 Equity shares of Rs. 10 each	Rs. 10,00,00,000 consisting of 100,00,000 Equity shares of Rs. 10 each.	June 22, 2014	EGM	

##### 2. Equity Share Capital History:

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Cumulative No of Shares	Cumulative Paid up Capital
December 27, 2011	10,000	10	10	Subscription to MoA(1)	Cash	10,000	1,00,000
September 28, 2012	5,72,400	10	10	Further allotment(2)	Cash	5,82,400	58,24,000
October 18, 2012	3,85,500	10	10	Further allotment(3)	Cash	9,87,900	98,79,000
	20,000				Other than cash		
August 22, 2013	36,46,500	10	10	Further allotment(4)	Cash	46,34,400	4,63,44,000
March 10, 2014	3,45,000	10	10	Further allotment(5)	Cash	49,86,600	4,98,66,000
	7,200				Other than cash		
July 21, 2014	7,80,000	10	10	Further allotment(6)	Cash	58,95,100	5,89,51,000
	1,28,500				Other than cash		
October 28, 2014	62,532	10	30	Further allotment(7)	Cash	59,84,964	5,98,49,640
	27,332				Other than cash		
December 30, 2014	5,33,350	10	30	Further allotment(8)	Cash	65,18,314	6,51,83,140

- (1) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10/-each at par as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Bhavesht Kakadiya	4,000
2.	Yogesh Patel	3,000
3.	Harshad Monpara	3,000
	<b>Total</b>	<b>10,000</b>

- (2) The Company allotted 5,72,400 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Bhavesht Kakadiya	20,700
2.	Daxaben Patel	4,500
3.	Guddu Saroj	4,000
4.	Guddu Sharma	4,000
5.	Harshad Monpara	28,000
6.	Hetalben Kakadiya	20,000
7.	Hiren Pandit	16,000
8.	Seema Saroj	4,000
9.	Dineshbhai Goti	18,200
10.	Vijay Bhatt	16,000
11.	Chimanlal Patel	30,000
12.	Jaydip Patel	4,500
13.	Govind Monpara	20,000
14.	Yogeshbhai Patel	16,000
15.	Ritaben Vora	4,500
16.	Rakesh Shah	4,500
17.	Surendrabhai Monpara	10,000
18.	Vasantben Monpara	15,500
19.	Sandipbhai Baraiya	4,500
20.	Jitendra Patel	10,000
21.	Kanchanben Monpara	20,000
22.	Ashokbhai Navadiya	10,000
23.	Hetalben Patel	30,000
24.	Ashmitaben Monpara	20,000
25.	Rameshbhai Monpara	50,000
26.	Shitalben Monpara	20,000
27.	Ishwarbhai Monpara	50,000
28.	Manjulaben Patel	45,000
29.	Rajendrabhai Monpara	15,000
30.	Sureshbhai Dabhi	17,500
31.	Urvashiben Mehta	7,500
32.	Vipul Vora HUF	5000
33.	Champaben Patel	10,000
34.	Labhubhai Dabhi	17,500

Sr. No	Name of Person	No of Shares Allotted
	<b>Total</b>	<b>5,72,400</b>

- (3) The Company allotted 4,05,500 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Bhavesht Kakadiya	1,10,000
2.	Harshad Monpara	1,20,000
3.	Yogesh Patel	1,10,000
4.	Sahaj Chem Industries	65,000
5.	Guddu Sharma	500
	<b>Total</b>	<b>4,05,500</b>

- (4) The Company allotted 36,46,500 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Bhavesht Kakadiya	10,67,000
2.	Harshad Monpara	12,34,500
3.	Thakarshibhai Kheni	1,50,000
4.	Yogesh Patel	11,95,000
	<b>Total</b>	<b>36,46,500</b>

- (5) The Company allotted 3,52,200 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Sangeetaben Nadiyadra	100,000
2.	Atul Mehta	30,000
3.	Bhavesht Kakadiya	67,200
4.	Babubhai Gopalbhai	5,000
5.	Thakarshibhai Kheni	1,50,000
	<b>Total</b>	<b>3,52,200</b>

- (6) The Company allotted 9,08,500 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Asmitaben Monpara	1,00,000
2.	Babubhai Kakadiya*	1,28,500
3.	Bhavesht Kakadiya	20,000
4.	Chimanlal Patel	70,000
5.	Govindbhai Monpara	50,000
6.	Harshad Monpara	30,000
7.	Hetalben Kakadiya	2,10,000
8.	Jivrajbhai Kakadiya	1,50,000
9.	Shaileshbhai Kakadiya	1,50,000
	<b>Total</b>	<b>9,08,500</b>

Note: \*Shares have been allotted pursuant to conversion of unsecured loan. However, as per return of allotment the mode of consideration has been shown as cash.

- (7) The Company allotted 89,864 Equity Shares of face value of Rs. 10/- each at a price of 30/- per share.

Sr. No	Name of Person	No of Shares Allotted
1.	Babubhai Kakadiya*	4,000
2.	Bhavesbhai Kakadiya*	11,333
3.	Harshad Monpara*	5,333
4.	Hetalben Kakadiya	6,000
5.	Shaileshbhai Kakadiya	17,333
6.	Vasantben Monpara	21,533
7.	Yogesh Patel*	6,666
8.	Jivrajbhai Kakadiya	17,666
	<b>Total</b>	<b>89,864</b>

Note: \*Shares have been allotted pursuant to conversion of unsecured loan. However, as per return of allotment the mode of consideration has been shown as cash.

- (8) The Company allotted 5,33,350 Equity Shares of face value of Rs. 10/- each at price of Rs. 30/- per share.

Sr. No	Name of Person	No of Shares Allotted
1.	Hetalben Kakadiya	20,000
2.	Jivrajbhai Kakadiya	1,33,350
3.	Shaileshbhai Kakadiya	80,000
4.	Sangeetaben Nadiyadra	1,00,000
5.	Thakarshibhai Kheni	2,00,000
	<b>Total</b>	<b>5,33,350</b>

3. Except as given below, we have not issued any Equity Shares for consideration other than cash since incorporation.

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Consideration	Allotted Person	Whether part of Promoter Group
October 18, 2012	20,000	10	10	Other than cash	Bhavesbhai Kakadiya	Yes
March 10, 2014	7,200	10	10	Other than cash	Bhavesbhai Kakadiya	Yes
July 21, 2014	1,28,500	10	10	Other than cash	Babubhai Kakadiya	No
October 28, 2014	27,332	10	30	Other than cash	Bhavesbhai Kakadiya	Yes
					Harshad Monpara	Yes
					Yogesh Patel	Yes
					Babubhai Kakadiya	No

4. We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act 1956.
5. Our Company has not revalued its assets since inception and has not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.

6. No shares have been issued at price below Issue Price within last one year from the date of this Prospectus except as mentioned below:

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Reasons for Allotment	Nature of Consideration	Allotted Person	No. of Shares Allotted
March 10, 2014	3,52,200	10	10	Preferential Allotment	Cash	Sangeetaben Nadiyadrs	100,000
						Atul Mehta	30,000
						Bhavesbhai Kakadiya	67,200
						Babhubhai Gopalbhai	5000
						Thakarshibhai Kheni	150000
July 21, 2014	9,08,500	10	10	Right Issue	Cash	Asmitaben Monpara	1,00,000
						Babubhai Kakadiya	1,28,500
						Bhavesbhai Kakadiya	20,000
						Chimanlal Patel	70,000
						Govindbhai Monpara	50,000
						Harshadbhai Monpara	30,000
						Hetalben Kakadiya	2,10,000
						Jivrajbhai Kakadiya	1,50,000
						Shaileshbhai Kakadiya	1,50,000

**7. Build-up of Promoters' shareholding, Promoters' contribution and lock-in**

As on the date of this Prospectus, our Promoters Bhavesh Kakadiya, Harshad Monpara and Yogesh Patel together holds 44,83,432 equity shares of our Company. None of the Equity Shares held by our Promoters is subject to any pledge.

**a. Bhavesh Kakadiya\*\***

Date of transactions	No. of Equity Shares	FV per Share (Rs)	*Issue / Acquisition/ Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds contribute
December 27, 2011	4,000	10	10	Incorporation	0.06%	0.04%	1 year	Nil	Nil	Personal Income

Date of transactions	No. of Equity Shares	FV per Share (Rs)	*Issue / Acquisition/ Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds contribute
September 28, 2012	20,700	10	10	Further Issue	0.32%	0.23%	1 year	Nil	Nil	Personal Income & Borrowings
October 18, 2012	1,10,000	10	10	Further Issue	1.69%	1.23%	1 year	Nil	Nil	Personal Income & Borrowings
August 22, 2013	6,25,000	10	10	Further Issue	9.59%	7.00%	3 years	Nil	Nil	Personal Income & Borrowings
	4,42,000				6.78%	4.95%	1 Year			
March 10, 2014	67,200	10	10	Further Issue	1.03%	0.75%	1 year	Nil	Nil	Personal Income & Borrowings
July 21, 2014	20,000	10	10	Further Issue	0.31%	0.22%	1 year	Nil	Nil	Personal Income & Borrowings
October 28, 2014	11,333	10	30	Further Issue	0.17%	0.13%	1 year	Nil	Nil	Personal Income
December 30, 2014	2,23,200	10	10	Transfer	3.42 %	2.50%	1 year	Nil	Nil	Personal Income & Borrowings
Total	15,23,433									

*\*Cost of acquisition excludes Stamp Duty*

**b. Harshad Monpara\*\*\***

Date of Transactions	No. of Equity Shares	FV per Share (Rs)	*Issue / Acquisition/ Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds contributed
December 27, 2011	3,000	10	10	Incorporation	0.05%	0.03%	1 year	Nil	Nil	Personal Income
September 28, 2012	28,000	10	10	Further Issue	0.43%	0.31%	1 year	Nil	Nil	Borrowing
October 18, 2012	1,20,000	10	10	Further Issue	1.84%	1.34%	1 year	Nil	Nil	Borrowings
July 15, 2013	68,500	10	10	Transfer	1.05%	0.77%	1 years	Nil	Nil	Personal Income
August 22, 2013	6,25,000	10	10	Further Issue	9.59%	7.00%	3 years	Nil	Nil	Personal Income & Borrowings
	6,09,500				9.35%	6.83%	1 Year			
July 21, 2014	30,000	10	10	Further Issue	0.46%	0.34%	1 year	Nil	Nil	Personal Income
October 28, 2014	5,333	10	30	Further Issue	0.08%	0.06%	1 year	Nil	Nil	Borrowings
December 30, 2014	1,40,000	10	10	Transfer	2.15%	1.57%	1 year	Nil	Nil	Borrowings
<b>Total</b>	16,29,333									

*\*Cost of acquisition excludes Stamp Duty*

**c. Yogesh Patel\*\*\*\***

Date of Transactions	No. of Equity Shares	FV per Share (Rs)	*Issue / Acquisition/ Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds contributed
December 27, 2011	3,000	10	10	Incorporation	0.05%	0.03%	1 year	Nil	Nil	Personal Income
September 28, 2012	16,000	10	10	Further Issue	0.25%	0.18%	1 year	Nil	Nil	Borrowing
October , 18, 2012	1,10,000	10	10	Further Issue	1.69%	1.23%	1 year	Nil	Nil	Borrowings
August 22, 2013	6,25,000	10	10	Further Issue	9.59%	7.00%	3 years	Nil	Nil	Personal Income, Capital Withdrawan & Borrowings
	5,70,000				8.74%	6.38%	1 Year			
October 28, 2014	6,666	10	30	Further Issue	0.10%	0.07%	1 year	Nil	Nil	Personal Income
<b>Total</b>	13,30,666									

*\*Cost of acquisition excludes Stamp Duty*



\*\* Details of borrowings by Mr. Bhavesh Kakadiya are as follows:-

Particulars	Amount	Address
Yogesh Patel	50,000.00	Plot No. C/1260, Kaliyabid, Nr. Sagwadi Chowk, Bhavnagar, 364002, Gujarat, India
Keshubhai Chavda	3,00,000.00	Aarman Rupani Bhavnagar
V Consultancy	5,70,000.00	G 12 Ruturaj Complex Crescent Road Bhavnagar
Invest Plus	13,00,000.00	G-14 Ruturaj Complex Crescent Road Bhavnagar
Monaben Shah	4,00,000.00	A-404 Samyak Vidhyanagar Bhavnagar
Kamalbhai Shah	4,00,000.00	965 B/H Jkrishnagar Jain Temple Krishnagar Bhavnagar
Kruti Raval	6,00,000.00	505 Dawn Chowk Opp HDFC Bank Bhavnagar
Chimanlal Patel	8,00,000.00	C/1260 Kaliyabid Sagwadi Bhavnagar
Ushaben Raval	3,00,000.00	505 Dawn Chowk Opp HDFC Bank Bhavnagar
Pratik Fiber Glass	2,00,000.00	1423 Vidhyanagar Opp Jain Derasar Bhavnagar
Darshnaben Shah	3,00,000.00	965 B/H Jkrishnagar Jain Temple Krishnagar Bhavnagar
Harshad Monpara	3,00,000.00	Plot No 5/A, Sardar Patel Soc., Opp. Jewel Circle, RTO Road, Bhavnagar, Gujarat – 364002
Hinaben Mehta	2,00,000.00	208 Shalibhadra Complex Kalanala Bhavnagar
Sangam Diamond Private Limited	10,00,000.00	6/1833-34,Param Bhavan Building, Mahidharpura-Surat
Jitendrabhai Shah	10,00,000.00	205 Sanidhya Flate Kalubha Road Bhavnagar
Jasvantray Shah	5,00,000.00	Shah Jasvantray Girdharlal, Danapith-Bhavnagar
Bipinchandra J Shah(HUF)	5,00,000.00	Block No C/5, Dadasaheb Apartment, Kalanala, Bhavnagar
Sangam Gems Private Limited	19,00,000.00	5/109, Shree Ganesh Ashish Building, Dhiya Sheri, Surat

\*\*\* Details of borrowings by Mr. Harshad Monpara are as follows:-

Particulars	Amount	Address
Hiren Pandit	13,50,000.00	Mu Po Motivavdi, Ta Gariyadhar, Dist Bhavnagar
Vijay Bhat	45,000.00	Bhavnagar, Gujarat
Guddu Saroj	45,000.00	Bhavnagar, Gujarat
Seema Saroj	45,000.00	Bhavnagar, Gujarat
Chandresh Rameshbhai Mehta HUF	10,00,000.00	104, Nirag Vadva, Near Jain Temple, Bhavnagar
Guatam Sales	1,00,000.00	G-12C, Ruturaj Complex, Crescent Road, Bhavnagar
Vipul Vora HUF	2,00,000.00	A-104, Tirthraj, Kalubha, Bhavnagar
Jignesh Patel	3,00,000.00	Sidsar Talaja Road, Bhavnagar
Shailaben Vora	6,00,000.00	406, Vihar Complex, Atabhai Chowk, Bhavnagar
Manjulaben Patel	2,00,000.00	Hira Sheri, Khara Kuva, Kanbiwad, Bhavnagar
Ashmita Patel	8,50,000.00	S 5 Sardar Patel Society, Bortalav Road, Bhavnagar
Vasantben Monpara	2,00,000.00	5 Sardar Patel Society, Bortalav Road, Bhavnagar
Jasvantray Shah	15,00,000.00	C/o Shah Jasvantray Girdharlal, Danapith,

Particulars	Amount	Address
		Bhavnagar
Kalpesh Shah HUF	5,00,000.00	C/o Shah Jasvantray Girdharlal, Danapith, Bhavnagar
Himadri Goel	3,00,000.00	Plot No 34/B, Devubag, Bhavnagar
Amit Kukadiya	2,50,000.00	Plot No 1003/B, Chitrkut, Opp. Saibaba Temple, Meghani Circle, Bhavnagar
Miral Mehta	2,50,000.00	C/101, Ashok Samrat Flat, Kalubha Road, Bhavnagar
Harshit Kukadiya	2,00,000.00	S-7, Nirnad Apartment, Opp. Maldarvila, Rupani Circle, Bhavnagar
Vipul Patel	10,00,000.00	32/A, Vadi No-1, Devrajnagar, Bhavnagar
Kinjal Shah	5,00,000.00	305, Chandanbaba Apartment, Opp. Dadasaheb Derasar Kalanala, Bhavnagar
Ketan Chauhan	4,00,000.00	Mech Factory Chali, Moti Talav Road, Kumbharvada, Bhavnagar
Many Gems	10,00,000.00	5/109, Shree Ganesh Ashish Building, Dhiya Sheri, Surat
Navkar Enterprise	10,00,000.00	G-14, Ruturaj Complex, Crescent, Bhavnagar
Chimanlal Patel	2,00,000.00	C/1260 Kaliyabid Sagwadi Bhavnagar

\*\*\*\* Details of borrowings and capital withdrawn by Mr. Yogesh Patel are as follows:-

Particulars	Amount	Address
Hetal Patel	1,60,000.00	C/1260, Sagwadi, Kaliyabid, Bhavnagar
Navkar Enterprise	6,00,000.00	G-14, Ruturaj Complex, Crescent, Bhavnagar
V Consultancy	5,00,000.00	G 12, Ruturaj Complex, Crescent Road, Bhavnagar
Sahaj Chem Industries (Capital Withdrawn)	3,00,000.00	Plot No. 133/E, Alkok Ashdown Road, Bunder Road, Bhavnagar
Darshana Shah	4,00,000.00	965 B/H, Jkrishnagar Jain Temple, Krishnagar, Bhavnagar
Bhavin Raval	8,00,000.00	505, Dawn Chowk, Opp. HDFC Bank, Bhavnagar
Kamal Shah	3,00,000.00	965 B/H, Jkrishnagar Jain Temple, Krishnagar, Bhavnagar
Invest Plus	3,00,000.00	A-104, Tirthraj Complex, Kalubha Road, Bhavnagar
Hitesh Shah	2,00,000.00	A-404, Samyak Vidhyanagar, Bhavnagar
Preksha Shah	2,00,000.00	1423, Vidhyanagar, Opp. Jain Derasar, Bhavnagar
Himang Shah	2,00,000.00	A-404, Samyak Vidhyanagar, Bhavnagar
Piyush Jasvantrai Shah HUF	10,00,000.00	Danapith, Bhavnagar
Disha Shah	5,00,000.00	A-404, Samyak Vidhyanagar, Bhavnagar
Navinchandra R Shah HUF	5,00,000.00	Plot No 544, "Mahek" Vijayraj Nagar, Bhavnagar
Arpit Shah	10,00,000.00	C/o Shah Jasvantray Girdharlal, Danapith, Bhavnagar
Dharmin Shah	5,00,000.00	C/o Shah Jasvantray Girdharlal, Danapith, Bhavnagar
Sangam Gems Private Limited	29,00,000.00	5/109, Shree Ganesh Ashish Building, Dhiya Sheri, Surat

8. Shares purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last 6 months.

Date of Transaction	Name of Transacting Party	Party Category	Nature of Transactions	Price	Number of shares Transacted
October 28, 2014	Bhavesh Kakadiya	Promoter	Further Allotment	30	11,333
October 28, 2014	Harshad Monpara	Promoter	Further Allotment	30	5,333
October 28, 2014	Yogesh Patel	Promoter	Further Allotment	30	6,666
October 28, 2014	Hetalben Kakadiya	Promoter Group	Further Allotment	30	6,000
October 28, 2014	Shaileshbhai Kakadiya	Promoter Group	Further Allotment	30	17,333
October 28, 2014	Vasantben Monpara	Promoter Group	Further Allotment	30	21,533
October 28, 2014	Jivrajbhai Kakadiya	Promoter Group	Further Allotment	30	17,666
December 30, 2014	Hetalben Kakadiya	Promoter Group	Further Allotment	30	20,000
December 30, 2014	Jivrajbhai Kakadiya	Promoter Group	Further Allotment	30	1,33,350
December 30, 2014	Shaileshbhai Kakadiya	Promoter Group	Further Allotment	30	80,000
December 30, 2014	Sangeetaben Nadiyadra	Promoter Group	Further Allotment	30	1,00,000
December 30, 2014	Bhavesh Kakadiya	Promoter	Further Transfer	10	2,23,200
December 30, 2014	Harshad Monpara	Promoter	Further Transfer	10	1,40,000

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

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

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations, an aggregate of 20% of the post-Issue capital held by our Promoter shall be considered as Promoters' Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 21 % of the post-issue Equity Share Capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above.

Date of allotment	Date when made fully paid up	No of Shares Allotted	Face Value	Issue Price	Nature of Allotment	% of Post Issue Capital
Bhavesh Kakadiya						
August 22, 2013	August 22, 2013	6,25,000	10	10	Further Allotment	7%
Harshad Monpara						
August 22, 2013	August 22, 2013	6,25,000	10	10	Further Allotment	7%
Yogesh Patel						
August 22, 2013	August 22, 2013	6,25,000	10	10	Further Allotment	7%
<b>Total</b>		<b>18,75,000</b>				<b>21.00%</b>

We further confirm that the aforesaid minimum Promoter Contribution of 20% which is subject to lock-in for three years does not consist of:

- The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price ;
- Our Company has not been formed by the conversion of a partnership firm into a company and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm;
- The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoter are in dematerialized form;
- The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in and
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

As per the applicable provisions of SEBI (ICDR) Regulations the Promoters Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the pledge of the Equity Shares is one of the terms of the sanction of the loan. The Promoters Contribution may be pledged only if in addition to the above stated, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue.

In terms of the applicable provisions of SEBI (ICDR) Regulations the Equity Shares held by our Promoter may be transferred to and among the Promoter Group or to new Promoter 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 Takeover Code, as applicable.

We further confirm that our Promoter's Contribution of 20% of the post Issue Equity does not include any contribution from Alternative Investment Fund.

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

In addition to minimum 20% of the Post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR) Regulations, the entire pre-issue share capital of our Company shall be locked in for a period of one year from the date of Allotment in this Issue.

The Equity Shares held by persons other than our Promoter and locked-in for a period of one year from the date of Allotment, in accordance with regulation 37 of SEBI (ICDR) Regulations, in the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in the hands of transferees for the remaining period and compliance with the Takeover Code.

A. The table below represents the shareholding pattern of our Company in accordance with clause 37 of the SME Listing Agreement, as on the date of this Prospectus:

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
<b>(A)</b>	<b>Promoter and Promoter Group</b>							
<b>(1)</b>	<b>Indian</b>							
(a)	Individuals/Hindu Undivided Family	12	55,71,464	55,71,464	85.47%	85.47%	0	0
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0
(d)	Financial Institutions/Banks	0	0	0	0	0	0	0
(e)	Any other (Specify)	0	0	0	0	0	0	0
	<b>SUB TOTAL (A)(1)</b>	<b>12</b>	<b>55,71,464</b>	<b>55,71,464</b>	<b>85.47%</b>	<b>85.47%</b>	<b>0</b>	<b>0</b>
(2)	Foreign	0	0	0	0	0	0	0
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0
(c)	Institutions/FPI	0	0	0	0	0	0	0
(d)	Any other (Specify)	0	0	0	0	0	0	0
	<b>SUB TOTAL (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>12</b>	<b>55,71,464</b>	<b>55,71,464</b>	<b>85.47%</b>	<b>85.47%</b>	<b>0</b>	<b>0</b>

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
<b>(B)</b>	<b>Public shareholding</b>							
<b>(1)</b>	<b>Institutions</b>							
(a)	Mutual Funds/UTI	0	0	0	0	0	0	0
(b)	Financial Institutions/Banks	0	0	0	0	0	0	0
(c)	Central Government/State Government(s)	0	0	0	0	0	0	0
(d)	Venture Capital Fund	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0
(f)	Foreign Portfolio Investors	0	0	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0
(h)	Nominated Investors (as defined in Chapter XB of SEBI (ICDR) Regulations)	0	0	0	0	0	0	0
(i)	Market Makers	0	0	0	0	0	0	0
(j)	Any other (Specify)	0	0	0	0	0	0	0
	<b>SUB TOTAL (B) (1)</b>	0	0	0	0	0	0	0
<b>(2)</b>	<b>Non-Institutions</b>							
(a)	Bodies Corporate	0	0	0	0	0	0	0
(b)	Individuals -							
	i) Individual shareholders holding nominal share Capital up to Rs.1 lakh	0	0	0	0	0	0	0
	ii) Individual shareholders holding nominal	8	9,46,850	5,26,000	14.53%	14.53%	0	0

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
	share capital in excess of Rs. 1 lakh							
(c)	Any other (Specify) Individual (Non-Resident individuals )	0	0	0	0	0	0	0
	<b>SUB TOTAL (B) (2)</b>	<b>8</b>	<b>9,46,850</b>	<b>6,93,500</b>	<b>14.53%</b>	<b>14.53%</b>	0	0
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	8	9,46,850	6,93,500	14.53%	14.53%	0	0
	<b>TOTAL (A)+(B)</b>	<b>20</b>	<b>65,18,340</b>	<b>62,64,964</b>	<b>100%</b>	<b>100%</b>	0	0
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>20</b>	<b>65,18,340</b>	<b>62,64,964</b>	<b>100%</b>	<b>100%</b>	0	0

In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialised prior to filing the Prospectus with the RoC.

Our Company will file the shareholding pattern of our Company, in the form prescribed under clause 37 of the Listing Agreement, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.



## B. Shareholding of our Promoter and Promoter Group

The table below presents the current shareholding pattern of our Promoter and Promoter Group (individuals and companies).

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
	<b>Promoters</b>				
1.	Harshad Monpara	16,29,333	25.00%	16,29,333	18.24%
2.	Bhavesbhai Kakadiya	15,23,433	23.37%	15,23,433	17.06%
3.	Yogesh Patel	13,30,666	20.41%	13,30,666	14.90%
	<b>Promoter Group</b>				
4.	Hetalben Kakadiya	2,56,000	3.93%	2,56,000	2.87%
5.	Jivrajbhai Kakadiya	1,67,666	2.57%	1,67,666	1.88%
6.	Shaileshbhai Kakadiya	2,47,333	3.79%	2,47,333	2.77%
7.	Chimanlal Patel	70,000	1.07%	70,000	0.78%
8.	Champaben Patel	10,000	0.15%	10,000	0.11%
9.	Hetalben Patel	30,000	0.46%	30,000	0.34%
10.	Govindbhai Monpara	70,000	1.07%	70,000	0.78%
11.	Vasantben Monpara	37,033	0.57%	37,033	0.41%
12.	Sangeetaben Nadiyadra	2,00,000	3.07%	2,00,000	2.24%
	<b>Total</b>	<b>55,71,464</b>	<b>85.47%</b>	<b>55,71,464</b>	<b>62.39%</b>

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

Name of the Promoters	No. of Shares held	Average cost of Acquisition (In Rs.)
Harshad Monpara	16,29,333	10.07
Bhavesbhai Kakadiya	15,23,433	10.15
Yogesh Patel	13,30,666	10.10

12. Public shareholders holding more than 1 % of the pre- issue paid-up capital of our Company:

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
1	Ashmitaben Monpara	1,20,000	1.84%	1,20,000	1.34%
2	Thakarshibhai Kheni	5,00,000	7.67%	5,00,000	5.60%
3	Rajeshbhai Dhamelia	66,675	1.02%	66,675	0.75%
4	Babubhai Kakadiya	1,37,500	2.11%	1,37,500	1.54%
5	Sandeepbhai Dhamelia	66,675	1.02%	66,675	0.75%
	<b>Total</b>	<b>8,90,850</b>	<b>13.67%</b>	<b>8,90,850</b>	<b>9.98%</b>

13. Equity Shares held by top ten shareholders

Our top ten shareholders and the number of Equity Shares held by them as on date of this Prospectus are as under:

Sr. No.	Name of shareholder*	No. of Shares	% age of pre-Issue capital
1.	Harshad Monpara	16,29,333	25.00%
2.	Bhavesb Kakadiya	15,23,433	23.37%
3.	Yogesh Patel	13,30,666	20.41%
4.	Hetalben Kakadiya	2,56,000	3.93%
5.	Jivrajbhai Kakadiya	1,67,666	2.57%
6.	Shaileshbhai Kakadiya	2,47,333	3.79%
7.	Babubhai Kakadiya	1,37,500	2.11%
8.	Ashmitaben Monpara	1,20,000	1.84%
9.	Thakarshibhai Kheni	5,00,000	7.67%
10.	Sangeetaben Nadiyadra	2,00,000	3.07%
	<b>Total</b>	<b>61,11,931</b>	<b>93.77%</b>

\*Our Company has 20 shareholders as on date of this Prospectus

Our top ten shareholders and the number of Equity Shares held by them ten days prior to the date of this Prospectus are as under:

Sr. No.	Name of shareholder*	No. of Shares	% age of pre-Issue capital
1.	Harshad Monpara	16,29,333	25.00%
2.	Bhavesb Kakadiya	15,23,433	23.37%
3.	Yogesh Patel	13,30,666	20.41%
4.	Hetalben Kakadiya	2,56,000	3.93%
5.	Jivrajbhai Kakadiya	1,67,666	2.57%
6.	Shaileshbhai Kakadiya	2,47,333	3.79%
7.	Babubhai Kakadiya	1,37,500	2.11%
8.	Ashmitaben Monpara	1,20,000	1.84%
9.	Thakarshibhai Kheni	5,00,000	7.67%
10.	Sangeetaben Nadiyadra	2,00,000	3.07%
	<b>Total</b>	<b>61,11,931</b>	<b>93.77%</b>

\*Our Company had 20 shareholders ten days prior to the date of this Prospectus

Our top fourteen shareholders and the number of Equity Shares held by them two years prior to date of this Prospectus are as under:

Sr. No.	Name of shareholder*	No. of Shares	% age of then existing capital
1.	Bhavesb Kakadiya	1,34,700	13.63%
2.	Harshad Monpara	1,51,000	15.28%
3.	Hetalben Kakadiya	20,000	2.02%
4.	Chimanilal Patel	30,000	3.04%
5.	Govind Monpara	20,000	2.02%
6.	Kanchanben Monpara	20,000	2.02%
7.	Hetalben Patel	30,000	3.04%
8.	Ashmitaben Monpara	20,000	2.02%
9.	Rameshbhai Monpara	50,000	5.06%

Sr. No.	Name of shareholder*	No. of Shares	% age of then existing capital
10.	Shitalben Monpara	20,000	2.02%
11.	Ishwarbhai Monpara	50,000	5.06%
12.	Manjulaben Patel	45,000	4.56%
13.	Sahaj Chem Industries	65,000	6.58%
14.	Yogesh Patel	1,29,000	13.06%
	<b>Total</b>	<b>7,84,700</b>	<b>79.43%</b>

\*Our Company had 48 shareholders two years prior to the date of this Prospectus

14. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoter/Directors/Lead Manager for purchase of Equity Shares offered through this Prospectus.
15. The Equity Shares, which are subject to lock-in, shall carry the inscription "non-transferable" and the non transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.
16. As on the date of this Prospectus, none of the shares held by our Promoter/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
17. Except as otherwise disclosed in the chapter titled "*Objects of the Issue*" beginning on page 92 of this Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
18. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "*Basis of Allotment*" beginning on page 294 of this Prospectus.
19. The Equity Shares Issued pursuant to this Issue shall be made fully paid-up or may be forfeited for non-payment of calls within twelve months from the date of allotment of shares.
20. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
21. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and SME Platform of BSE.
22. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
23. 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
24. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
25. The Issue is being made through Fixed Price method.

26. As on date of filing of this Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up.
27. On the date of filing this Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
28. Lead Manager to the Issue viz. Pantomath Capital Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
29. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
30. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
31. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
32. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
33. Our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares. 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 listing of equity shares 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.
34. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations 2014.
35. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
36. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.
37. Our Company has 20 shareholders as on the date of filing of this Prospectus.
38. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
39. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended December 31, 2014 and for the financial years ended March 31, 2012, 2013 and 2014 please refer to paragraph titled "Details of Related Parties Transactions as Restated" in the chapter titled 'Financial Statements as restated' on page 185 of the Prospectus.

## OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the SME platform of BSE.

The objects of the Issue are:-

1. Purchase of new Machinery
2. Working capital requirements;
3. Meet Issue Expenses

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

### FUND REQUIREMENTS

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

We intend to utilize the proceeds of the fresh Issue, in the manner set forth below:

S. No.	Particulars	Amount (in Rs. Lakhs)	Percentage of total issue (%)
1.	Procurement of new machinery	265	58%
2.	Working capital requirement	153	33%
3.	*Issue expenses	40	9%
	Total	458	100%

***\*As on date of the Draft Prospectus, Company has incurred Rs.7 Lakhs towards Issue Expenses.***

The requirements of the objects detailed above are intended to be funded from the proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

**We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail**

rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt.

#### **Details of Utilization of Issue Proceeds**

##### **Procurement of New machinery**

Our Company is into the manufacturing of solid bio-fuels. Our Company has broad-based production of bio-fuels by making bio-fuel pellets, which is a substitute of gaseous / liquid conventional fossil fuel. We intend to increase the production of pellets by purchasing new machinery. In this regard, we are negotiating with various vendors. However, since the new machinery is to be purchased from issue proceeds, we have not entered into any specific agreements for the proposed acquisition. We expect to finalize the transaction contemplated herein only once we have access to the issue proceeds.

Rs. In lakhs

Sl. No.	Particulars	Amount (in Rs.)
1.	Purchase of Machinery and Equipment's	265.00

Further, our Company has received quotation from M/s. Yamuna Traders dated February 21, 2015, for agro waste pelleting machine of Rs. 1.45 Crores; from M/s. Scarlet Tradelink and M/s. Glossy Trading Co. dated February 20, 2015 for manufacturing pellet stove of Rs. 0.42 Crore each and from M/s. Vasa Consultants dated February 18, 2015 for installing and setting up agro waste pelleting machinery of Rs. 0.36 Crore. Our Company has yet not placed any order for purchase of machinery or equipment's.

##### **Working Capital**

Our business is working capital intensive. Major portion of our working capital is consumed towards trade receivables and inventories. We finance our working capital requirements from various banks / financial institutions and from our internal accruals. As on December 31, 2014, the Company's working capital funding from banks is Rs. 130.52 lakhs. Total working capital requirements as of March 31, 2015 based on provisional accounts was Rs. 687.99 and as of March 31, 2016 working capital requirement is estimated to be at Rs. 1229.33.

The following is the detailed calculation of projected working capital required for the Financial Year 2015-2016:

Rs. In Lakhs

Particulars	2012-13 (Actual)	2013-14 (Actual)	2014-15 (Provisional)	2015-2016 (Estimated)
<b>Current Assets</b>				
Inventories	92.58	51.04	89.73	522.30
Trade Receivables	99.02	561.98	666.93	1310.89
Cash and Cash Equivalents	35.44	1.27	6.50	17.01
Short Term Loans and Advances	-	78.69	19.72	47.19
Other Current Assets	1.38	1.87	4.43	70.79
<b>Total (A)</b>	<b>228.42</b>	<b>694.85</b>	<b>787.31</b>	<b>1968.18</b>
<b>Current Liabilities</b>				
Trade Payables	7.73	236.23	85.09	495.51

Particulars	2012-13 (Actual)	2013-14 (Actual)	2014-15 (Provisional)	2015-2016 (Estimated)
<b>Other Current Liabilities</b>	35.25	45.84	14.23	243.34
<b>Short Term Provisions</b>	1.82	23.84	-	-
<b>Total (B)</b>	<b>44.8</b>	<b>305.91</b>	<b>99.32</b>	<b>738.85</b>
<b>Net Working Capital (A)-(B)</b>	<b>183.62</b>	<b>388.94</b>	<b>687.99</b>	<b>1229.33</b>
<b>Sources Of Working Capital (In Lakhs)</b>				
<b>Fund based borrowings *</b>	150.44	137.22	156.70	300.00
<b>Internal sources</b>	33.18	-	274.525	776.33
<b>Further Allotment</b>	-	251.72	256.76	-
<b>IPO Proceeds</b>	-	-	-	153.00

### ***Schedule of Implementation/Utilization of Net Proceeds***

Our Company proposes to deploy the net proceeds in the aforesaid objects in the Financial Year 2015-2016. For details of the estimated schedule of deployment of funds, kindly refer to “Basis of estimation of working capital requirement and estimated working capital requirement”.

### ***Basis of Estimation***

The working capital requirements are based on historical Company data, provisional financial for FY 2014-15 and estimation of the future requirement in FY 2015-16 considering the growth in activities of our Company and in line with norms accepted by our banker(s). Our debtor cycle is of around 3 months in the period for FY 2015-16. Our Creditors (Vendors) cycle is of about 2 months in the period for FY 2015-16. Similarly we have estimated advance to suppliers, other current assets and current liabilities in line with working capital employed in FY 2013-14.

### ***Justification of Period of Holdings***

<b>Debtors</b>	The Company provides credit to its customers based on trade relations and vintage of association with the Company. Although the average receivable period of the Company is Normally Equal to or less than the industry average level period of around 3 month, the Company strives to continue having disciplined debtor management and strong management control policies in place.
<b>Creditors (Vendors)</b>	Considering the vintage of the company and trade relations with its suppliers, the company gets a credit of average 45-60 days from its Vendors. The estimated average credit period for year Financial Year 2015-16 is considered at around 2 months.

### ***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. 40.00 Lakhs.

Expenses	Expenses (Rs. in Lakhs)	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	35.00	87.50%	7.64%
Regulatory fees	3.00	7.50%	0.66%
Marketing and Other Expenses	2.00	5.00%	0.44%
<b>Total estimated Issue expenses</b>	<b>40.00</b>	<b>100.00%</b>	<b>8.74%</b>

#### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds of the Issue. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue. For further details in relation to our borrowing arrangements, kindly refer to the Chapter titled “Financial Indebtedness” beginning on page 216 of this Prospectus.

#### DEPLOYMENT OF FUNDS

As estimated by our management, the entire proceeds from the Issue shall be utilized as follows:

(Rs. in Lakhs)

Particulars	Total Funds required	Amount incurred till February 23, 2015	Balance Deployment during Financial Year 2014-15
Procurement of new machinery	265	-	265
Working capital requirement	153	-	153
Issue expenses	40	7	33
<b>Total</b>	<b>458</b>	<b>7</b>	<b>451</b>

M/s. Hitesh Agrawal & Co., Chartered Accountants have *vide* certificate dated February 23, 2015, confirmed that as on February 23, 2015 following funds were deployed for the proposed Objects of the Issue:

(Rs. in Lakhs)

Particulars	Estimated Amount
Issue expense incurred out of Internal Accruals	7.00
<b>Total</b>	<b>7.00</b>



#### **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 for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks, for the necessary duration or for reducing overdrafts. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds.

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

As the Net Proceeds of the Issue will be less than Rs. 50,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its Audit Committee. Pursuant to Clause 52 of the SME Listing Agreement, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

Other than as disclosed above no part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

## BASIS FOR ISSUE PRICE

The Issue Price of Rs. 19 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. 19 per Equity Share and is 1.9 times of the face value.

### QUALITATIVE FACTORS

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

- Early mover advantage in niche bio-fuel industry in India
- Quality of Products
- Government Support
- Experience of Promoters
- Well-equipped infrastructure in terms of motivated employees, technological set-up, etc.

For further details, refer to heading '*Our Competitive Strengths*' under chapter titled '*Our Business*' beginning on page 123 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 2012-2013 and 2013- 2014 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, 2013	1.50	1
March 31, 2014	3.25	2
<b>Weighted Average</b>	<b>2.67</b>	

The Basic and Diluted EPS on an unconsolidated basis for nine month periods ended December 31, 2014 was Rs. 4.49 (not annualized)

#### Note:

- Our Company was incorporated in December 2011. Our Company started its operations from financial year 2012-13 and only incurred preliminary expenses during the financial year 2011-12. Hence the financials of the same have not been considered for calculating ratios.
- 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 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.

#### 2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 19 per Equity Share of Rs. 10 each.

Particulars	P/E Ratio
P/E ratio based on Basic EPS for FY 2013-14	5.85
P/E ratio based on Weighted Average EPS	7.13

Industry PE: There are no comparable listed companies within the same line of business as our Company. Thus, industry P/E cannot be ascertained.

**3. Average Return on Net worth (RoNW)**

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

Year ended	RoNW (%)	Weight
March 31, 2013	6.89%	1
March 31, 2014	17.20%	2
<b>Weighted Average</b>	<b>13.76%</b>	

The return on Net worth for nine months period ended December 31, 2014 was 21.29% (not annualized)

**Note:**

- Our Company was incorporated in December 2011. Our Company started its operations from financial year 2012-13 and only incurred preliminary expenses during the financial year 2011-12. Hence the financials of the same have not been considered for calculating ratios.
- The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

**4. Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2014 is 21.57%.****5. Net Asset Value (NAV)**

Particulars	Amt. (Rs.)
Net Asset Value per Equity Share as of March 31, 2014	18.90
Net Asset Value per Equity Share after the Issue	15.07
Issue Price per equity share	19.00

NAV per equity share has been calculated as net worth as divided by number of equity shares.

**6. Comparison with other listed companies**

We are primarily engaged in bio-fuel industry and currently there are no listed entity operating in this particular business segment with similar business and hence a strict comparison with our Company is not possible.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors, believes that issue price of Rs. 19 for the Public Issue is justified in view of the above parameters.

For further details refer to "Risk Factors" on page 16 and the financials of the Company including profitability and return ratios, as set out in the "Financial Statements" beginning on page 185 of this Prospectus for a more informed view.

## STATEMENT OF POSSIBLE TAX BENEFITS

To  
The Board of Directors,  
Jiya Eco-Products Limited  
Bhavnagar

Dear Sirs,

Sub: Statement of possible tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws

We hereby confirm that the enclosed annexure, prepared by the Management of Jiya Eco-Products Limited ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), Wealth Tax Act, 1957, and state VAT Legislation presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed statement are not exhaustive. 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. The same shall be subject to notes to this annexure.

\*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 Jiya-Eco Products Limited 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.

**For R T Jain & Co.**  
**Chartered Accountants**  
**Firm Registration No.103961W**

**(CA Bankim Jain)**  
**Partner**  
**Membership No. 139447**  
**Date: February 24, 2015**  
**Place: Mumbai**

## **ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO JIYA-ECO PRODUCTS LIMITED 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 2014-15.

### **BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

#### **1. Special tax benefits**

The Company is entitled to claim 100% deduction in respect of business profits (as per IT Act, 1961) u/s 80JJA for a period of five consecutive years since the year of commencement of business operations.

#### **2. General tax benefits**

##### **A. Business Income**

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

##### **B. MAT Credit**

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax (“MAT”) paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- As per Section 115JB, Minimum Alternate Tax (“MAT”) is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 5% would be levied if the total income exceeds Rs.10 million but does not exceed Rs 100 million. A surcharge at the rate of 10% would be levied if the total income exceeds Rs 100 million. Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge.
- MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to ten years succeeding the assessment year in which the MAT credit arises.

##### **C. Capital Gains**

###### **(i) Computation of capital gains**

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

term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.

- Short - term capital gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by -:
  1. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
  2. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

**D. Securities Transaction Tax**

As per provisions of Section 36(1) (xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

**E. Dividends**

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.  
However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.
- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education cess).

**BENEFITS TO THE RESIDENT MEMBERS / SHAREHOLDERS OF THE COMPANY UNDER THE ACT****A. Dividends exempt under section 10(34) of the Act**

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

**B. Capital Gains****(i) Computation of capital gains**

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long - term capital assets.
- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% (plus applicable surcharge and cess) with



indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% (plus applicable surcharge and cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains arising from income – tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed Rs 5,000,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

### **C. Tax Treaty Benefits**

As per provisions of Section 90 (2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

### **D. Non-Resident Taxation**

Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
- Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.
- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively).
- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.
- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

**BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIS') UNDER THE ACT****A. Dividends exempt under section 10(34) of the Act**

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

**B. Long – Term Capital Gains exempt under section 10(38) of the Act**

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

**C. Capital Gains**

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB & certain securities & government Bonds as mentioned in section 194LD) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Interest on certain securities & government bonds as mentioned in section 194LD is taxable @5% only.
- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10%
STCG on sale of equity shares subjected to STT	15%
STCG on sale of equity shares not subjected to STT	30%

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge (as applicable) where the taxable income exceeds Rs. 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.
- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

**D. Securities Transaction Tax**

As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains

**E. Tax Treaty benefits**

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial to them<sup>8</sup>
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors

**BENEFITS AVAILABLE TO MUTUAL FUNDS UNDER THE ACT****a) Dividend income**

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

- b)** As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

**BENEFITS UNDER THE WEALTH TAX ACT, 1957****Wealth Tax Act, 1957**

- Wealth tax is chargeable on prescribed assets. As per provisions of Section 2(m) of the Wealth Tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax while determining the net taxable wealth.
- Shares in a company, held by a shareholder are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957 and hence, wealth tax is not applicable on shares held in a company.

**TAX BENEFITS UNDER THE STATE VAT LEGISLATIONS**

- The benefits under VAT are qua goods and differ from State to State. Hence, we are covering only those States wherein the Company is having prominent presence in respect of Exempted Commodities as on date.
- The product 'Jiya Eco Products Limited' deals in is manufactured using Solid waste of agricultural produce and is included in entry no. 23[3] of Annexure-1 of VAT Act, 2003 and thus the Company is exempted from payment of VAT.

Note: All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

**For R T Jain & Co.**  
**Chartered Accountants**  
**Firm Registration No.103961 W**

**(CA Bankim Jain)**  
**Partner**  
**Membership No.139447**  
**Date: February 24, 2015**  
**Place: Mumbai**

## SECTION IV – ABOUT THE COMPANY

### OUR INDUSTRY

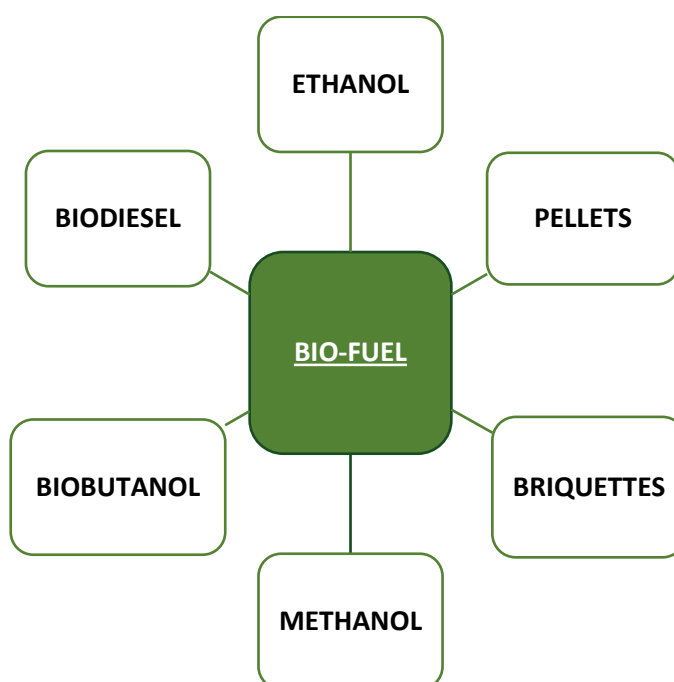
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for 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 page 16 and 185 respectively of this Prospectus before deciding to invest in our Equity Shares.

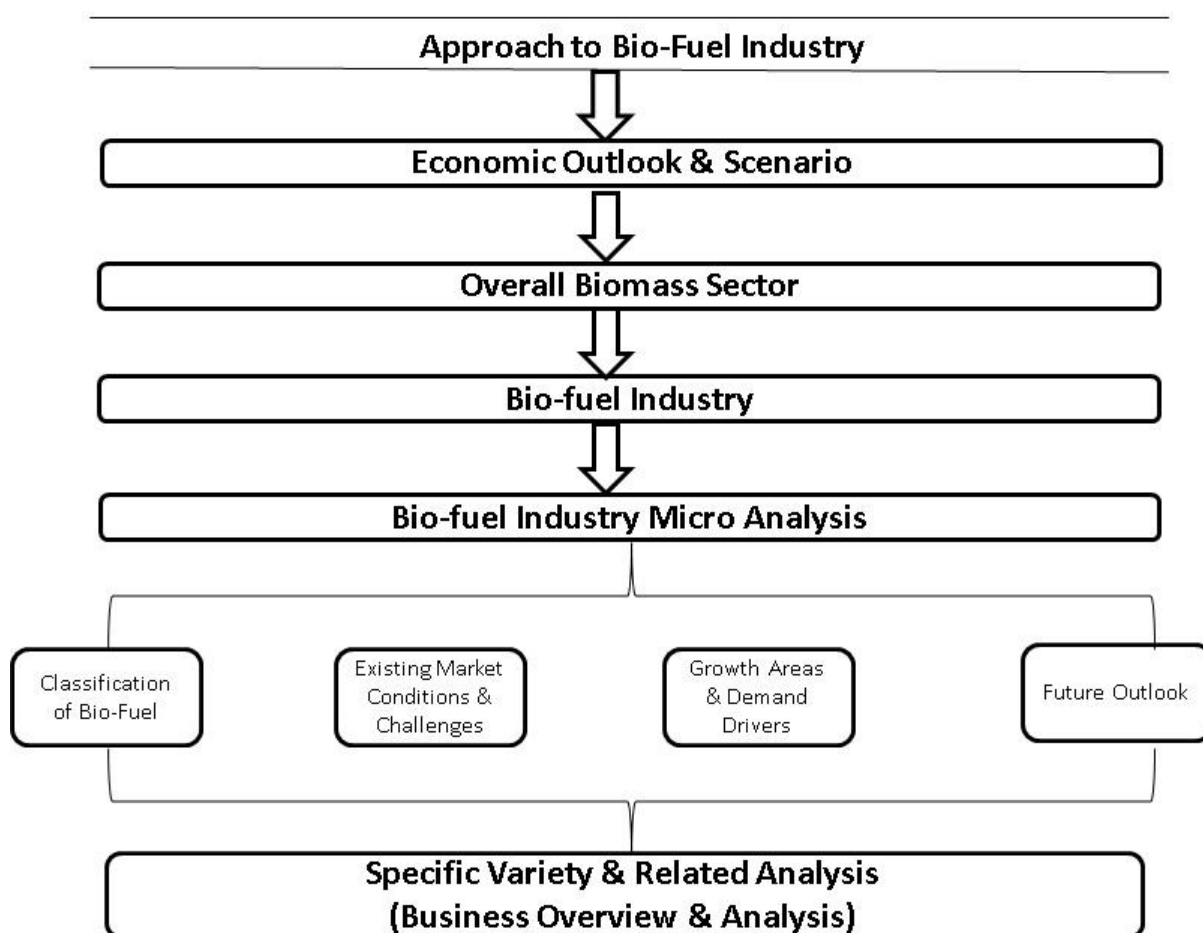
#### APPROACH TO BIO-FUEL INDUSTRY

Bio-fuels provide a strategic advantage to promote sustainable development and to supplement conventional energy sources in meeting the rapidly increasing requirements for transportation fuels associated with high economic growth, as well as in meeting the energy needs of India’s vast rural population. Bio-fuels can increasingly satisfy these energy needs in an environmentally benign and cost-effective manner while reducing dependence on import of fossil fuels and thereby providing a higher degree of National Energy Security. The Indian approach to bio-fuels is based solely on non-food feedstock to be raised on degraded or wastelands that are not suited to agriculture, thus avoiding a possible conflict of fuel vs. food security.

**Source: Press Information Bureau, Government of India**

#### Some of the known Bio-Fuels across the world

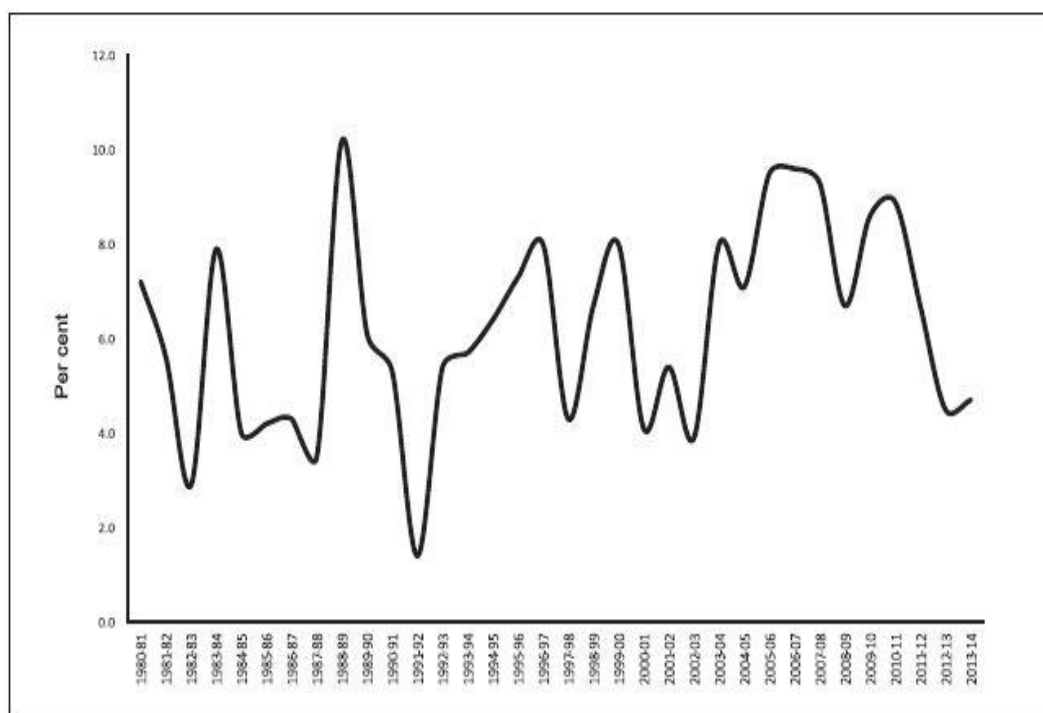




#### OVERVIEW OF INDIAN ECONOMY

In 2014-15, the Indian economy is poised to overcome the sub-5 per cent growth of gross domestic product (GDP) witnessed over the last two years. The growth slowdown in the last two years was broad based, affecting in particular the industry sector. Inflation too declined during this period, but continued to be above the comfort zone, owing primarily to the elevated level of food inflation. Yet, the developments on the macro stabilization front, particularly the dramatic improvement in the external economic situation with the current account deficit (CAD) declining to manageable levels after two years of worryingly high levels was the redeeming feature of 2013-14. The fiscal deficit of the Centre as a proportion of GDP also declined for the second year in a row as per the announced medium term policy stance. Reflecting the above and the expectations of a change for the better, financial markets have surged. Moderation in inflation would help ease the monetary policy stance and revive the confidence of investors, and with the global economy expected to recover moderately, particularly on account of performance in some advanced economies, the economy can look forward to better growth prospects in 2014-15 and beyond.

**Source (Economic survey 2013-14)**

**Growth in Real GDP (per cent)**

Source – Economic Survey 2013-2014

**OUTLOOK FOR 2014-15**

The descent into the present phase of sub-5 per cent growth has been rather sharp. The interplay of structural constraints alongside delays in project implementation, subdued domestic sentiments, and an uncertain global milieu led to general growth slowdown while rendering macroeconomic stabilization particularly challenging. Inflation also remained at elevated levels. These factors triggered risk-aversion and injected considerable uncertainty in investment activity. The current macroeconomic situation precludes fiscal stimulus to kick-start activity. Similarly, the task of monetary policy calibration for growth revival has been made difficult by persistent inflation and further complicated by uncertainty in international financial conditions and, until recently, by rupee depreciation. Targeted measures by the government and RBI have improved the external economic situation significantly, even as India remains exposed to risk on/off sentiments of investors and to policy shifts in advanced economies. Regaining growth momentum requires restoration of domestic macroeconomic balance and enhancing efficiency. To this end, the emphasis of policy would have to remain on fiscal consolidation and removal of structural constraints. Though some measures have been initiated to this end, reversion to a growth rate of around 7-8 per cent can only occur beyond the ongoing and the next fiscal.

Global economic activity is expected to strengthen in 2014-15 on the back of some recovery in advanced economies. The Euro area is also expected to register a growth rate of above 1 per cent as against contraction witnessed in 2012 and 2013 (IMF, WEO, April 2014). The European Central Bank's monetary policy measures, most significantly introduction of the negative deposit facility interest rate are expected to boost economic activity in Europe. In addition, the performance of the real sector in the US (that is likely affect the pace of taper) is a major factor that would impact the global economic situation in 2014-15. The growth outlook for emerging Asian economies is generally benign with some



grappling with inflation, structural bottlenecks, and external imbalances. The slowdown in emerging economies comes at an inopportune juncture.

Downward movement along with heightened volatility, witnessed, for example, in fixed investment post 2008-09 in India, often tends to magnify the impact and transmission channels of shocks (e.g. below-normal monsoons and/or upshot in oil prices) and hampers build-up of positive expectations. Under such circumstances, the Indian economy can recover only gradually with the GDP at factor cost at constant prices expected to grow in the range of 5.4 – 5.9 per cent in 2014-15. This assumes the revival of growth in the industrial sector witnessed in April 2014 to continue for the rest of the year, the generally benign outlook on oil prices (notwithstanding the uncertainty on account of recent developments in the Middle East), and the absence of pronounced destabilizing shocks (including below-normal monsoons). Growth in the above range implies a pick-up, aided by an improved external economic situation characterized by a stable current account and steady capital inflows, improved fiscal situation and, on the supply side, robust electricity generation and some recovery in manufacturing and non-government services.

Growth in 2014-15 is expected to remain more on the lower side of the range given above, for the following reasons: (i) steps undertaken to restart the investment cycle (including project clearances and incentives given to industry) are perceived to be playing out only gradually; (ii) the benign growth outlook in some Asian economies, particularly China; (iii) still elevated levels of inflation that limit the scope of the RBI to reduce policy rates; and (iv) expectation of below-normal monsoons. Downside risk also emerges from prolonging of the geo-political tensions. On the upside, such factors as institutional reform to quicken implementation of large projects and a stronger-than-expected recovery in major advanced economies would help the Indian economy clock a higher rate of growth.

**Source: Economic Survey 2013-2014**

## GLOBAL BIO-FUEL INDUSTRY

There is growing interest in bio-fuels in many developing countries as a means of “modernizing” biomass use and providing greater access to clean liquid fuels while helping to address energy costs, energy security and global warming concerns associated with petroleum fuels. Bio-fuels are drawing increasing attention worldwide as substitutes for petroleum-derived transportation fuels to help address energy cost, energy security and global warming concerns associated with liquid fossil fuels.

**Figure 1. Substitutability of biofuels with common petroleum-derived fuels**

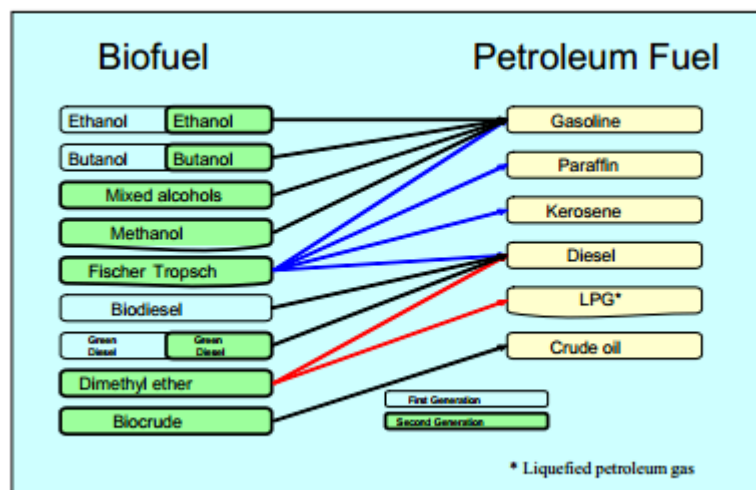
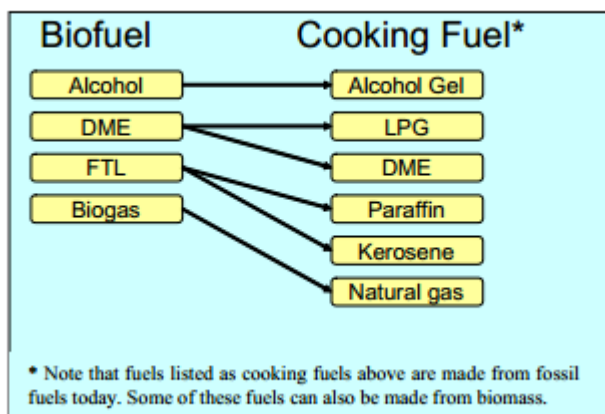


Figure 1 shows the substitutability of various bio-fuels for common petroleum-derived fuels. Alcohol fuels can substitute for gasoline in spark-ignition engines, while biodiesel, green diesel and DME are suitable for use in compression ignition engines. The Fischer-Tropsch process can produce a variety of different hydrocarbon fuels, the primary one of which is a diesel-like fuel for compression ignition engines

While there is much attention on bio-fuels for the transport sector, the use of bio-fuels for cooking (Figure 2), is a potential application of wide relevance globally, especially in rural areas of developing countries. In all cases, combustion of bio-fuels for cooking will yield emissions of pollutants that are lower (or far lower) than emissions from cooking with solid fuels. Some 3 billion people in developing countries cook with solid fuels and suffer severe health damages from the resulting indoor air pollution [1, 2]. Thus, bio-fuels could play a critical role in improving the health of billions of people. It is noteworthy that the scale of bio-fuel production needed to meet cooking energy needs is far smaller than that for meeting transportation fuel needs

**Figure 2. Substitutability of biofuels for clean fossil fuels used for cooking**

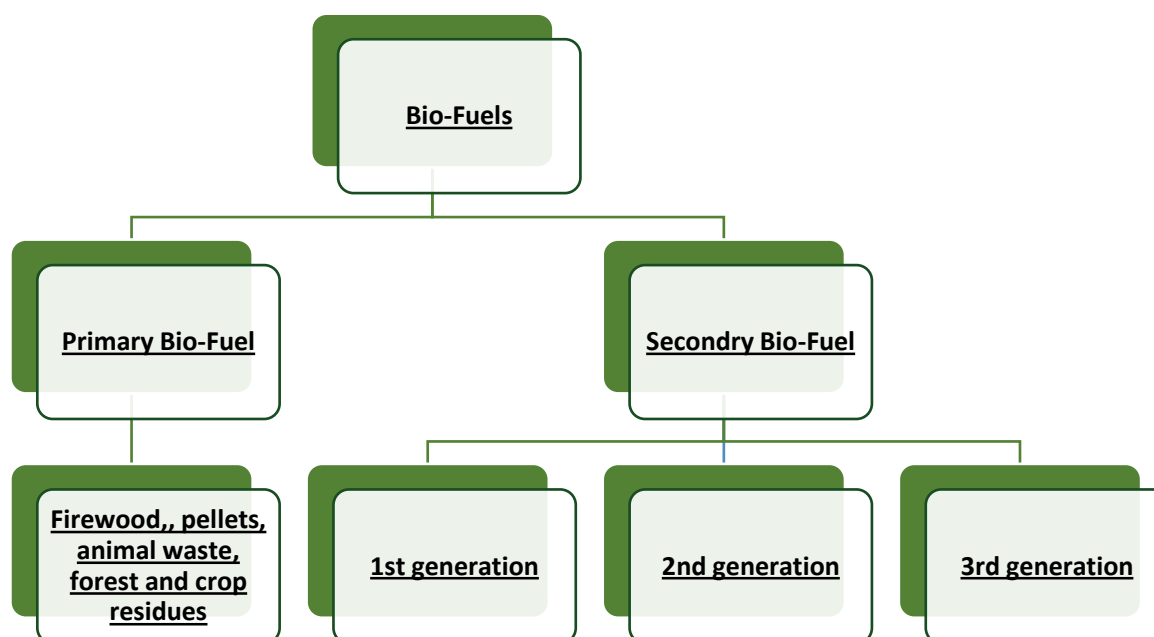


Source: - United Nations Conference on Trade and Development

[http://unctad.org/en/docs/ditcted200710\\_en.pdf](http://unctad.org/en/docs/ditcted200710_en.pdf)

## CLASSIFICATION OF BIO-FUELS

A relatively recently popularized classification for liquid bio-fuels includes “first-generation” and “second-generation” fuels. There are no strict technical definitions for these terms. The main distinction between them is the feedstock used. A first-generation fuel is generally one made from sugars, grains, or seeds, i.e. one that uses only a specific (often edible) portion of the above-ground biomass produced by a plant, and relatively simple processing is required to produce a finished fuel. First-generation fuels are already being produced in significant commercial quantities in a number of countries. Second-generation fuels are generally those made from non-edible lignocellulosic biomass, either non-edible residues of food crop production (e.g. corn stalks or rice husks) or non-edible wholeplant biomass (e.g. grasses or trees grown specifically for energy).



**Table 1. Biofuel classification**

First-generation biofuels (from seeds, grains or sugars)	Second-generation biofuels (from lignocellulosic biomass, such as crop residues, woody crops or energy grasses)
<ul style="list-style-type: none"> <li>• Petroleum-gasoline substitutes               <ul style="list-style-type: none"> <li>– Ethanol or butanol by fermentation of starches (corn, wheat, potato) or sugars (sugar beets, sugar cane)</li> </ul> </li> <li>• Petroleum diesel substitutes               <ul style="list-style-type: none"> <li>– Biodiesel by transesterification of plant oils, also called fatty acid methyl ester (FAME) and fatty acid ethyl ester (FAEE)                   <ul style="list-style-type: none"> <li>▪ From rapeseed (RME), soybeans (SME), sunflowers, coconut, palm, jatropha, recycled cooking oil and animal fats</li> </ul> </li> <li>– Pure plant oils (straight vegetable oil)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Biochemically produced petroleum-gasoline substitutes               <ul style="list-style-type: none"> <li>– Ethanol or butanol by enzymatic hydrolysis</li> </ul> </li> <li>• Thermochemically produced petroleum-gasoline substitutes               <ul style="list-style-type: none"> <li>– Methanol</li> <li>– Fischer-Tropsch gasoline</li> <li>– Mixed alcohols</li> </ul> </li> <li>• Thermochemically produced petroleum-diesel substitutes               <ul style="list-style-type: none"> <li>– Fischer-Tropsch diesel</li> <li>– Dimethyl ether (also a propane substitute)</li> <li>– Green diesel</li> </ul> </li> </ul>

**Source: - United Nations Conference on Trade and Development**

[http://unctad.org/en/docs/ditcted200710\\_en.pdf](http://unctad.org/en/docs/ditcted200710_en.pdf)

**First generation bio-fuels** -The most well-known first-generation bio-fuel is ethanol made by fermenting sugar extracted from sugar cane or sugar beets, or sugar extracted from starch contained in maize kernels or other starch-laden crops. Similar processing, but with different fermentation organisms, can yield another alcohol, butanol. Commercialization efforts for butanol are on going, while ethanol is already a well-established industry. From the perspective of petroleum substitution or carbon emissions mitigation efficiencies, the potential for most first-generation bio-fuels is limited. In addition, the significant amount of fossil fuel used to produce this ethanol substantially offsets the

carbon emissions reductions from photosynthetic uptake of carbon by the corn plants.

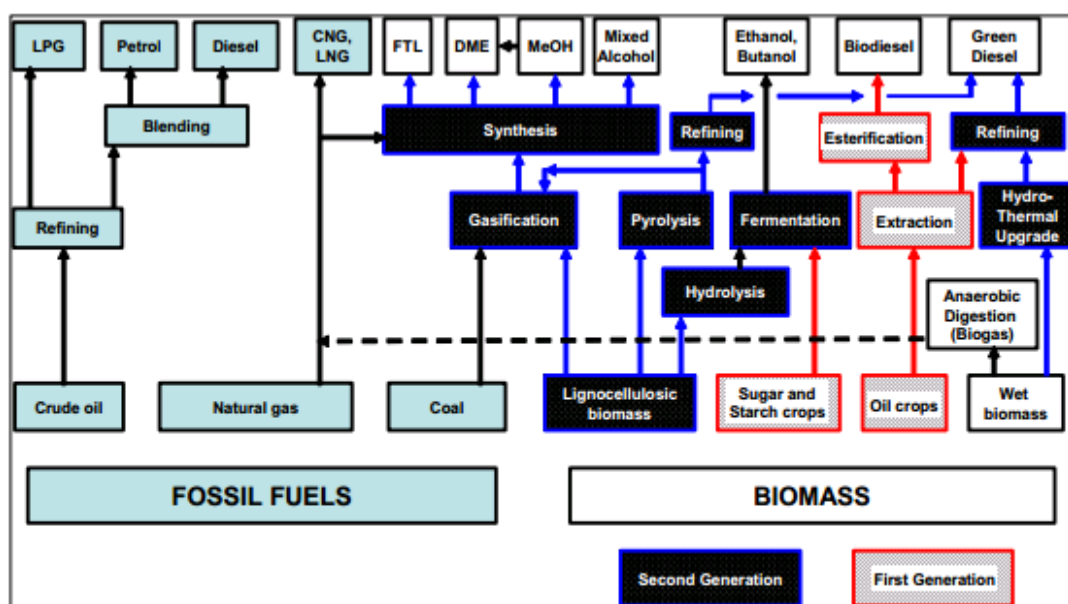


### Pros and Cons of First Generation Bio-Fuel

Pros	Cons
<ul style="list-style-type: none"> <li>• Simple and well-known production methods</li> <li>• Familiar feedstocks</li> <li>• Scalable to smaller production capacities</li> <li>• Fungibility with existing petroleum-derived fuels</li> <li>• Experience with commercial production and use in several countries</li> </ul>	<ul style="list-style-type: none"> <li>• Feedstocks compete directly with crops grown for food</li> <li>• Production by-products need markets</li> <li>• High-cost feedstocks lead to high-cost production (except Brazilian sugar cane ethanol)</li> <li>• Low land-use efficiency</li> <li>• Modest net reductions in fossil fuel use and greenhouse gas emissions with current processing methods (except Brazilian sugar cane ethanol)</li> </ul>

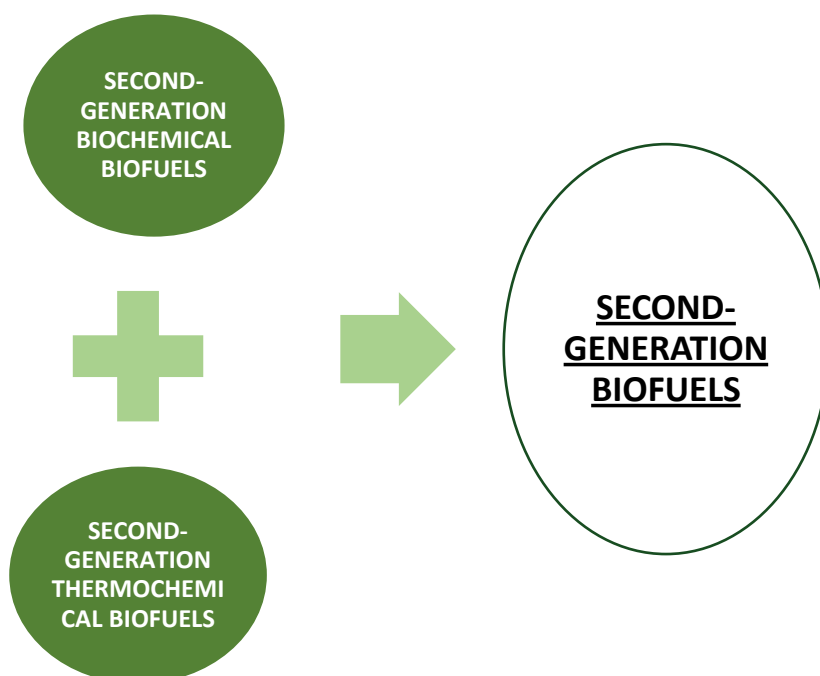
- **Second generation bio-fuels** Second-generation bio-fuels share the feature of being produced from lignocellulosic biomass, enabling the use of lower-cost, non-edible feedstocks, thereby limiting direct food vs. fuel competition

## Production pathways to liquid fuels from biomass and, for comparison, from fossil fuels



*Note:* Several fuels can be made starting from biomass or from fossil fuels.

Second-generation bio-fuels can be further classified in terms of the process used to convert the biomass to fuel: biochemical or thermochemical. Second-generation ethanol or butanol would be made via biochemical processing, while all other second-generation fuels discussed here would be made via thermochemical processing



### Second-generation biochemical bio-fuels

The fuel properties of second-generation ethanol or butanol are identical to those of the first generation equivalents, but because the starting feedstock is lignocellulose, fundamentally different



processing steps are involved in producing them. Second-generation biochemically-produced alcohol fuels are often referred to as “cellulosic ethanol” and “cellulosic biobutanol”

### **Second-generation thermochemical bio-fuels**

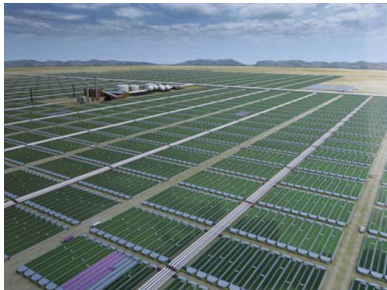
Thermochemical biomass conversion involves processes at much higher temperatures and generally higher pressures than those found in biochemical conversion systems. Key intrinsic characteristics distinguishing thermochemical from biochemical bio-fuels are the flexibility in feedstocks that can be accommodated with thermochemical processing and the diversity of finished fuels that can be produced.

**Source: United Nations Conference on Trade and Development**

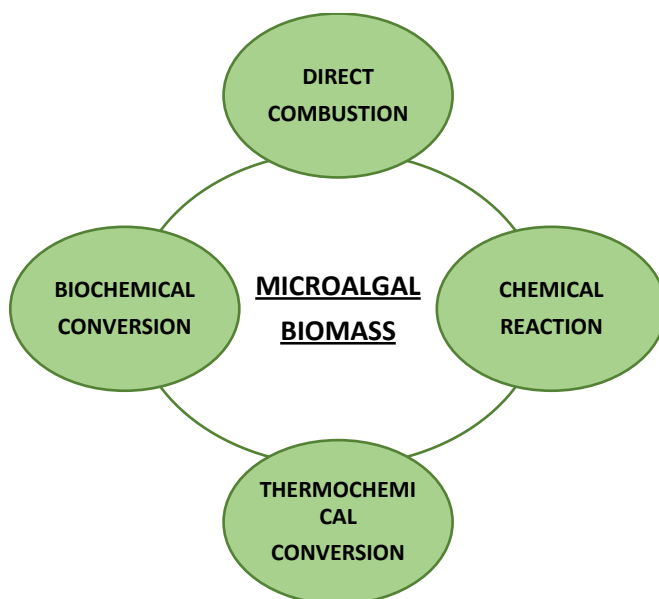
[http://unctad.org/en/docs/ditcted200710\\_en.pdf](http://unctad.org/en/docs/ditcted200710_en.pdf)

➤ **Third generation bio-fuel** has only recently entered the mainstream it refers to bio-fuel derived from algae. Previously, algae were lumped in with second generation bio-fuels. However, when it became apparent that algae are capable of much higher yields with lower resource inputs than other feedstock, many suggested that they be moved to their own category Biodiesel from microalgae. Third generation bio-fuel consists of the following :-

- Biodiesel from microalgae
- Bioethanol from microalgae and seaweeds
- Hydrogen from green microalgae and microbes



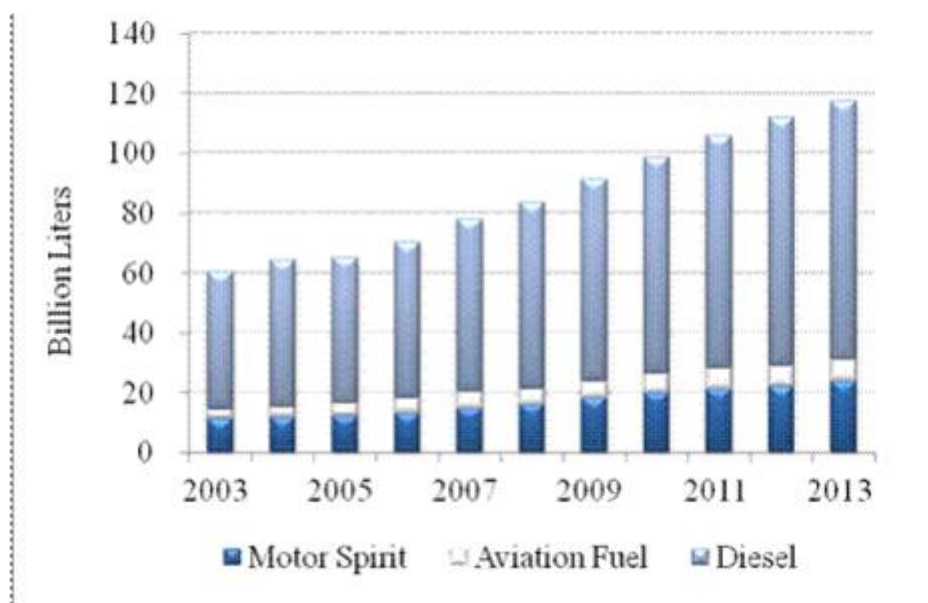
There are several ways to convert microalgal biomass to energy sources.



#### INDIAN BIO-FUEL INDUSTRY



India is one of the fastest growing economies in the world. The Development Objectives focus on economic growth, equity and human well being. Energy is a critical input for socio-economic development. The energy strategy of a country aims at efficiency and security and to provide access which being environment friendly and achievement of an optimum mix of primary resources for energy generation. Fossil fuels will continue to play a dominant role in the energy scenario in our country in the next few decades. However, conventional or fossil fuel resources are limited, non-renewable, polluting and, therefore, need to be used prudently. On the other hand, renewable energy resources are indigenous, non-polluting and virtually inexhaustible. The crude oil price has been fluctuating in the world market and has increased significantly in the recent past Such unforeseen escalation of crude oil prices is severely straining various economies the world over, particularly those of the developing countries. Petro-based oil meets about 95% of the requirement for transportation fuels, and the demand has been steadily rising



Source: Petroleum Planning and Analysis Cell, Government of India (GOI)

**Table 1: Projected demand for petrol and diesel and biofuel requirements**

Year	Petrol Demand Mt	Ethanol blending requirement (in metric ton)			Diesel Demand Mt	Biodiesel blending requirement (in metric ton)		
		@5%	@10%	@20%		@5%	@10%	@20%
2006-07	10.07	0.50	1.01	2.01	52.32	2.62	5.23	10.46
2011-12	12.85	0.64	1.29	2.57	66.91	3.35	6.69	13.38
2016-17	16.40	0.82	1.64	3.28	83.58	4.18	8.36	16.72

Source: Planning commission Govt. of India, 2003

Use of bio-fuels have, therefore, become compelling in view of the tightening automotive vehicle emission standards to curb air pollution Bio-fuels are derived from renewable bio-mass resources and, therefore, provide a strategic advantage to promote sustainable development and to supplement conventional energy sources in meeting the rapidly increasing requirements for transportation fuels associated with high economic growth, as well as in meeting the energy needs of India's vast rural population. Bio-fuels can increasingly satisfy these energy needs in an environmentally benign and cost effective manner while reducing dependence on import of fossil fuels and thereby providing a higher degree of National Energy Security.

The growth of bio-fuels around the globe is spurred largely by energy security and environmental concerns and a wide range of market mechanisms, incentives and subsidies have been put in place to facilitate their growth. Developing countries, apart from these considerations, also view bio-fuels as a potential means to stimulate rural development and create employment opportunities. The Indian approach to bio-fuels, in particular, is somewhat different to the current international approaches which could lead to conflict with food security. It is based solely on non-food feed stocks to be raised on degraded or wastelands that are not suited to agriculture, thus avoiding a possible conflict of fuel vs. food security.

Bio-fuels are environment friendly fuels and their utilization would address global concerns about containment of carbon emissions. The transportation sector has been identified as a major polluting sector. Bio-fuels are derived from renewable bio-mass resources and, therefore, provide a strategic



advantage to promote sustainable development and to supplement conventional energy sources in meeting the rapidly increasing requirements for transportation fuels associated with high economic growth, as well as in meeting the energy needs of India's vast rural population. Bio-fuels can increasingly satisfy these energy needs in an environmentally benign and cost effective manner while reducing dependence on import of fossil fuels and thereby providing a higher degree of National Energy Security.

In the context of the International perspectives and National imperatives, it is the endeavour of the National Policy on Bio-fuels to facilitate and bring about optimal development and utilization of indigenous biomass feedstocks for production of bio-fuels. The Policy also envisages development of the next generation of more efficient bio-fuel conversion technologies based on new feedstocks.

The focus for development of bio-fuels in India will be to utilize waste and degraded forest and non-forest lands only for cultivation of shrubs and trees bearing non-edible oil seeds for production of bio-diesel. In India, bio-ethanol is produced mainly from molasses, a by-product of the sugar industry. In future too, it would be ensured that the next generation of technologies is based on non-food feedstocks. Therefore, the issue of fuel vs. food security is not relevant in the Indian context.

The policy further focuses on encouraging cultivators, farmers, landless labourers etc. to undertake plantations that provide the feedstock for bio-diesel and bio-ethanol. Corporates will also be enabled to undertake plantations through contract farming by involving farmers, cooperatives and Self Help Groups etc. in consultation with Panchayats, where necessary. Such cultivation / plantation will be supported through a Minimum Support Price for the non-edible oil seeds used to produce bio-diesel

In view of the current direct and indirect subsidies to fossil fuels and distortions in energy pricing, a level playing field is necessary for accelerated development and utilization of bio-fuels to subserve the Policy objectives. Appropriate financial and fiscal measures will be considered from time to time to support the development and promotion of bio-fuels and their utilization in different sectors.

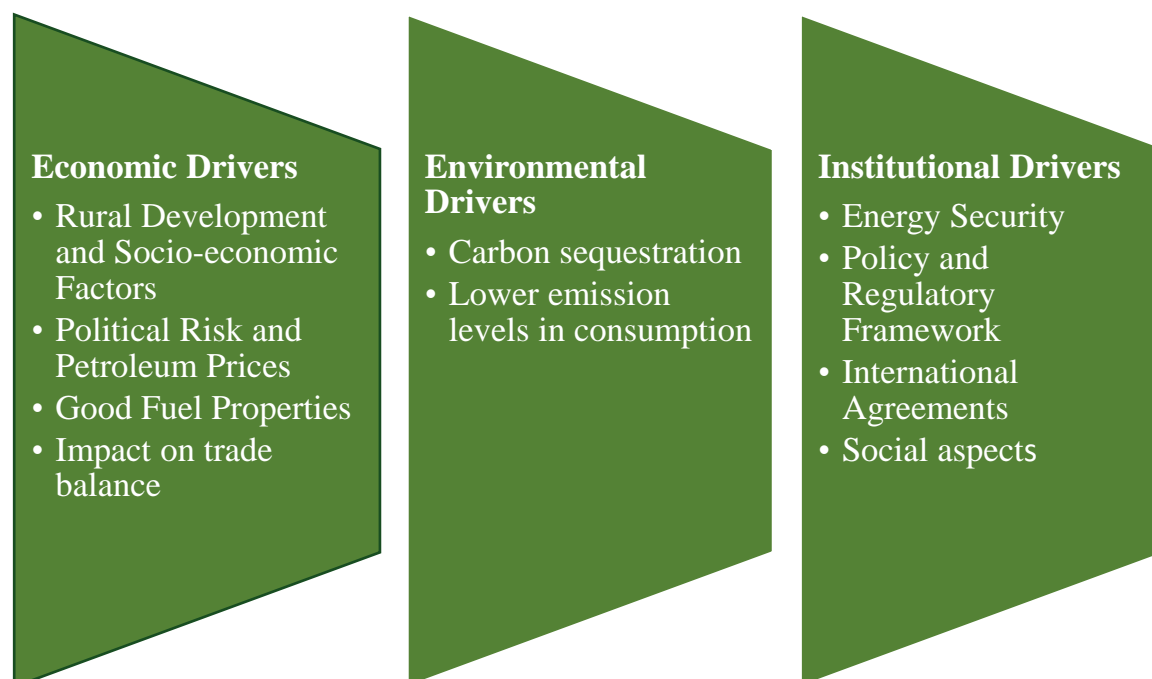
***Source: - National Policy on Biofuels, Government of India Ministry of New & Renewable Energy***

In 2003, Government of India came up with 'Report of the Committee on Development of Biofuel', to promote bio-fuel (ethanol from sugarcane and biodiesel from Jatropha and Karanja) on wasteland. Biodiesel programme has been able to catch attention of different stakeholders due to the requirement of huge and scarce resources from the hinterland of country, viz., wasteland, manpower for employment and other related inputs, with emphasis on fulfilling the guzzling fuel requirement of transport sector

***Source Planning Commission 2003***

## KEY DRIVERS OF BIOFUEL

The Key Value Drivers identified are:-



Apart from these basic drivers there exist certain other factors which could act as key drivers to the Bio-fuel Industry; these include renewability, social aspect like job creation and income distribution.

The importance of different value drivers varies depending on the socio-economic and political conditions of a country. For example, 'petroleum prices' might be an important driver for biofuel industry in India but not for oil-rich middle-eastern countries. Similarly, 'rural development' might be the key driver behind bio-fuel industry in Africa but not in Western Europe.

Bio-fuels offer a number of environmental, social and economic advantages, apart from being a renewable alternative for fossil fuels. The use of bio-fuels may lead to reduction in vehicular pollution and emission of green house gases as it has been established that the emission of sulphur dioxide, particulate matter and carbon monoxide are less from bio-fuels. The development of bio-fuels sector could result in increased cultivation of the feedstock crops like jatropha (*Jatropha curcas*), pongamia (*Pongamia pinnata*), etc. especially in marginal and forest lands and could provide higher income and employment opportunities for economically and socially backward communities that cultivate these crops. The greening of wastelands and regeneration of degraded forest lands through cultivation of bio-fuel crops is another added advantage.

## FUTURE OUTLOOK

### National Policy on Bio-fuels: An Overview

1. An indicative target of 20% blending of bio-fuels both for biodiesel and bioethanol by 2017
2. Biodiesel production from non-edible oilseeds on waste, degraded and marginal lands to be encouraged
3. A Minimum Support Price (MSP) to be announced for farmers producing non-edible oilseeds used to produce biodiesel
4. Financial incentives for new and second generation bio-fuels, including a National Bio-fuel Fund
5. Biodiesel and bioethanol are likely to be brought under the ambit of “declared goods” by the Government to ensure the unrestricted movement of bio-fuels within and outside the states• Setting up a National Bio-fuel Coordination Committee under the Prime Minister for a broader policy perspective
6. Setting up a Bio-fuel Steering Committee under the Cabinet Secretary to oversee policy implementation. Several ministries are currently involved in the promotion, development and policy making for the bio-fuel sector.
7. The Ministry of New and Renewable Energy is the overall policymaker, promoting the development of bio-fuels and research and technology development for its production.
8. The Ministry of Petroleum and Natural Gas is responsible for marketing bio-fuels and developing and implementing a pricing and procurement policy.
9. The Ministry of Agriculture’s role is that of promoting research and development for the production of bio-fuel feedstock crops.
10. The Ministry of Rural Development is specially tasked to promote Jatropha plantations on wastelands.
11. The Ministry of Science & Technology supports research in bio-fuel crops, specifically in the area of biotechnology.
12. In view of the multiple departments and agencies involved, a National Bio-fuel Coordination Committee (NBCC) headed by the Prime Minister was set up to provide high-level coordination and policy guidance/review on different aspects of bio-fuel development, promotion and utilization

The Policy aims at mainstreaming of bio-fuels and, therefore, envisions a central role for it in the energy and transportation sectors of the country in coming decades. The Policy will bring about accelerated development and promotion of the cultivation, production and use of bio-fuels to increasingly substitute petrol and diesel for transport and be used in stationary and other applications, while contributing to energy security, climate change mitigation, apart from creating new employment opportunities and leading to environmentally sustainable development.

Financial incentives, including subsidies and grants, may be considered upon merit for new and second generation feedstocks; advanced technologies and conversion processes; and, production units based on new and second generation feedstocks.

Bio-ethanol already enjoys concessional excise duty and biodiesel is exempted from excise duty. No other Central taxes and duties are proposed to be levied on bio-diesel and bio-ethanol. Custom and excise duty concessions would be provided on plant and machinery for production of bio-diesel or bio-ethanol, as well as for engines run on bio-fuels for transport, stationary and other applications, if these are not manufactured indigenously.

**Source: - National Policy on Biofuels, Government of India Ministry of New & Renewable Energy**

## OUR BUSINESS

### **OVERVIEW**

Our Company, an ISO 9001:2008 certified is engaged in the manufacturing of bio-fuels viz. bio-briquettes and bio-pellets which is an alternative source of energy and has the ability to replace/are fairly good substitutes of traditional fossil fuels like coal, firewood, lignite, etc.

Driven by experience in agriculture, innovation and investment in R&D, our Promoters sensed that bio-fuel is the need of the hour and can be the next big thing in fuel sector. With the indiscriminate exploitation of all fossil fuels, our Promoters sought to capitalize on the growing global demand of an alternate source of renewable energy and thus incorporated our Company under the name “Jiya Eco-Products Private Limited” in December 2011. Subsequently in February 2014, our Company was converted into a public limited company and its name was changed to “Jiya Eco-Products Limited”.

In 2012, our Company succeeded in setting-up our manufacturing unit at Navagam, Bhavnagar. Our Company started with the production of bio-briquettes and within a short span of time of around 2 years it enhanced its installed capacity to around 31,000 tonnes by installing new machineries, and forayed into production of bio-pellets as well thus making diversification in our range of products and increasing the scalability of our business.

The location of our factory gives us the competitive edge over other players in terms of procurement and availability of raw material throughout the year. At present, our Company has Authorised collection centres spread over surrounding villages to source agricultural waste which serves as the major raw material in production of bio-fuels. Also our Company has arrangements with various Gram-Panchayats in the State of Gujarat for procurement of solid waste, which serves as another important raw material in our business.

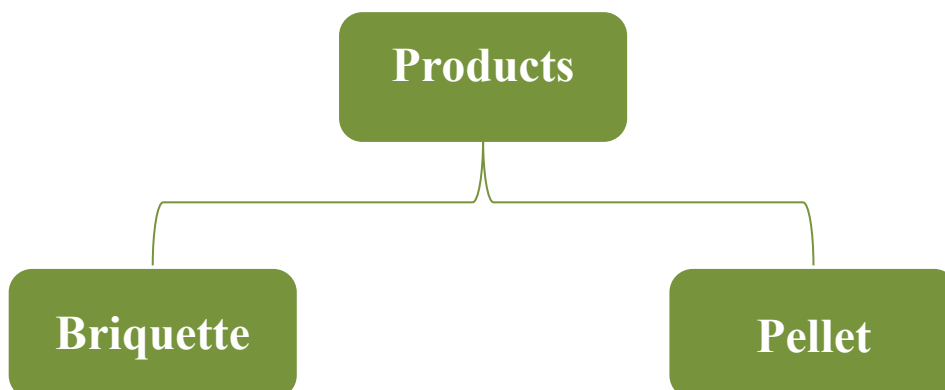
With the global and industrial realization of environmental benefits of use of bio-fuel which includes renewability of bio-fuel, pollution control, use of agricultural waste, etc., our Company has also received various incentives from Government including tax holiday, interest rate subvention and VAT exemption.

We believe in qualitative production matching the customer requirements, timely deliverables and cost efficiency and have thereby developed a long-continuing relationship with our customers. With the experience of our Promoters, technological drive, continuous research, supplier tie-ups, customer relationships, government support and industry demand for bio-fuel, our Company is one of the key players across the state of Gujarat in bio-fuel sector and has plans to expand its presence on PAN India basis.

## OUR PRODUCTS

Our Company is engaged in the activity of manufacturing the following 2 products:

- Bio-briquettes
- Bio-pellets



### 1. Briquettes



Briquette are 90 mm in diameter and cylindrical in shape. They can be used as a substitute of solid fuel like coal, charcoal, firewood etc. A briquette provides higher calorific value per rupees than coal when used for firing industrial boilers. Along with higher calorific value, biomass briquettes on average save 30–40% of boiler fuel cost. Briquette are mostly used in pharmaceutical units, chemical industries, dyeing process house etc. and can be stored for long periods without degradation. Biomass Briquettes can be used in ceramic and refractory industries, spinning mills, chemical units, textile processing units, solvent extraction

plant brick making units etc.

### 2. Pellets

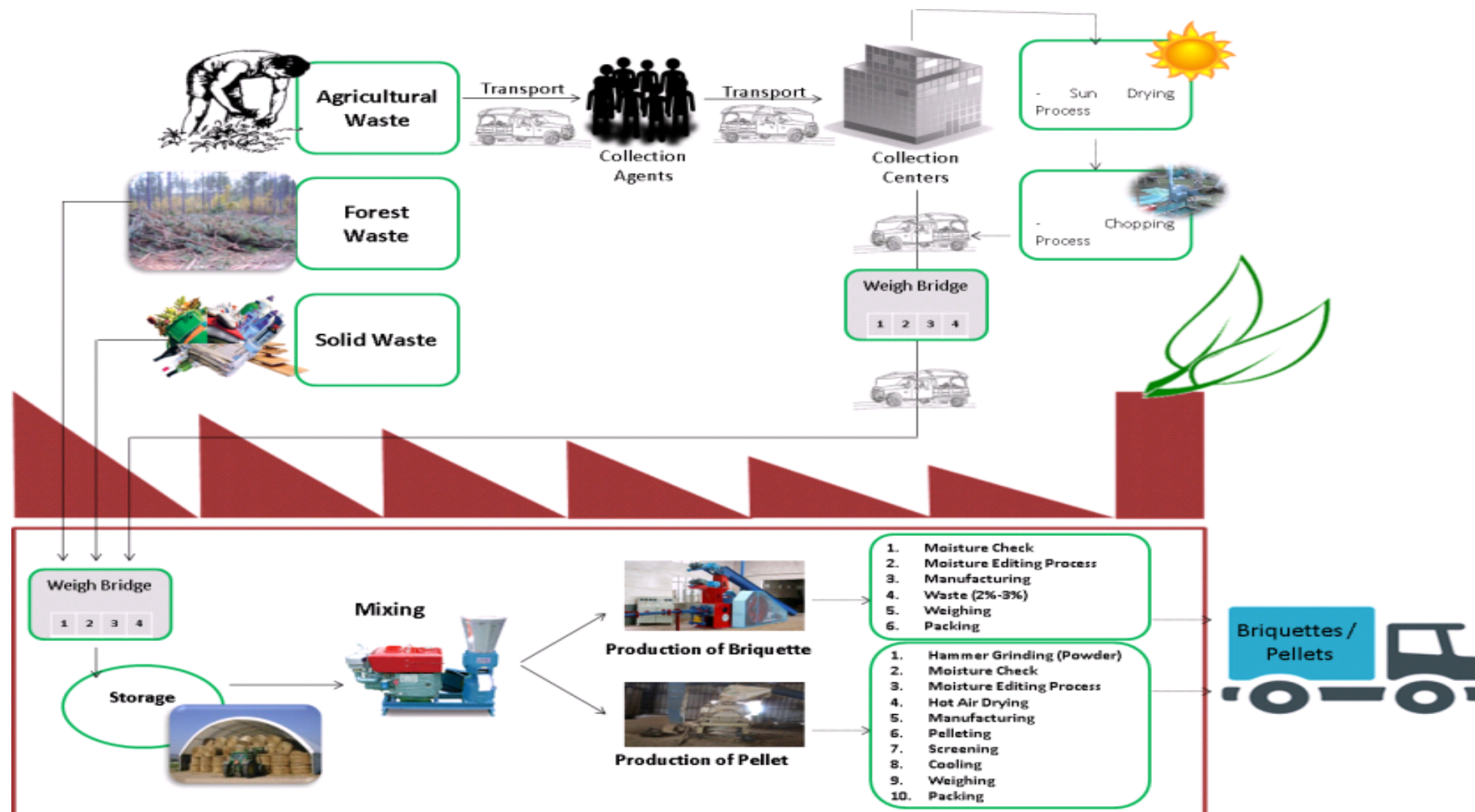
Pellets are 8 mm - 10 mm in diameter cylindrical shape. Pellets are manufactured in several types and grades as fuels for electric power plants, homes, and other applications. Pellets can be used as substitutes of industrial fuels viz. diesel, kerosene LPG. Pellets are extremely dense and can be produced with low moisture content i.e. below 10% that allows them to be burned with very high combustion efficiency. Pellets also have lower ash content resulting in excellent quality and consistency. Pellets are favoured across food and confectionery industries, cafeterias, hotels, dhabas's etc.



Our products viz. bio-briquettes and bio-pellets are highly combustible have found favor amongst industrial houses, cafeterias, hotels, dhaba's, bakeries etc. due to the cost savings they offer. Our products are eco-friendly and carbon neutral. They can effectively help meet the energy and heat requirements in the industrial, commercial & industrial segments. Our products have high calorific value and can be easily used in existing boilers without much altercation.

Our Company follows strict quality standards during manufacturing process. Once the product is ready; it is closely checked for safety and quality assurance. We also periodically undertake testing of our products for measurement of moisture, calorific value, density and ash content.

## OUR MANAGEMENT PROCESS

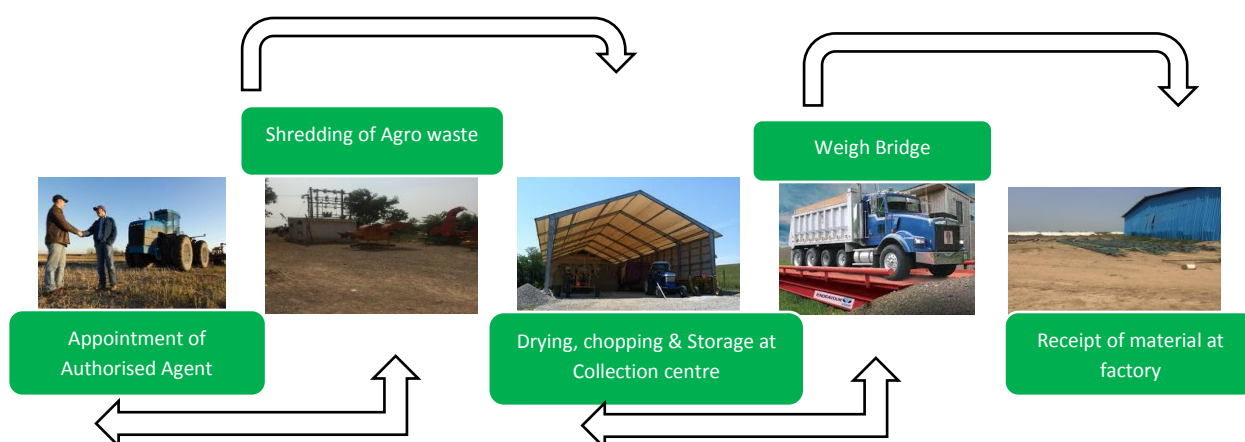


## Procurement of Raw Material

Our raw material primarily is made of the below 3 components:

- Agro waste
- Forest waste
- Solid waste

### Procuring Agro Waste:



In general, we appoint Authorised Collection Agents to procure agro waste for us. Every agent covers 4-5 villages and have a Collection centre for collection of agro waste from their respective villages. At present we have around 25 Authorised Collection Agents. These agents undertakes the whole responsibility of shredding agro waste to delivering the same at our factory. We supply the agents with shredders for shredding of agro-waste from various farms. Once agro-waste is shredded from farms, the Agents take the same to collection centre for further process.

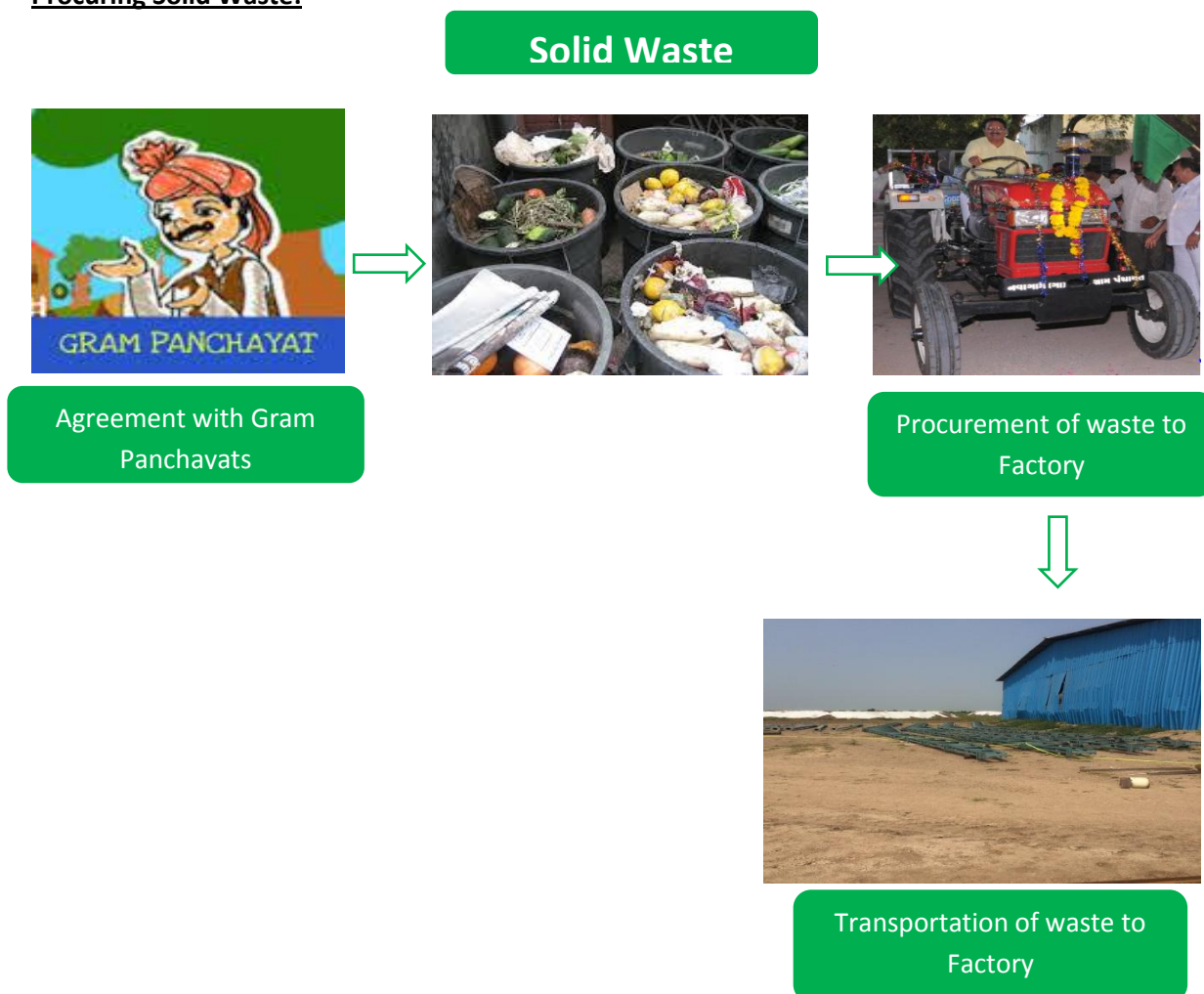
At the centre, on receipt of waste the first process is chopping of the waste for protection of waste from fire. The waste which is original in size of 7-10 inches is chopped to size of 3-5 inches. After chopping, the waste is dried and weighed before being delivered to our factory.

Currently, our Company procures mainly the following types of agro-waste:

- Cotton seed waste
- Cotton shell waste
- Cumin seed waste
- Groundnut shells



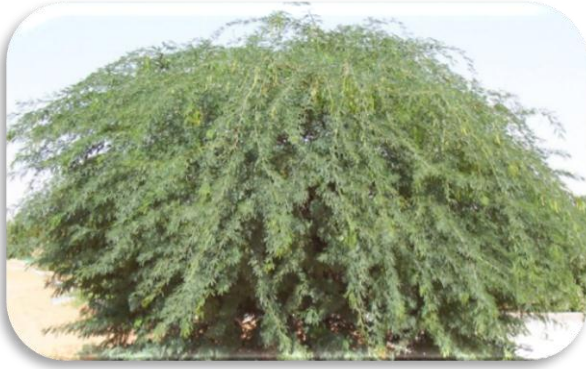
### Procuring Solid Waste:



For procurement of solid waste, we have obtained permission from Gram Panchayats to collect household waste of the surrounding villages. We have also been allotted a tractor for collection of solid waste.

### Procuring Forest Waste:

For procurement of forest waste, we target the barren lands where propolis juliflora is abundantly available. We also use tree barks, twigs as raw material in our production process. The extraction process comprises of various steps such as land leveling, extracting using a hopper, cutting of the waste to desired size and loading the waste on transportation trolleys. We deploy our own labor force to carry out this process.



### **Storage**

Currently we have 2 types of storage facilities i.e. Sheds and open storage. The sheds are more used during rainy season and for separation of a particular type of waste from other types. Open storage is mainly used for drying process and also during summer and when huge amount of storage facilities is required.



***Shed for storage of waste***



***Open storage of waste***

While the raw materials are being stored, the following processes are carried out:

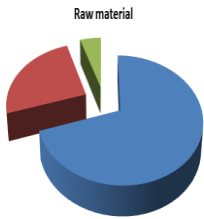
- Drying process
- Mixing process

### Drying

We dry our raw materials by using the solar heat. Drying depends on factors like initial moisture content, particle size, types of densifier, throughout the process.



### Mixing



Our raw material typically consists of agro-waste, forest waste and solid waste. The mixing of waste depends on the customer requirement of the product and is carried out by our technicians. Mixing is an important process as the proportion of various wastes determine the softness or hardness of the final product.

### Production process of bio-briquettes



*The graphical presentation in this chapter is for illustrative purposes only*

For the production of bio-briquettes, a proper mixture of the wastes, depending upon the customer requirements of the product is taken as the raw material (bio-mass) for the process. The raw material is then checked for its moisture content. Moisture content has an important role to play in the production process. After moisture editing, the process of briquetting starts. Briquetting is the process of densification of bio-mass to produce homogenous, uniformly sized pieces of high bulk density which can be used as a fuel. Biomass is fed into the briquette machine through regulated conveyors where it is compressed in specially designed dies.

### Production process of bio-pellets



Manufacturing of pellets is similar to manufacturing of briquettes but pellets are extremely dense and have high combustion efficiency. The process involves grinding of bio-mass into powder form. This bio-mass powder is then checked for moisture content. After, moisture editing, the bio-mass is hot air-dried and fed into conveyors for manufacturing of pellets.

### **Packing**

Cooled briquettes and pellets are packed in bags or stored in bulk for shipment.

### **OUR MANUFACTURING FACILITY AND BUSINESS PROCESS**

Our manufacturing unit is situated approximately 40 kms. from Bhavnagar city at 202/2/1 Navagam, Taluka - Vallabhipur, Bhavnagar, Gujarat – 364040. Our Company is having infrastructural facilities with adequate power connection and labour force. The group is having managerial team consisting of first generation management as well as technical experts.

**Machineries used in our manufacturing processes are as follows:**

Sl. No	Details of tools & machinery	Quantity	Location of machinery
1	Briquetting Machine	3	Factory
2	Cutter (chopper) Machine	8	Factory
3	Shredder machine	8	Factory
4	Pellet mill	2	Factory
5	Trolly	10	Factory
6	Tractor	1	Factory
7	Weight Bridge	1	Factory
8	Generator Set	5	Factory
9	Belt Conveyor	2	Factory
10	Hopper	33	Factory
11	Loader Attachment	2	Factory

*Further, our Company proposes to set up agro waste pelleting machinery. Our Company has received quotation from M/s. Yamuna Traders dated February 21, 2015, for agro waste pelleting machine of Rs. 1.45 Crores; from M/s. Scarlet Tradelink and M/s. Glossy Trading Co. dated February 20, 2015 for manufacturing pellet stove of Rs. 0.42 Crore each and from M/s. Vasa Consultants dated February*



18, 2015 for installing and setting up agro waste pelleting machinery of Rs. 0.36 Crore. Our Company has yet not placed any order for purchase of machinery or equipment's.



## OUR COMPETITIVE STRENGTH



### 1. Unique Business Model

Our Company's multifold growth in the past 2 years speaks of our unique business model, and our growth model. Our business model has proved successful and scalable as evidenced in the latest financials. We have adequate capacity to scale upward and we also undertake aggressive marketing of our products along with maintaining superior quality.

### 2. Locational Advantage

Our manufacturing unit is located at Navagam which is approximately 40 kms from Bhavnagar surrounded by acres of farms land which facilitates easy access to raw materials and at very cheap rates

### 3. Cost effective production and timely fulfillment of orders

Timely fulfillment of the orders is a prerequisite in our industry. Our Company has taken various steps in order to ensure adherence to timely fulfillment and also to achieve greater cost efficiency. Our Company constantly endeavors to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

### 4. Business is Customer Centric

Our Company focuses on attaining highest level of customer satisfaction. The progress achieved by us is largely due to our ability to address and exceed customer satisfaction. The directors of the company have years of expertise and are well acquainted with domestic markets.

**5. State of Art Infrastructure:**

Our Company has invested significant resources in the development of state of art infrastructure for manufacturing of biofuels – briquettes and pellets. Our Company has invested significant resources in technological capabilities and has developed a scalable technology system.

**6. Government Support**

Our Company has been encouraged and given various incentives by the government in the form of tax holiday, VAT exemptions and interest rate subvention. These incentives have helped us in making our production cost effective.

**7. Marketing Strategies:**

Our marketing team is ready to take up challenges so as to scale new heights in India as well as in global market. Our commitment and competitive prices have helped us penetrate the market.

**8. Leveraging the experience of our Promoter:**

Mixing of raw materials is one of the major tasks for the manufacturing of briquettes and pellets. Our Promoters are basically from agricultural background and are technical experts in mixing the right amount to ensure high quality products with low moisture content and high calorific.

**9. Cordial Relationship between management and labour**

Our Company enjoys cordial relationship with employees and there has been no union. Further, there have been no strikes, lock-out or any labour protest in our organization since inception.

**10. Eco- friendly products**

Unlike fossil fuel, bio-fuel does not contribute to greenhouse gases and are renewable source of energy.

**OUR MAJOR CUSTOMERS**

The percentage of income derived from top 10 customers in the last financial year is given below for the year ended March 31 2014 for are:

Sl. No	Customer	Revenue (Rs in Lakhs)	Percentage (%)
1	Aim Metalics	293	21.51%
2	P R Eco Energy Private Limited	82	6.02%
3	Sahaj Chem Industries	80	5.87 %
4	Sagar Enterprise	73	5.36%
5	Invest Plus	47	3.45%
6	HRS Trading Co	36	2.64%
7	Gokul Fabrics Private Limited	33	2.42%
8	Vir Enterprise	32	2.35%
9	Shanro Key Chem Ind. Private Ltd	31	2.28%
10	Surani Papers Private Limited	27	1.98%

Sl. No	Particulars	Revenue (Rs in Lakhs)	Percentage (%)
1	Income from Top 5 Customers (%)	575	42.22%
2	Income from Top10 Customers (%)	734	53.89%

## COLLABORATIONS

We have not entered into any technical or other collaboration

## UTILITIES & INFRASTRUCTURE FACILITIES

### Infrastructure Facilities

Our registered office at Bhavnagar, Gujarat, is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly. Our manufacturing unit at Navagam, Bhavnagar is equipped with requisite utilities and modern infrastructure facilities including the following:-

#### Power

Our Company meets its Power requirements by purchasing electricity from Paschim Gujarat Vij Company Limited which is around 275 KVA and is available 24x7.

#### Water

Our Company does not require water for the manufacturing process. The Company has made adequate arrangement for human water consumption.

## EXPORT AND EXPORT OBLIGATIONS

Our Company doesn't have any export obligation as we are not currently exporting any of our products.

## HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on April 30, 2015 our Company has 34 employees on payroll. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans



**Department wise break up:**

Department	No. of employees
Finance & Account Department	4
Administrative Department	7
Marketing Department	4
Production Department	19

**BUSINESS STRATEGY**

Our vision is **to offer best bio-fuel products to our clients in order to achieve their complete satisfaction.** In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus first and foremost on capitalizing on our core strengths and enhancing the volume of our business. We intend to focus on our existing range of products with specific emphasis on the following factors as business and growth strategy:

**1. Improving functional efficiency**

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology development.

**2. Leveraging our market skills and relationship**

Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

### 3. Brand image

We would continue to associate ourselves with good quality customers and execute projects to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

### 4. Enhancing existing production and product quality

We believe quality service and products of global standards will be of utmost importance for customer retention and repeat-order flow. We intend to have close interaction with our customers in a bid to strengthen our relationships with them. We train our employees to consistently design and deliver client focused solutions.

### 5. Expand our global footprint

Through a combination of increased capacities, reduced costs, wider range of products adhering to global standards, marketing initiatives, competitive pricing and more efficient use of resources, we intend to expand our global footprint and become a preferred supplier for large international retail chains and institutions in the bio-fuel industry

## EXISTING CAPACITY UTILISATION

The productwise capacity utilisation of our machineries is as under:

### Briquette Machine

Particulars	*FY 12	**FY 13	***FY 14	****FY 15	*****FY 16	*****FY 17
	Actual	Actual	Actual	Projected	Projected	Projected
<b>Total Installed Capacity</b>	-	12,000 tonnes	31,680 tonnes	36,480 tonnes	47,520 tonnes	47,520 tonnes
<b>Capacity Utilizations (%)</b>	-	96 %	91%	90%	90%	90%

\*The installed capacity in the FY 2011-2012 was nil as there were no machines.

\*\* The installed machine capacity in FY 2012-13 was 12,000 tonnes as new machines were installed during the year.

\*\*\* The installed capacity in the FY 2013-2014 increased to 31,680 tonnes as the machines were operating throughout the year.

\*\*\*\* The installed capacity in the FY 2014-2015 will increase to 36,480 tonnes as new machines will be installed.

\*\*\*\*\* The installed capacity in the FY 2015-2016 and FY 2015-2017 increased to 47,520 tonnes as the machines will be operating throughout the year.

## Pellet Machine

Particulars	*FY 12	*FY 13	**FY 14	***FY 15	****FY 16	*****FY 17
	Actual	Actual	Actual	Projected	Projected	Projected
<b>Total Installed Capacity</b>	Nil	Nil	700 tonnes	20,640 tonnes	41,280 tonnes	47,520 tonnes
<b>Capacity Utilizations (%)</b>	Nil	Nil	86%	80%	85%	90%

\*The machine capacity in the FY 2011-2012 and FY 2012-2013 was nil as there was no machine.

\*\* The machine installed in FY 2013-2014 was used for only 70 days having capacity of 10 tonnes per day.

\*\*\* The installed capacity in FY 2014-2015 will increase to 20,640 tonnes as new machine will be installed during the year.

\*\*\*\* The installed capacity in FY 2015-2016 will increase 41,280 tonnes as new machine will be installed during the year.

\*\*\*\*\*The installed capacity in FY 2016-2017 will increased to 47,520 tonnes as new machine will be installed during the year.

## COMPETITION

Bio-fuel being a unique and global industry, we face competition from various domestic and international players. The industry is also unorganized and fragmented with many small and medium-sized companies and entities.

On a regional basis, a plethora of peers compete with us in all of our geographic markets. Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company *vis-a-vis* the competitors.

## END USERS

The market for briquette and pellet can be broadly classified into two categories, on the basis of their end-use:

- Industrial use and
- Domestic use

## Industrial Users

The industrial users mainly comprise of pharmaceutical industries, spinning mills textile processing units, construction industries, chemical industries etc.

## Domestic Users

The domestic users mostly comprise of bakery, restaurants, dhabas's, schools etc.

## MARKETING

The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our marketing team through their vast experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our marketing team, which comprises of people with vast experience regularly interacts with them and focuses on gaining an insight into the additional needs of customers. We have conducted seminars, workshops for spreading awareness amongst use of fossil fuel about benefits and other advantages of using bio-fuels.

We maintain insurance for standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake of our factory premises located in Navagam which we believe is in accordance with customary industry practices.

Sl. No	Type of Insurance	Properties / Location covered
1.	Standard fire and special perils policy with add on of earthquake (fire and shock)	Our Company's manufacturing unit situated at 202/2 Navagam, Taluka - Vallabhipur, Bhavnagar, Gujarat - 364040. covers building, plant/machineries and accessories and Category I Stock

Our Company has also obtained Workmens Compensation (General) Policy, on March 11, 2015 and the policy will expire on March 11, 2016.

**LAND AND PROPERTY****I. Land & Property owned by the Company**

Our Company's registered office situated at G-6/7 B Ruturaj Complex Crecent Road, Bhavnagar – 364001. Gujarat is owned by us.

**II. Land and Properties taken on Lease by the Company.**

Sl.No	Location of the property	Document Date	Licensor/Lessor	Lease Rent/ License Fee	Consideration/license fee/Rent (in Rs.)	Lease/License period		Purpose
						From	To	
1	Rev. Sy. No 202/2 Navagam (GA) - 364040	June 07,2012	Bhavesh Kakadiya	Lease	Rs 1,000 p.m.	January 01, 2012	December 31, 2021	To carry out manufacturing activities of briquette and pellet.
2	Rev. Sy. No 202/2/1 Navagam (GA) – 364040	June 07,2012	Babubhai Kakadiya	Lease	Rs 3,000 p.m.	January 01, 2012	December 31, 2021	To carry out manufacturing activities of briquette and pellet.
3	A-25, Circle B, Above Pakwan 2 Judges Bunglow Road, Bodakdev, Ahmedabad	February 01, 2015	Phillip Fernandes	Lease	Rs 10,000 p.m	February 01, 2015	December 31, 2015	To carry out business operations.
4	R. S. No 202/2 Navagam (GA), Vallabhipur, Bhavnagar	September 28, 2013	Babubhai Kakadiya	Lease	Rs 7,000 p.m.	September 27, 2013	September 26, 2024	To carry out manufacturing activities of briquette and pellet.

## INTELLECTUAL PROPERTY



Our logo is in the process of registration with the trademark authorities.

We have applied for registration of our logo under the Trademark Act vide application dated January 06, 2015 and our application is in the process with the Registrar of Trademark. The detail of trademark application is as under:

Sl. No.	Trademark Name	Provisional Reg. No.	Class	Date of application	Current Status
1	Jiya Eco-Products Limited	2878090	4	January 06, 2015	Sent for Vienna Codification.

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see "Government and other Statutory Approvals".*

### LABOUR RELATED LEGISLATIONS

- **Employee's Compensation Act, 1923**

The Employees' Compensation Act, 1923 has been enacted with the object to provide compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The Act inter-alia lays down the amount of compensation to be paid in any such circumstance. In case the employer fails to pay the compensation under the provisions of the Act within 1 (one) month from the date it falls due, the employer may be directed to pay the compensation along with simple interest.

- **Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, plantations, shops and other establishments who have put in a continuous service of 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of 'five year continuous service' is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days' wages based on the rate of wages last drawn by the employee for every completed year of service with the employer. The employer shall arrange to pay the gratuity amount within 30(thirty) days from the date it becomes payable. Presently, an employer is obliged for a maximum gratuity payout of Rs.10,00,000/- only for an employee

The following are the rules which are applicable to the Company:

***Payment of Gratuity (Gujarat) Rules, 1973***

- **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 ("MWA Act") was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages. An employer who pays to any employee wages less than the minimum rate of wages fixed is punishable with imprisonment upto six months or fine upto five hundred rupees only.

The following are the rules which are applicable to the Company:

### ***The Minimum Wages (Gujarat) Rules, 1961***

- **Payment of Bonus Act, 1965**

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus on the basis of profits of the establishment.. Contravention of the provisions of the Payment of Bonus Act, 1965 is punishable with imprisonment up to six months or a fine upto Rs.1,000/- only or both. Further, it has been provided that if the defaulter is a company, every person in charge of its business at the time of the offence shall be liable to be proceeded against and punished accordingly.

- **The Maternity Benefit Act, 1961**

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of inter-alia pregnant women in factories, plantations and other establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It inter alia provides for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women. The employer shall be liable to pay the maternity benefit at the rate of average daily wage for the period of her actual absence. In case of failure to inter-alia make such payment, the employer shall be liable to punishment.

The following are the rules which are applicable to the Company:

### ***Gujarat Maternity Benefit Rules, 1964***

- **The Payment of Wages Act, 1936**

The Payment of Wages Act, 1936 ("PWA") is applicable to the payment of wages to persons in factories and other establishments. PWA ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer. If the employer contravenes the provisions of the Act, he shall be punishable with fine not less than one thousand rupees only extending to seven thousand five hundred rupees only.

The Payment of Wages Act, 1936 ("PWA") is applicable to the payment of wages to persons in factories and other establishments. PWA ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

- **Equal Remuneration Act, 1976**

Equal Remuneration Act, 1976 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 and incidental thereto. If the employer contravenes the provisions of the Act, he shall be liable to punishment.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- only.

- **The Factories Act, 1948**

The Factories Act, 1948 seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. "Factory" means any premises including the precincts thereof-

(i) 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 (ii) whereon twenty 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 without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

- **The Gujarat Factories Rules, 1963**

The Gujarat Factories Rules, 1963 (the “Rules”) seek to regulate labour employed in factories in the State of Gujarat and makes provisions for the safety, health and welfare of the workers. The Rules also mandate maintenance of certain statutory registers in the factory.

- **The Employees State Insurance Act, 1948**

The Employees State Insurance Act, 1948 (the “ESI Act”) provides for certain benefits to employees in case of sickness, maternity and employment injury. The ESI Act is applicable to all factories including a factory belonging to the Government other than seasonal factories and any other establishment as the appropriate Government may determine. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

- **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (“EPF Act”), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee’s provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee’s contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

- **The Industrial Disputes Act, 1948**

The Industrial Disputes Act, 1948 (the “IDA”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the IDA 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 a 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 IDA also sets out certain requirements in relation to the termination of the services of the workman. The IDA includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment.

- **Trade Union Act, 1926**

The Trade Union Act, 1926 governs the disputes which arise/ may arise between employers and workmen or between workmen and workmen, or between employers and employers in connection to their employment, non employment and the terms of employment or the conditions of labour. 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. Every trade union requires to be registered with the Registrar of the State. A trade union must engage at least ten percent or one hundred of the workmen, whichever is lesser on the day of making the application for registration.

The following are the rules which are applicable to the Company:

***The Gujarat Trade Unions Regulations, 1963***

## INDUSTRY SPECIFIC LEGISLATIONS

- **National Policy on Bio-fuels**

The National Policy on Bio-fuels (“**National Policy**”) has been issued by the Ministry of New & Renewable Energy, Government of India. The National Policy aims at mainstreaming of bio-fuels and seeks to bring about accelerated development and promotion of the cultivation, production and use of bio-fuels to increasingly substitute petrol and diesel for transport and be used in stationary and other applications, while contributing to energy security, climate change mitigation, apart from creating new employment opportunities and leading to environmentally sustainable development. The goal of the National Policy is to ensure that a minimum level of bio-fuels become readily available in the market to meet the demand at any given time. The National Policy also inter-alia provides for the strategy and approach for development of bio-fuels in India, interventions and enabling mechanisms, distribution and marketing of bio-fuels, research and development, quality standards, international cooperation, import and export.

- **Strategic Plan for New and Renewable Energy Sector for the Period 2011-17**

Strategic Plan for New and Renewable Energy Sector for the Period 2011-17 dated February, 2011, has been issued by the Ministry of New & Renewable Energy, Government of India (“**the Plan**”). The Plan has been prepared by the said Ministry the period 2011-17 (covering the last year of the 11th plan and the next 5 years period of the 12th plan) and perspective till 2022 and seeks to articulate the goals of the said Ministry, the strategy to be adopted by it during this period to achieve these goals and the corresponding action plan. The key components of the Plan include: (i) vision, mission and objectives; aspiration, (ii) priority list for sources and technologies to be promoted; (iii) important external and internal factors which would impact the sector; (iv) opportunities and threats for the sector; (v) key stakeholders; government support needed for achieving the objectives/targets; (vi) strategy for promotion of the sector and achieving the desired outcomes; and (vii) implementation plan outlining the timelines, resources required and tools for tracking and measuring success.

## TAX/COMPANY RELATED LEGISLATIONS

- **Income-tax Act, 1961**

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

- **Central Sales Tax Act, 1956**

Sales tax is levied on the sale of movable property in goods in the course of inter-state trade or commerce. In India, sales tax is levied both at the federal level under the Central Sales Tax Act, 1956 as well as the state level under the respective state legislation. If the goods move between States pursuant to a sale arrangement, then the taxability of such sale is determined by the Central Sales Tax Act, 1956. On the other hand, the taxability of a sale of movable goods within the jurisdiction of the State is determined as per the local sales tax/Value Added Tax legislation in place within such State. Central Sales Tax is payable by a dealer (i.e. a person who carries on the business of buying, selling, supplying or distributing goods) on his sales turnover at the rate prescribed in the VAT statute of the State from where the movement of the goods originate. However, a dealer is entitled to a concessional rate of 2% tax on goods which are sold to another registered dealer who intends to further re-sell them or use them in the manufacture or processing for further sale or for certain other specified purposes, subject to the condition that purchasing dealer issues a statutory Form “C” to the selling dealer.

- **Gujarat Value Added Tax Act, 2003**

All the states have in force a separate VAT statute which prescribes the rates at which VAT will be levied on taxable goods sold within that state. VAT is usually payable by a 'dealer' of goods (i.e. a person who carries on the business of selling or purchasing goods within a state) on its sales turnover. Depending on the schedule in which a good is categorized, VAT would be either exempt or levied at the rate of 1%, 4%, 12.5% or such other rate as the State Government notifies from time to time. VAT is a system of multi-point levies 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 a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each State has its own VAT Act under which persons liable to pay VAT must register and obtain a registration number from the Sales Tax Officer of their respective State.

The following are the rules which are applicable to the Company:

***Gujarat Value Added Tax Rules, 2006***

- **Service Tax**

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', 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 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 quarterly return in Form ST 3 by the 25<sup>th</sup> of the month immediately following the half year to which the return relates. Every assessee is required to file the quarterly return electronically.

- **Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

- **The Registration Act, 1908**

The Registration Act, 1908 ("**Registration Act**") was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

- **The Indian Stamp Act, 1899**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Stamp Act which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in the state. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act.

Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from state to state.

The following stamp duty legislations are applicable to us:

***Gujarat Stamp Act, 1958***

- **Gujarat Stamp Act, 1958**

Stamp duty on instruments in the state of Gujarat is governed by the Gujarat Stamp Act, 1958 (“**Stamp Act**”). The Stamp Act levies stamp duty on documents/instruments by which any right or liability is or purports to be created, transferred, limited, extended, extinguished or recorded. All instruments chargeable with duty and executed by any person within the State of Gujarat are required to be stamped before or at the time of execution or immediately thereafter on the next working day following the day of execution. The Stamp Act also provides for impounding of instruments not duly stamped. The Stamp Act further provides that other than those specifically excluded, instruments chargeable with stamp duty and not duly stamped are incapable of being admitted in evidence for any purpose by any person having by law or consent of parties authority to receive evidence, or shall be acted upon, registered or authenticated by any such person or by any public officer.

- **The Indian Contract Act, 1872**

The Indian Contract Act, 1872 (“**Contract Act**”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

- **The Specific Relief Act, 1963**

The Specific Relief Act, 1963 (“**Specific Relief Act**”) applies both to movable property and immovable property and is also complimentary to the provisions of the Contract Act. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

- **The Competition Act, 2002**

The Competition Act 2002 ("**Competition Act**") aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India ("**Competition Commission**") which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations.

The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

- **The Companies Act, 1956**

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act, 1956 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act, 1956 plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

- **The Companies Act, 2013**

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

- **The Gujarat Shops and Establishments Act, 1948**

The Company has its registered office at G-6/7 B, Ruturaj Complex, Opp. A.V. School Ground, Crecent Road, Bhavnagar, 364001 and another office at A-25 circle – "B" above Pakwan-2 Judges Bungalow Road Bodakdev, Ahmedabad. Accordingly the provisions of the Gujarat Shops and Establishments Act, 1948 ("**Shops Act**") is applicable to the Company. The Shops Act inter-alia provides for the regulation of conditions of work and employment in shops, commercial establishments, residential hotels, restaurants, eating houses, theatres, other places of public

amusement or entertainment and other establishments. Within the prescribed period, the employer of every establishment is required to make an submit a statement in the prescribed form with the prescribed fees to the Inspector of the local area concerned for the purpose of obtaining registration under the Shops Act. The registration certificate, if granted, shall, unless cancelled earlier, remain in force from the date of its grant upto the end of the year in which it is granted. The same shall be renewable from time to time for a period not exceeding three years, provided however, that any such period shall not include a fraction of a year. The Shops Act further requires that the registration certificate be prominently displayed at the premises of the establishment. Additionally, the State Government has been empowered to inter-alia declare any establishment or class of establishments to which, or any person or class of persons to whom, the Shops Act or any of the provisions thereof does not for the time being apply, to be an establishment or class thereof or a person or class thereof to which or whom the Shops Act or any provisions thereof with such modifications or adaptations as may in the opinion of the State Government be necessary shall apply. The Shops Act also requires an employer to maintain the registers and records and display on the premises of the establishment such notices as may be prescribed. Further, all such registers and records are required to be kept on the premises of the relevant establishment.

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

The Micro, Small and Medium Enterprises Development Act, 2006 (“**MSMED Act**”) inter-alia provides for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The Central Government has been empowered to classify by notification, any class of enterprises including inter-alia, a company, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only); (ii) a small enterprise, where the investment in plant and machinery is more than Rs. 25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed Rs. 5,00,00,000/- (Rupees Five Crores Only) ; or (iii) a medium enterprise, where the investment in plant and machinery is more than Rs. 5,00,00,000/- (Rupees Five Crores Only) but does not exceed Rs. 10,00,00,000/- (Rupees Ten Crores Only). The MSMED Act also stipulates that any person who intends to establish inter-alia, a micro or small industry, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, shall file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

## INTELLECTUAL PROPERTY

- **The Trademarks Act, 1999**

Under the Trademarks Act, 1999, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device,



brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 years, which may be renewed for similar periods on payment of a prescribed renewal fee.

- **The Copyright Act, 1957 ("Copyright Act")**

The Copyright Act, grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum three years and a fine of up to Rs. 200,000/-.

## FOREIGN OWNERSHIP RELATED LAWS

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made there under. The Reserve Bank of India ("RBI"), in exercise of its powers under FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") which prohibit, restrict and regulate, transfer or issue of securities, to a person resident outside India.

The Department of Industrial Policy and Promotion ("DIPP"), Ministry of Commerce and Industry has issued 'Consolidated FDI Policy' (the "FDI Circular") which consolidates the policy framework on Foreign Direct Investment ("FDI"), with effect from April 17, 2014. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till April 17, 2014. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through Foreign Investment Promotion Board ("FIPB") is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating Foreign Investment. In cases where FIPB approval is obtained, the issue price shall be fixed as per the RBI guidelines and a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate,

transfer by or issue security to a person resident outside India. In terms of the FDI Circular, foreign investment up to 100% is permitted in the Company under the automatic route.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as “Jiya Eco-Products Private Limited” under the provisions of the Companies Act, 1956 *vide* Certificate of Incorporation dated December 27, 2011 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli bearing registration no. 068414, in Bhavnagar, Gujarat. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to “Jiya Eco-Products Limited” *vide* a Fresh Certificate of Incorporation Consequent upon Change of Name on Conversion to Public Limited Company dated February 11, 2014.

### CHANGE OF REGISTERED OFFICE

At the time of incorporation our Registered Office was situated at 133/E, Alkok Asdown Road, Juna Bundar Road, Bhavnagar – 364001, Gujarat. Subsequently, our Registered Office was shifted to G - 6/7 B, Ruturaj Complex, Opp. A.V. School Ground, Crecent Road, Bhavnagar – 364001, Gujarat with effect from July 11, 2014.

### KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Period	Event
December, 2011	Incorporation the Company
September, 2012	Setting up of manufacturing unit at Navagam, Bhavnagar
September, 2013	Ventured into manufacturing of pellets
February, 2014	Conversion of Company into Public Company
October, 2014	Free tractor to our Company by the Government of Gujarat for Nirmal Bharat Abhiyan
November, 2014	ISO 9001:2008 Certificate of Registration
February, 2015	Expansion of business operations with setting up a branch office at Ahmedabad

### OUR MAIN OBJECTS

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

*“To carry on the business of farming , agriculture and horticulture and to grow, produce, manufacture, process, prepare, refine, extract, manipulate, hydrolyze, buy, sell, market or deal in all kinds of agricultural, horticultural, dairy, poultry and farm produces and products including food grains, cereals, seeds, soya-beans, corn , corn oil, cash crops , plants flowers, vegetables , edible oils, meat fish, eggs, animal and human foods and food products and also to produce and develop value added products like bio-coal from biomass and waste of above products.”*

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been made to our Memorandum of Association:

Date of Shareholders' Approval	Amendment
September 05, 2012	Alteration of authorized share capital clause:  The initial authorized share capital of Rs.1,00,000/- (Rupees One Lakhs Only) divided into 10,000 Equity Shares of Rs. 10/- (Rupees Ten only) each was increased to Rs. 1,00,00,000/- (Rupees One Crore Only) divided into 10,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each
June 26, 2013	Alteration of authorized share capital clause:  The authorized share capital was further increased from Rs. 1,00,00,000 (Rupees One Crore Only) divided into 10,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 5,00,00,000 (Rupees Five Crores Only) divided into 50,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each.
October 1, 2013	Alteration of name clause: Clause I of the Memorandum of Association of the Company changed from "Jiya Eco-Products Private Limited" to "Jiya Eco-Products Limited" reflect changed name of the company as on conversion of Company into a Public Company.
June 22, 2014	Alteration of authorized share capital clause:  The authorized share capital was further increased from Rs. 5,00,00,000 (Rupees Five Crore Only) divided into 50,00,000 Equity Shares of Rs. 10 (Rupees Ten only) each to Rs. 10,00,00,000 (Rupees Ten Crore Only) consisting of 1,00,00,000 Equity Shares of Rs. 10 (Rupees Ten only) each.

#### **HOLDING COMPANY OF OUR COMPANY**

Our Company has no holding company as on the date of filing of this Prospectus.

#### **SUBSIDIARY COMPANY OF OUR COMPANY**

Our Company does not have any subsidiary company as on the date of filing of this Prospectus.

#### **PROMOTERS OF OUR COMPANY**

The promoters of our Company are Bhavesh Kakadiya, Harshad Monpara and Yogesh Patel. For details, see "Our Promoter and Promoter Group" beginning on page 173 of this Prospectus.

#### **CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT**

For details regarding our capital raising activities through equity and debt, refer to the section titled "Capital Structure" beginning on page 71 of this Prospectus.

#### **INJUNCTIONS OR RESTRAINING ORDERS**

The Company is not operating under any injunction or restraining order.

## DETAILS OF PAST PERFORMANCE

For details in relation to our financial performance in the previous three financial years, including details of non-recurring items of income, refer to section titled “*Financial Statements*” beginning on page 185 of this Prospectus.

## SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on date of filing of this Prospectus.

## OTHER AGREEMENTS

Our Company has not entered into any other agreements as on the date of filing of this Prospectus.

## STRATEGIC / FINANCIAL PARTNERS

Our Company does not have any strategic/financial partner as on the date of filing of this Prospectus.

## DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Prospectus.

## CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

Our Company was incorporated on December 27, 2011. Since incorporation, we have not changed the activities of our Company.

## STRIKES AND LOCKOUTS

There have been no strikes or lockouts in our Company since incorporation.

## REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.

## TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

## NUMBER OF SHAREHOLDERS

Our Company has 20 shareholders as on date of this Prospectus.

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## 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 Sections 149 of the Companies Act, 2013. We currently have 8 directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Prospectus other than Directorship in our Company:

Sr. No	Name, Father's/Husbands Name, Designation, Address, Occupation, Nationality, Term and DIN		Date of Appointment	Other Directorships
1.	Name	Harshad Monpara	Initial : December 27, 2011 Appointment as Managing Director : December 19, 2014	Nil
	Age	50		
	Father's Name	Manjibhai Monpara		
	Designation	Managing Director		
	Address	Plot No 5/A, Sardar Patel Soc., Opp. Jewel circle, RTO Road, Bhavnagar, Gujarat - 364002 , India		
	Occupation	Business		
	Nationality	Indian		
	Term	Appointed for a period five years from December 19, 2014. Liable to retire by rotation		
	DIN	05147699		
2.	Name	Bhavesht Kakadiya	Initial : December 27, 2011 Appointment as Managing Director : December 19, 2014	Nil
	Age	33		
	Father's Name	Jivrajibhai Kakadiya		
	Designation	Managing Director		
	Address	1101, Malabarhill Tower, Surat Siti, Surat, 395007, Gujarat, India		
	Occupation	Business		
	Nationality	Indian		
	Term	Appointed for a period five years from December 19, 2014. Liable to retire by rotation		
	DIN	05147695		
3.	Name	Yogesh Patel	Initial	Nil

Sr. No	Name, Father's/Husbands Name, Designation, Address, Occupation, Nationality, Term and DIN		Date of Appointment	Other Directorships
	Age	47	Appointment: December 27, 2011 Appointment as Non Executive Director : January 20, 2015	
	Father's Name	Chimanlal Patel		
	Designation	Non Executive Director		
	Address	Plot No. C/1260, kaliyabid,, Nr. Sagwadi Chowk, Bhavnagar, 364002, Gujarat, India		
	Occupation	Business		
	Nationality	India		
	Term	Liable to retire by rotation		
	DIN	05147701		
4.	Name	Hetalben Kakadiya	January 20, 2015	Nil
	Age	32		
	Father's Name	Batukbhai Patel		
	Designation	Additional Non Executive Director		
	Address	1101, Malabarhill Tower, Surat Siti, Surat, 395007, Gujarat, India		
	Occupation	Business		
	Nationality	Indian		
	Term	Till conclusion of AGM		
	DIN	07073147		
5.	Name	Nimish Jani	January 20, 2015	Nil
	Age	30		
	Father's Name	Hemantkumar Jani		
	Designation	Additional Independent Director(Non Executive )		
	Address	722-B-4, Jameen Wikas Benkani Bajuno Vistar, Daimand Chowk Bhav.Shaher, Bhavnagar – Gujarat India 364005		
	Occupation	Business		
	Nationality	Indian		
	Term	Till Conclusion of AGM		
	DIN	07074047		

Sr. No	Name, Father's/Husbands Name, Designation, Address, Occupation, Nationality, Term and DIN		Date of Appointment	Other Directorships
6.	Name	Jitenkumar Shah	January 16, 2015	Nil
	Age	36		
	Father's Name	Yashvantraai Shah		
	Designation	Independent Director (Non Executive)		
	Address	Plot No: 7-B, Abhishek Waghawadi Road, Near Radha Mandir, Bhavnagar - Gujarat India 364001		
	Occupation	Business		
	Nationality	Indian		
	Term	Appointed for a period five years from January 16, 2015. Not liable to retire by rotation		
	DIN	07068199		
7.	Name	Nitinbhai Kapadia	January 16, 2015	Purif Pharmachem Private Limited
	Age	39		
	Father's Name	Gushabhai Kapadia		
	Designation	Independent Director (Non Executive)		
	Address	C/57, Kaliyabid, Talaja Road, Bhavnagar - 364002, Gujarat India		
	Occupation	Business		
	Nationality	Indian		
	Term	Appointed for a period five years from January 16, 2015. Not liable to retire by rotation		
	DIN	06553638		
8.	Name	Tushar Patel	May 20, 2015	Nil
	Age	41		
	Father's Name	Hasmukhrai Patel		
	Designation	Independent Additional Director (Non Executive)		
	Address	Bambakhana Street, Kanbiwad, Bhavnagar -364001, Gujarat, India		
	Occupation	Business		



Sr. No	Name, Father's/Husbands Name, Designation, Address, Occupation, Nationality, Term and DIN		Date of Appointment	Other Directorships
	Nationality	Indian		
	Term	Till conclusion of AGM		
	DIN	07180750		

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

- **Bhavesh Kakadiya, Managing Director**

Bhavesh Kakadiya, aged 32 years is the Managing Director of our Company. He has been Director of our Company since incorporation. He has more than 3 years of experience in the field of production of Briquettes and pellets. He is a person having great skill and knowledge of working cohesively in a team. He is a young dynamic person and looks after the financial operations of our Company.

- **Harshad Monpara, Managing Director**

Harshad Monpara, aged 50 years is the Managing Director of our Company. He has been Director of our Company since incorporation. He has more than 5 years of experience in agricultural field. He is an expert in sourcing raw material from the right place at the right time. He undertakes major strategic and business development decisions of the Company in consultation with other directors. He is responsible for business development department of our Company.

- **Yogesh Patel, Non Executive Director**

Yogesh Patel, aged 47 years, is a Non Executive Director of our Company. He is associated with the Company since inception. He has more than 5 years of experience in the agricultural field.

- **Hetalben Kakadiya, Additional Non Executive Director**

Hetalben Kakadiya aged 32 years, is an Additional Non Executive Director of our Company. She was appointed as the Non Executive Director of our Company on January 20, 2015. As such no remuneration / sitting fees was paid to her for the financial year 2013 – 2014, as she was appointed on our Board in the financial year 2014 – 2015

- **Nimish Jani, Additional Independent Director**

Nimish Jani, aged 30 years, is an Additional Independent Director of our Company. He was appointed as the Independent Director of our Company on January 20, 2015. As such no remuneration / sitting fees was paid to him for the financial year 2013 – 2014, as he was appointed on our Board in the financial year 2014 – 2015.

- **Jitenkumar Shah, Independent Director**

Jitenkumar Shah, aged 36 years, is an Independent Director of our Company. He was appointed as the Independent Director of our Company on January 16, 2015. As such no remuneration / sitting fees was paid to him for the financial year 2013 – 2014, as he was appointed on our Board in the financial year 2014 – 2015.

- **Nitinbhai Kapadia, Independent Director**

Nitinbhai Kapadia, aged 39 years, is an Independent Director of our Company. He was appointed as the Independent Director of our Company on January 16, 2015. As such no remuneration / sitting fees was paid to him for the financial year 2013 – 2014, as he was appointed on our Board in the financial year 2014 – 2015.

- **Tushar Patel, Additional Independent Director**

Tushar Patel, aged 41 years, is an Additional Independent Director of our Company. He was appointed as the Independent Director of our Company on May 20, 2015. As such no remuneration / sitting fees was paid to him for the financial year 2013 – 2014, as he was appointed on our Board recently.

## CONFIRMATIONS

As on the date of this Prospectus:

1. Bhavesh Kakadiya and Hetalben Kakadiya are related to each other as husband and wife. Hence they are “relatives” within the meaning of Section 2 (77) of the Companies Act, 2013. Except the above stated; none of the Directors of the Company are related to each other.
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 the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors is or was director of any listed company whose shares were (a) suspended from trading by stock exchange(s) during the five years prior to the date of filing the Prospectus or (b) delisted from the stock exchanges.
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

The remuneration payable to Bhavesh Kakadiya who was appointed as Managing Director with effective from December 19, 2014 *vide* shareholders resolution dated January 16, 2015 of Rs. 2,00,000 per month.

The remuneration payable to Harshad Monpara who was appointed as Managing Director with effective from December 19, 2014 *vide* shareholders resolution dated January 16, 2015 of Rs. 2,00,000 per month

Non-executive and Independent Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

During the last financial year ended on March 31, 2014, the directors have been paid gross remuneration as per following:

Name of Director	Remuneration received in the year 2013-2014(Amt. in Rs)
Harshad Monpara	10,80,000
Bhavesh Kakadiya	9,60,000
Yogesh Patel	9,60,000

None of the Directors except above have received any remuneration during the Financial Year 2013 - 14.

## SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

As on date of filing of this prospectus except the following, none of our Directors hold any Equity shares of our Company:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Harshad Monpara	16,29,333	25.00%	18.24%
2.	Bhavesh Kakadiya	15,23,433	23.37%	17.06%
3.	Yogesh Patel	13,30,666	20.41%	14.90%
4.	Hetalben Kakadiya	2,56,000	3.93%	2.87%

## INTERESTS OF DIRECTORS

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see "Remuneration/Compensation of Directors" above. Further, our non-Executive Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act and as decided by our Board. Our Executive Directors –

Mr. Bhavesh Kakadiya, Mr. Harshad Monpara and Mr. Yogesh Patel are interested to the extent of being Promoters of our Company. For more information, see *“Our Promoters and Promoter Group”* on page 173 of the Prospectus.

Further, except for as disclosed under shareholding of our Directors in our Company above none of our Directors hold any Equity Shares in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares, if any.

Our Company has also executed lease deed with our Managing Director Bhavesh Kakadiya, for use of land owned by him for manufacturing plant located at Navagam. For details see *“Financial Statements – Annexure XXII - Statement of Related Parties Transactions, as Restated”* on page 202 and paragraph titled *‘Land and Property’* in chapter titled *‘Our Business’* on page 123 of this Prospectus.

Our Directors do not have any relatives who have been appointed to a place or office of profit in our Company.

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Except as stated in the chapters *“Our Management”* and *“Related Party Transactions”* beginning on pages 157 and 183 respectively of this Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

## PROPERTY INTEREST

Except as stated/referred to in the heading titled *“Land & Property”* in the chapter *“Our Business”* beginning on page 123 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

## INTEREST IN THE BUSINESS OF OUR COMPANY

Save and except as stated otherwise in *“Related Party Transactions”* in the chapter titled *“Financial Statements as Restated”* beginning on page 185 of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus.

## SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have a subsidiary or associate Company

**CHANGES IN OUR BOARD OF DIRECTORS SINCE INCORPORATION**

Name	Date of Event	Nature of Event	Reason
Bhavesh Kakadiya	December 27, 2011	Appointment	Appointment as Director
Harshad Monpara	December 27, 2011	Appointment	Appointment as Director
Yogesh Patel	December 27, 2011	Appointment	Appointment as Director
Babubhai Kakadiya	February 25, 2014	Appointment	Appointment as Director
Harshad Monpara	December 19, 2014	Change in Designation	Appointment as Managing Director
Bhavesh Kakadiya	December 19, 2014	Change in Designation	Appointment as Managing Director
Babubhai Kakadiya	January 16, 2015	Resignation	Due to Personal Reasons
Jitenkumar Shah	January 16, 2015	Appointment	Appointment of Independent Director
Nitinbhai Kapadia	January 16, 2015	Appointment	Appointment of Independent Director
Kamalkishore Jani	January 16, 2015	Appointment	Appointment of Independent Director
Yogesh Patel	January 20, 2015	Change in Designation	Appointment as Non-Executive Director
Hetalben Kakadiya	January 20, 2015	Appointment	Appointment of Independent Director
Nimish Jani	January 20, 2015	Appointment	Appointment of Independent Director
Kamalkishore Jani	May 29, 2015	Resignation	Cessation
Tushar Patel	May 20, 2015	Appointment	Appointment of Independent Director

**BORROWING POWERS OF THE BOARD**

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on January 16, 2015, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's bankers in the ordinary course of business), shall not be in excess of Rs.100 Crore (Rupees One Hundred Crore Only) over and above the aggregate of the paid up share capital and free reserves of the Company.

**CORPORATE GOVERNANCE**

The provisions of the SME listing agreement, to be entered into by our Company with the BSE, will be applicable to our Company immediately upon the listing of our Equity Shares with BSE SME

Platform. We have complied with the corporate governance code in accordance with Clause 52 (as applicable) of the SME Listing Agreement, particularly in relation to appointment of Independent Directors to our Board and constitution of the audit committee and shareholders'/ investors' grievance committee. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 52 of the SME listing agreement.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement to be executed with SME and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the provision of the Companies Act, 2013 and the SME Listing Agreement. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently our Board has Eight (8) directors of which two (2) are Executive Directors, Two (2) are Non- Executive Directors and Four (4) are Independent Non-Executive Directors. The constitution of our Board is in compliance with the requirements of Clause 52 of the SME Listing Agreement.

**The following committees have been formed in compliance with the corporate governance norms:**

- A. Audit Committee
- B. Stakeholder Relationship Committee
- C. Nomination and Remuneration Committee

#### **A) Audit Committee**

Our Company has constituted an audit committee ("**Audit Committee**"), as per the applicable provisions of the Companies Act, 2013 and Clause 52 of the SME Listing Agreement to be entered with Stock Exchange, vide resolution passed at the meeting of the Board of Directors held on January 20, 2015

The terms of reference of Audit Committee adheres to the requirements of Clause 52 of the SME Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

Name of the Director	Status	Nature of Directorship
Jitenkumar Shah*	Chairman	Independent Director
Bhavesk Kakadiya	Member	Managing Director
Tushar Patel*	Member	Independent Director

Harshil Shah, Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

1. Oversight of our Company's financial reporting process ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Review and monitor the auditors independent and performance, and effectiveness of audit process;
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to, but not restricted to:
  - a. Matters required to be included in the 'Director's Responsibility Statement' to be included in our Board's report in terms of subsection 5 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. Qualifications in the draft audit report.
6. Approval or any subsequent modification of transactions of our Company with related parties;
7. Scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of our Company, wherever it is necessary;
8. Reviewing with the management the half yearly financial statements before submission to the Board for approval;
9. 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;
10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
11. 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; discussion with internal auditors of any significant findings and follow-up thereon;
12. Discussion with internal auditors of any significant findings and follow up there on;

13. 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;
14. 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;
15. 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;
16. To review the functioning of the 'whistle blower' mechanism, in case the same is existing;
17. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background of the candidate;
18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

**Chairman:** In the absence of the Chairman of the audit committee from the meeting, the members of the Audit Committee shall elect one of its members as the Chairman of that Committee meeting.

**Quorum:** The audit committee shall meet at least 4 times in a year and not more than 4 months shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present

**Decision of the Committee:** Decisions at the committee meetings shall be by a majority of the votes of members present at the meeting and in the event of equality of votes, the chairman shall have a second or casting vote."

#### **B) Stakeholders Relationship Committee**

Our Company has constituted a Stakeholder Relationship Committee to redress complaints of the shareholders. The Stakeholder Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on January 20, 2015



The Stakeholders Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Nitin Kapadia	Chairman	Independent Director
Nimesh Jani	Member	Independent Director
Hetalben Kakadiya	Member	Non Executive Director

Harshil Shah, Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder Relationship Committee.

The Stakeholder Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholder Relationship Committee include the following:

- a. Consideration and redressal of grievances of the security holders of the Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of the Company, etc.;
- b. Approval of transfer or transmission of equity shares, debentures or any other securities;
- c. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- d. Carrying out any other function contained in the equity listing agreements as and when amended from time to time; and
- e. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
- f. Reference to statutory and regulatory authorities regarding investor grievances;
- g. And to otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

**Decision of the Committee:** Decisions at the committee meetings shall be by a majority of the votes of members present at the meeting and in the event of equality of votes, the chairman shall have a second or casting vote."

### **C) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was constituted pursuant to a resolution of Board of Directors dated January 20, 2015. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013.

The constitution of the Nomination and Remuneration Compensation committee was approved by a Meeting of the Board of Directors held on November 6, 2014. The said committee is comprised as under:

Name of the Director	Status	Nature of Directorship
Nimesh Jani	Chairman	Independent Director
Nitin Kapadia	Member	Independent Director
Hetalben Kakadiya	Member	Non Executive Director

Harshil Shah, Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination & Remuneration Committee.

**The terms of reference of the Nomination and Compensation Committee are:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on Board diversity; and
5. 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.

**Quorum:** The Quorum for the committee meeting shall be the presence of any two of the members.

**Decision of the Committee:** Decisions at the committee meetings shall be by a majority of the votes of members present at the meeting and in the event of equality of votes, the chairman shall have a second or casting vote.”

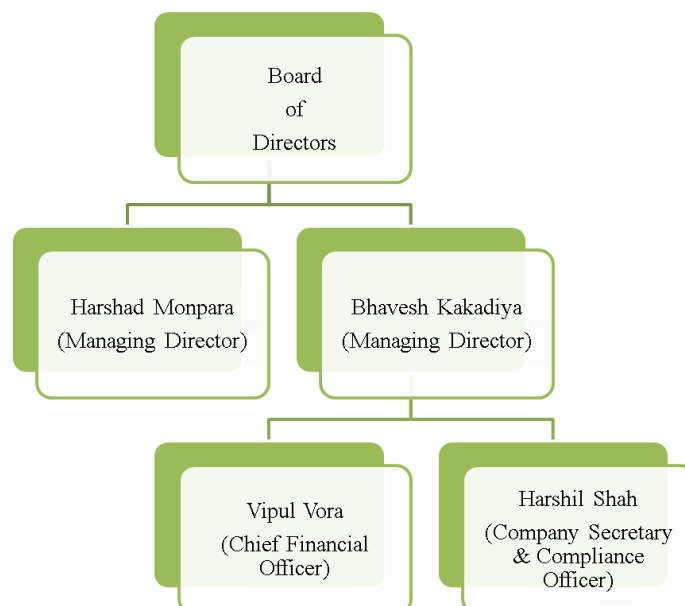
Note: Our Company has appointed Mr. Tushar Patel as Independent Director of the Company and Mr. Kamalkishor Jani has resigned from the designation of Independent Director. Hence, the Audit Committee was reconstituted on May 22, 2015 and Mr. Tushar Patel was appointed as a member of and Mr. Jitenkumar Shah was re-designated as the chairmen of Audit Committee.

**Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 post listing of our Company’s shares on the Stock Exchange.

Harshil Shah, Company Secretary & Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

## ORGANIZATIONAL STRUCTURE



## KEY MANAGERIAL PERSONNEL

Our Company is managed by its Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. None of our Key Managerial Personnel were appointed pursuant to any arrangement or understanding with major shareholders, customers and / or suppliers.

The details of our Key Managerial Personnel are set out below:

- **Bhavesh Kakadiya, Managing Director**

Bhavesh Kakadiya, aged 32 years is the Managing Director of our Company. He has been Director of our Company since incorporation. He has more than 3 years of experience in the field of production of Briquettes and pellets. He is a person having great skill and knowledge of working cohesively in a team. He is a young dynamic person and looks after the financial operations of our Company.

- **Harshad Monpara, Managing Director**

Harshad Monpara, aged 50 years is the Managing Director of our Company. He has been Director of our Company since incorporation. He has more than 5 years of experience in agricultural field. He is an expert in sourcing raw material from the right place at the right time. He undertakes major strategic and business development decisions of the Company in consultation with the executive director. He is responsible for business development department of our Company

- **Harshil Shah**, aged 22, is the Company Secretary and Compliance Officer of our Company. He is a qualified company secretary and is an associate member of Institute of Company Secretary of India. Prior to joining our Company, he was associated with Practicing Company Secretary Jayesh A. Shah as management trainee. He is entrusted with the responsibility of handling corporate secretarial functions of our Company. Since He has joined our Company on January 20, 2015, no remuneration has been paid to him for the financial year 2013 – 2014.
- **Vipul Vora**, aged 45, is the Chief Financial Officer of our Company. He holds a Bachelors' Degree in Commerce from Bhavnagar University. He is also qualified as Diploma in Taxation laws and Practise from Bhavnagar University. He has more than 10 years of work experience as tax consultants. Since has joined our Company on December 19, 2014 , no remuneration has been paid to him for the financial year 2013 – 2014

#### RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the key managerial personnel are “related” to the each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employee of our Company.

#### RELATIONSHIPS OF DIRECTORS / PROMOTERS WITH KEY MANAGERIAL PERSONNEL

Bhavesh Kakadiya and Hetalben Kakadiya are related to each other as “husband and wife”. None of other key managerial personnel are “related” to the Promoter or Director of our Company within the meaning of Section 2 (77) of the Companies Act, 2013.

#### ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

#### SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except Mr. Harshad Monpara holds 16,29,333 equity shares and Mr. Bhavesh Kakadiya holds 15,23,433 equity shares , none of the other key managerial personnel holds any equity shares of the company as on the date of this Prospectus.

#### BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

#### CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

#### LOANS TO KEY MANAGERIAL PERSONNEL

Our Company has not given any loans and advances to the key managerial personnel as on the date of this Prospectus.

## INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Our Company has also executed lease deed with our Managing Director Bhavesh Kakadiya, for use of land owned by him for manufacturing plant located at Navagam. For details see “Financial Statements – Annexure XXII - Statement of Related Parties Transactions, as Restated” on page 202 and paragraph titled ‘Land and Property’ in chapter titled ‘Our Business’ on page 123 of this Prospectus.

Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

## CHANGES IN KEY MANAGERIAL PERSONNEL SINCE INCEPTION

The changes in the Key Managerial Personnel since inception are as follows:

Name of Key Managerial Personnel	Designation	Date of Event	Reason
Vipul Vora	Chief Financial Officer	December 19, 2014	Appointment
Harshad Monpara	Managing Director	December 19, 2014	Change in designation
Bhavesh Kakadiya	Managing Director	December 19, 2014	Change in designation
Harshil Shah	Company Secretary & Compliance Officer	January 20, 2015	Appointment

Other than the above changes, there have been no changes to the key managerial personnel of our Company.

## ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

## PAYMENT OF BENEFIT TO OUR OFFICERS

Except as disclosed in the heading titled “*Related Party Disclosure*” in the section titled “*Financial Statements*” beginning on page 185 of this Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees

## OUR PROMOTER AND PROMOTER GROUP

### OUR PROMOTERS

Our Company has been promoted by Harshad Monpara, Bhavesh Kakadiya and Yogesh Patel.

### BRIEF PROFILE OF OUR PROMOTERS

#### **HARSHAD MONPARA**



Harshad Monpara, aged 50 years is the Managing Director of our Company. He has been Director of our Company since incorporation. He has more than 5 years of experience in agricultural field. He is an expert in sourcing raw material from the right place at the right time. He undertakes major strategic and business development decisions of the Company in consultation with other directors. He is responsible for business development department of our Company.

Particulars	Details
Passport No.	J5153192
Voter ID	LTJ3651569
Driving License No.	GJ01 19980060110

**Address:** Plot No 5/A, Sardar Patel Soc., Opp. Jewel circle, RTO road, Bhavnagar, Gujarat – 364002.

For further details relating to Harshad Monpara, including terms of appointment as Managing Director and other directorships, please refer to the chapter titled “*Our Management*” beginning on page 157 of this Prospectus.

#### **BHAVESH JIVRAJBHAI KAKADIYA**



Bhavesh Kakadiya, aged 32 years is the Managing Director of our Company. He has been Director of our Company since incorporation. He has more than 3 years of experience in the field of production of Briquettes and pellets. He is a person having great skill and knowledge of working cohesively in a team. He is a young dynamic person and looks after the financial operations of our Company.

Particulars	Details
Passport No.	N.A.
Voter ID	CTL4319661
Driving License No.	GJ05032241/08

**Address :** 1101, Malabarhill Tower, Surat Siti, Surat, 395007, Gujarat, India

For further details relating to Bhavesh Kakadiya, please refer to the chapter titled “*Our Management*” beginning on page 157 of this Prospectus.

### **YOGESH CHIMANLAL PATEL**



Yogesh Patel, aged 47 years, is a Non Executive Director of our Company. He is associated with the Company since inception. He has more than 5 years of experience in the agricultural field.

Particulars	Details
<b>Passport No.</b>	J4533643
<b>Voter ID</b>	GJ/08/058/588324
<b>Driving License No.</b>	GJ0420090079759

**Address :** Plot No. C/1260, kaliyabid, Nr. Sagwadi Chowk, Bhavnagar, 364002, Gujarat, India

For further details relating to Yogesh Patel, please refer to the chapter titled “*Our Management*” beginning on page 157 of this Prospectus.

### **DECLARATION**

Our Company confirms that the permanent account number, bank account number and passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Prospectus with it.

Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters was or also is 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.

Further, neither our Promoters, the relatives of our Promoters (as defined under the Companies Act) nor our Group Companies have been declared as a wilful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against.

## INTEREST OF PROMOTER

### ***Interest in the promotion of Our Company***

Our Promoters may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them as well as their relatives and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For details, please see the chapter titled “*Related Party Transactions*” beginning on page 183 of this Prospectus.

Further, Our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either they are interested as a director, member or partner. In addition, Our Promoters and Director, Harshad Manjibhai Monpara, Bhavesh Kakadiya and Yogesh Patel may be deemed to be interested to the extent of fees, if any, payable for attending meetings of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses, if any, payable in terms of the agreements entered into by with our Company and under our Articles of Association.

### ***Interest in the property of Our Company***

Except as disclosed under the head Land & Property in chapter titled ‘Our Business’ beginning on page 123 our Promoter does not have any interest in any property acquired by Our Company since incorporation or proposed to be acquired by our Company.

### ***Interest as Member of our Company***

As on the date of this Prospectus, our Promoters holds 44,83,432 Equity Shares in our Company and are therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company, our Promoters do not hold any other interest in our Company.

### ***Interest as a creditor of our Company***

As on December 31, 2014, our Company has availed unsecured loans from the Promoters of our Company. For further information’s, please refer to the chapter titled “*Related Party Transactions*” beginning on page 183 of this Prospectus.

### ***Interest as Director of our Company***

Harshad Monpara, Bhavesh Kakadiya and Yogesh Patel as given in the chapters titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 157, 185 & 71 of this Prospectus our Promoters / Directors, may be deemed to be interested to the extent of remuneration and / or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and AoA of our Company

### ***Payment Amounts or Benefit to Our Promoters since incorporation***

No payment has been made or benefit given to our Promoters since incorporation except as mentioned / referred to in this chapter and in the section titled “*Our Management*”, “*Financial*



*Statement*” and *“Capital Structure”* beginning on pages 157, 185 and 71 respectively of this Prospectus. Further as on the date of this Prospectus, there is no bonus or profit sharing plan for our Promoters.

#### **PAYMENT OR BENEFITS TO PROMOTER**

Except as stated otherwise in the chapters *“Related Party Transactions”* and *“Our Promoter and Promoter Group”* – Interests of the Promoter and Group Companies on pages 183 and 173 respectively, there has been no payment or benefits to the Promoter during the two years prior to the filing of this Prospectus.

#### **LITIGATION INVOLVING THE PROMOTER AND GROUP COMPANIES**

For details on litigations and disputes pending against the Promoters and defaults made by them, please refer to the section titled *“Outstanding Litigation and Material Developments”* beginning on page 219 of this Prospectus.

#### **RELATED PARTY TRANSACTIONS**

Except as disclosed in the chapter titled *“Related Party Transactions”* beginning on page 183 of this Prospectus, our Company has not entered into any related party transactions with our Promoters.

#### **OTHER VENTURES OF OUR PROMOTERS**

Save and except as disclosed in the chapter titled *‘Our Group Entities’* beginning on page 180 of this Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

#### **CHANGES IN OUR PROMOTERS**

There has been no change in the Promoters of our Company since its incorporation.

#### **OTHER CONFIRMATIONS**

Our Promoters has not been declared as a willful defaulter by RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters was or also is 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.

#### **OUR PROMOTER GROUP**

Our Promoter Group in terms of regulation 2(1)(zb) of SEBI (ICDR) Regulations includes the following persons:

**A. Individuals related to our Promoter:**

Relationship	Harshad Monpara	Bhavesh Kakadiya	Yogesh Patel
Spouse	Vasantben Monpara	Hetalben Kakadiya	Hetalben Patel
Father	Manjibhai Monpara	Jivrajbhai Kakadiya	Chimanlal Patel
Mother	Kashiben Monpara	Laxmiben Kakadiya	Champaben Patel
Brother(s)	Govindbhai Monpara	Shaileshbhai Kakadiya	Ashwinbhai Patel
	Ishwarbhai Monpara		
	Rameshbhai Monpara		
Sister(s)	Kamlaben Vallabhbhai Navadiya	Sangeetaben Devendrabhai Nadiyadra	Jagrutiben Navadiya
	Vimlaben Ghelani		
Daughter	N.A.	Jiya Kakadiya	Nikki Patel
			Mahima Patel
Son	Manthan Monpara	Prayan Kakadiya	Anandbhai Patel
	Tushar Monpara		
Spouse's Father	Ganeshbhai Moradiya	Batukbhai Gadhiya	Nanubhai Viradiya
Spouse's Mother	Laduben Moradiya	Pushpaben Gadhiya	Manjuben Viradiya
Spouse's Brother(s)	Dineshbhai Moradiya	Gopalbhai B Gadhiya	Rajubhai Viradiya
	Jagdishbhai Moradiya		
Spouse's Sister(s)	Rekhaben Jetani	Sonal Kakadiya	Pranti Desai
	Nitaben Anghan		Rashmi Kasodariya
	Ramaben Beladiya		

**B. In the case of Bhavesh Kakadiya, our Individual Promoter:**

Nature of Relationship	Entity
Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member	Nil
Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital	NIL

Nature of Relationship	Entity
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10%	<ul style="list-style-type: none"> <li>• Mata Infratech</li> <li>• Krishna Creation*</li> <li>• Radhey Fashion*</li> </ul>

\*Krishna Creation and Radhey Fashion, Proprietary Concerns are in the process of closing its business.

**C. In the case of Harshad Monpara, our Individual Promoter:**

Nature of Relationship	Entity
Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member	Nil
Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital	Nil
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10%	<ul style="list-style-type: none"> <li>• Sahaj Chem Industries</li> </ul>

**D. In the case of Yogesh Patel, our Individual Promoter:**

Nature of Relationship	Entity
Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member	Nil
Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital	Nil
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10%	<ul style="list-style-type: none"> <li>• Sahaj Chem Industries</li> </ul>

**Relationship of Promoters with our Directors**

None of our Promoters are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

#### **COMPANIES / FIRMS FROM WHICH ANY OF THE PROMOTER HAS DISASSOCIATED HIMSELF IN LAST 3 (THREE) YEARS**

Our Promoters have not disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of this Prospectus.

#### **OTHER UNDERTAKINGS AND CONFIRMATIONS**

Our Company undertakes that the details of bank account number and PAN and passport number of our Promoters will be submitted to the BSE Limited, where the securities of our Company are proposed to be listed at the time of submission of Prospectus.

#### **COMMON PURSUITS OF OUR PROMOTER**

None of the persons belonging to the Promoter Group are having business similar to our *business*.

## OUR GROUP ENTITIES

No equity shares of our Group Companies are listed on any stock exchange and it has not made any public or rights issue of securities in the preceding three years.

### A. Our Group Entities

The details of our Group Entities are provided below:

#### M/s. Sahaj Chem Industries

M/s. Sahaj Chem Industries is a partnership firm formed under the Indian Partnership Act, 1932 vide a partnership deed dated August 1, 2009. M/s. Sahaj Chem Industries has its office situated at Plot No.133/ E, Alkok Ashdown Road, Bunder Road, Bhavnagar - 364001. M/s. Sahaj Chem Industries is engaged in manufacturing and sale of chemicals viz. magnesium carbonate and other Import/Export viz. wood, scrap, chemical and all type of goods and its factories and ship recycling.

As on the date of the Prospectus, M/s. Sahaj Chem Industries has four partners, Harshad Monpara, Yogesh Patel, Ashwin Patel and Balvantrai Shah.

#### Profit and Loss Sharing Ratio

The profit and loss sharing ratio of the partners in the firm is as follows:

Name of the Partner	Profit and loss sharing ratio (%)
Ashwin Patel	25%
Balvantrai Shah	25%
Harshad Monpara#	25%
Yogesh Patel#	25%
<b>Total</b>	<b>100%</b>

*#Mr. Yogesh Patel and Mr. Harshad Monpara are presently Promoters and Directors in the Company*

#### Financial Performance

Particulars	For the years ended		
	March 2014	March 2013	March 2012
Partner's capital/Networth	24,05,246	20,24,128	12,17,307
Sales and other income	1,28,13,638	53,88,925	53,82,158
Profit/loss after tax	10,000	21,118	3,125

#### CONFIRMATION

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such

penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Except as disclosed in this chapter, our Group Entity does not have negative net worth as of the date of the respective last three audited financial statements.

#### **ADVERSE FACTORS RELATED TO OUR GROUP ENTITIES**

Our Group Entity M/s. Sahaj Chem Industries has been lock-out since January, 2015 pursuant to an order from Gujarat Pollution Control Board for improper disposal of industrial waste.

#### **LITIGATION**

For details on litigations and disputes pending against the Promoters and Group entities and defaults made by them, please refer to the chapter titled, *“Outstanding Litigations and Material Developments”* beginning on page 219 of this Prospectus.

#### **DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR**

Our Promoters have not disassociated themselves from any of the companies/partnership firms during preceding three years.

#### **SALES/PURCHASES BETWEEN OUR COMPANY AND PROMOTER AND GROUP ENTITIES AND ASSOCIATE COMPANIES**

There have been no sales and purchases between Group Companies and Associate Companies, when such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company except as disclosed in “Annexure XXII - Related Party Transactions” under chapter titled “Financial Statements” beginning on page 185 of this Prospectus.

#### **INTERESTS OF OUR PROMOTERS AND GROUP COMPANIES AND ASSOCIATE COMPANIES**

We do not have any associate companies. All our Promoters and Group entities are interested to the extent of their shareholding of Equity Shares from time to time, if any, and in case of our Individual Promoters, also to the extent of shares held by their relatives from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Individual Promoters may also benefit from holding directorship in our Company. Our Individual Promoter may also be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them under the Articles/ terms of appointment. As on the date of this Prospectus, our Promoters together hold 68.78% Equity Shares of our Company.

Except as stated hereinabove and as stated in “Annexure XXII - Related Party Transactions” under chapter titled *“Financial Statements as Restated”* beginning on page 185 of this Prospectus, 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 these contracts, agreements or arrangements which are proposed to be made to them.

Further, except as stated above and as stated otherwise under the paragraph titled “Shareholding of our Directors” in the chapter titled *“Our Management”* beginning on page 157 of this Prospectus; in

*“Annexure XXII - Related Party Transactions”* under chapter titled *“Financial Statements as Restated”* beginning on page 185 of this Prospectus, and under the paragraph titled *“Interest of Directors”* in the chapter titled *“Our Management”* beginning on page 157, paragraph titled *“Property”* in the chapter titled *“Our Business”* beginning on page 123, our Promoters do not have any other interests in our Company as on the date of this Prospectus.

Further, except as disclosed above and in the audited restated financial statements of our Company under *“Annexure XXII - Related Party Transactions”* under chapter titled *“Financial Statements as Restated”* beginning on page 185 of this Prospectus, our Group Companies and associates have no business interest in our Company.

#### **COMMON PURSUITS OF OUR GROUP ENTITIES**

None of Group Entity has business similar to our *business*.

#### **PAYMENT OR BENEFIT TO OUR GROUP ENTITIES**

Except as stated in *“Annexure XXII - Related Party Transactions”* under chapter titled *“Financial Statements as Restated”* beginning on page 185, there has been no payment of benefits to our Group Companies during the past 2 years from the date of this Prospectus.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to Annexure XXII of restated financial statement under the section titled, '*Financial Statements*' beginning on page 185 of this Prospectus.



## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last three years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

## SECTION V – FINANCIAL STATEMENTS

### FINANCIAL STATEMENTS AS RESTATED

#### Independent Auditor's Report for the Restated Financial Statements

##### The Board of Directors

##### Jiya Eco Products Limited

G-12, Raturaj Complex,  
Opp. A V School Grd, Crescent Road,  
Bhavnagar – 364001.

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of Jiya Eco Products Limited, **(the Company)** as at December 31, 2014, March 31, 2014, March 31, 2013 And March 31, 2012 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the period ended December 31, 2014 and financial year ended March 31, 2014, March 31, 2013 And March 31, 2012 (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). 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 of BSE Limited ("**BSE**").
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
  - (i) Part-I of Chapter III to the Companies Act, 2013 ("**Act**");
  - (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;
  - (iii) The terms of reference to our engagements with the Company letter Dated January 15, 2015 requesting us to carry out the assignment, in connection with the Draft 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
  - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year/period ended on December 31, 2014, March 31, 2014, March 31, 2013 And March 31, 2012 which have been approved by the Board of Directors.
4. In accordance with the requirements of Paragraph B(1) of Part II of Schedule II of Act, ICDR Regulations, 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 December 31, 2014, March 31, 2014, March 31, 2013 And March 31, 2012 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 financial year/period ended on December 31, 2014, March 31, 2014, March 31, 2013 And March 31, 2012 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 financial year/period ended on December 31, 2014, March 31, 2014, March 31, 2013 And March 31, 2012 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.
5. 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 no qualifications which require adjustments.
  - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
  - d) There were no qualification in the Audit Reports issued by the Statutory Auditors for the financial year/period ended on December 31, 2014, March 31, 2014, March 31, 2013 and March 31, 2012 which would require adjustments in this Restated Financial Statements of the Company.
  - e) 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 Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.

6. Audit for the financial year ended March 31, 2014 was conducted by M/s. Hitesh Agrawal & Co, Chartered Accountants, for financial year ended March 31, 2013 was conducted by RSPH & Associates, Chartered Accountants and for financial year ended March 31, 2012 was conducted by Chandresh Mehta Associates, Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said year. The financial report included for that year is based solely on the report submitted by them. We have not carried out any audit tests or reviews and reliance has been placed by us on the figures and disclosures made in the audited financial statements.
7. We have also examined the following other 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 period/year ended on December 31, 2014 proposed to be included in the Draft Prospectus / Prospectus ("**Offer Document**").

**Annexure of Restated Financial Statements of the Company:-**

1. Details of Share Capital as Restated as appearing in ANNEXURE V to this report;
2. Details of Reserves & Surplus as Restated as appearing in ANNEXURE VI to this report;
3. Details of Long term Borrowings as Restated as appearing in ANNEXURE VII to this report;
4. Details of Other Long term Liabilities as Restated as appearing in ANNEXURE VIII to this report;
5. Details of Long term Provisions as Restated as appearing in ANNEXURE IX to this report;
6. Details of Short term Borrowings as Restated as appearing in ANNEXURE X to this report;
7. Details of Other Current Liabilities as Restated as appearing in ANNEXURE XI to this report;
8. Details of Short Term Provisions as Restated as appearing in ANNEXURE XII to this report;
9. Details of Long Term Loans & Advances as Restated as appearing in ANNEXURE XIII to this report;
10. Details of Other Non Current Asset as Restated as appearing in ANNEXURE XIV to this report;
11. Details of Inventories as Restated as appearing in ANNEXURE XV to this report;
12. Details of Trade Receivables as Restated as appearing in ANNEXURE XVI to this report;
13. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE XVII to this report;
14. Details of Other Current Assets as Restated as appearing in ANNEXURE XVIII to this report;
15. Capitalization Statement as Restated as at December 31, 2014 as appearing in ANNEXURE XIX to this report;
16. Statement of Tax Shelters as Restated as appearing in ANNEXURE XX to this report;
17. Details of Other Income as Restated as appearing in ANNEXURE XXI to this report;
18. Details of Related Party Transactions as Restated as at December 31, 2014 as appearing in ANNEXURE XXII to this report;
19. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXIII to this report;

20. Reconciliation of Restated Profit as appearing in ANNEXURE XXIV to this report;
8. We, R T Jain & 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 ("**Statutory 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 XXIV of this report read with the respective Significant Accounting Policies 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.
  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 R T Jain & Co.**  
**Chartered Accountants**  
**Firm Registration no.103961W**

**(CA Bankim Jain)**  
**Partner**  
**Membership No.139447**

Date: 30<sup>th</sup> May, 2015  
Place: Mumbai

**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**  
**ANNEXURE I**

(Rs. in Lakhs)

Sr. No.	Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at December 31, 2014
<b>1)</b>	<b>Equity &amp; Liabilities</b>				
	<b>Shareholders funds</b>				
	a. Share capital	1.00	98.79	498.66	651.83
	b. Reserves & surplus	(0.83)	6.42	111.31	476.08
<b>2)</b>	<b>Share Application Money Pending Allotment</b>	-	-	-	-
<b>3)</b>	<b>Non current liabilities</b>				
	a. Long term borrowings	0.29	167.14	189.09	476.98
	b. Deferred tax liabilities	-	2.47	17.02	16.33
	c. Other Long Term Liabilities	0.71	0.71	-	-
	d. Long term provisions	0.19	1.40	4.29	8.70
<b>4)</b>	<b>Current liabilities</b>				
	a. Short Term Borrowings	-	150.44	137.22	130.52
	b. Trade Payables	1.05	7.73	236.23	200.72
	c. Other Current Liabilities	3.04	35.25	45.84	242.38
	d. Short Term Provisions	-	1.82	23.84	47.91
	<b>TOTAL (1+2+3+4)</b>	<b>5.45</b>	<b>472.17</b>	<b>1,263.51</b>	<b>2,251.45</b>
<b>5)</b>	<b>Non current assets</b>				
	a. Fixed assets				
	i. Tangible assets	-	241.75	593.38	875.22
	ii. Intangible assets	-	-	-	-
	Less: Accumulated Depreciation	-	(9.51)	(61.08)	(138.16)
	Net Block	-	232.24	532.30	737.06
	iii. Capital work in progress	-	-	-	240.75
	b. Long term loans & advances	-	11.51	36.36	84.90
	d. Other non current assets	-	-	-	5.62
<b>6)</b>	<b>Current assets</b>				
	a. Inventories	0.27	92.58	51.04	72.18
	b. Trade receivables	1.16	99.02	561.98	924.63
	c. Cash and cash equivalents	3.75	35.44	1.27	38.14

Sr. No.	Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at December 31, 2014
	d. Short term loans & advances	0.20	-	78.69	147.61
	e. Other current assets	0.07	1.38	1.87	0.56
	<b>TOTAL (5+6)</b>	<b>5.45</b>	<b>472.17</b>	<b>1,263.51</b>	<b>2,251.45</b>

**STATEMENT OF PROFIT AND LOSS AS RESTATED****ANNEXURE II***(Rs. in Lakhs)*

Sr. No.	Particulars	For the year ended March 31, 2012	For the year ended March 31, 2013	For the year ended March 31, 2014	For the period ended December 31, 2014
	<b>INCOME</b>				
	Revenue from Operations	1.10	164.83	1401.33	2,045.64
	Other income	-	0.28	0.62	0.38
	<b>Total revenue (A)</b>	<b>1.10</b>	<b>165.11</b>	<b>1,401.95</b>	<b>2,046.02</b>
	<b>EXPENDITURE</b>				
	Cost of materials consumed	-	1.71	675.87	945.06
	Purchase of stock-in-trade	1.18	-	-	-
	Changes in inventories of finished goods, traded goods and work-in-progress	(0.27)	(26.62)	19.81	(32.33)
	Employee benefit expenses	0.29	67.97	203.15	195.09
	Finance costs	-	16.50	39.15	57.95
	Depreciation and amortisation expense	-	9.51	51.57	77.08
	Other expenses	0.73	86.32	296.97	563.73
	<b>Total expenses (B)</b>	<b>1.93</b>	<b>155.39</b>	<b>1,286.52</b>	<b>1,806.58</b>
	<b>Profit before tax (A-B)</b>	<b>(0.83)</b>	<b>9.72</b>	<b>115.43</b>	<b>239.44</b>
	Prior period items (net)	-	-	-	-
	<b>Profit before exceptional, extraordinary items and tax</b>	<b>(0.83)</b>	<b>9.72</b>	<b>115.43</b>	<b>239.44</b>

Sr. No.	Particulars	For the year ended March 31, 2012	For the year ended March 31, 2013	For the year ended March 31, 2014	For the period ended December 31, 2014
	Exceptional items	-	-	-	-
	<b>Profit before extraordinary items and tax</b>	<b>(0.83)</b>	<b>9.72</b>	<b>115.43</b>	<b>239.44</b>
	Extraordinary items	-	-	4.02	-
	<b>Profit before tax</b>	<b>(0.83)</b>	<b>9.72</b>	<b>119.45</b>	<b>239.44</b>
	Tax expense:				
	(i) Current tax	-	1.85	23.90	47.91
	(ii) Deferred tax (asset)/liability	-	2.47	14.56	(0.70)
	(iii)(Excess)/Short Provision of Tax of earlier years	-	-	0.38	0.65
	(iv)MAT Credit	-	(1.85)	(24.28)	(48.55)
	<b>Total tax expense</b>	<b>-</b>	<b>2.47</b>	<b>14.56</b>	<b>(0.69)</b>
	<b>Profit for the year/ period</b>	<b>(0.83)</b>	<b>7.25</b>	<b>104.89</b>	<b>240.13</b>
	<b>Earnings per equity share (face value of Rs. 10/- each): Basic and diluted (Rs.)</b>	<b>(8.26)</b>	<b>1.50</b>	<b>3.25</b>	<b>4.49</b>
	<b>Adjusted earnings per equity share (face value of Rs. 10/- each): Basic and diluted (Rs.)</b>	<b>(8.26)</b>	<b>1.50</b>	<b>3.25</b>	<b>4.49</b>

## STATEMENT OF CASH FLOW AS RESTATED

## ANNEXURE III

(Rs. in Lakhs)

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at December 31, 2014
<b><u>Cash flow from operating activities:</u></b>				
Net profit before tax as per statement of profit and loss	(0.83)	9.72	119.45	239.44
<b>Adjusted for:</b>				
Extra-ordinary Items	-	-	(4.02)	-
Depreciation & Amortisation	-	9.51	51.57	77.08



Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at December 31, 2014
Provision for gratuity	0.19	1.23	2.95	4.49
Interest & finance cost	-	10.53	19.78	53.39
Interest income	-	(0.28)	(0.63)	-
<b>Operating profit before working capital changes</b>	<b>(0.64)</b>	<b>30.71</b>	<b>189.10</b>	<b>374.40</b>
<b>Adjusted for:</b>				
Increase in trade receivables	(1.16)	(97.86)	(462.96)	(362.65)
(Increase)/decrease in inventories	(0.27)	(92.31)	41.54	(21.14)
(Increase)/decrease in other current assets	(0.07)	(1.31)	(0.49)	1.31
Increase in loans and advances and other assets	(0.19)	(9.22)	(14.49)	(5.62)
Increase/(decrease) in short term borrowings	-	150.44	(13.22)	(6.70)
Increase in trade payables	-	7.73	228.50	(35.51)
Increase in liabilities & provisions	3.03	6.52	2.49	181.06
<b>Cash generated from/ (used in) operations before extra-ordinary items</b>	<b>0.70</b>	<b>(5.30)</b>	<b>(29.53)</b>	<b>125.15</b>
Add: Extra-ordinary items	-	-	4.02	-
<b>Cash generated from/ (used in) operations</b>	<b>0.70</b>	<b>(5.30)</b>	<b>(25.51)</b>	<b>125.15</b>
Direct tax paid	-	-	(2.45)	(24.48)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>0.70</b>	<b>(5.30)</b>	<b>(27.96)</b>	<b>100.67</b>
<b><u>Cash flow from investing activities:</u></b>				
Purchase of fixed assets	-	(241.75)	(351.63)	(508.10)
Advance to machine supplier	-	-	(64.20)	(83.41)
<b>Net cash flow used in investing activities (B)</b>	<b>-</b>	<b>(241.75)</b>	<b>(415.83)</b>	<b>(591.51)</b>
<b><u>Cash flow from financing activities:</u></b>				
Proceeds from issue of shares capital	1.00	97.79	399.87	277.81
Proceeds from borrowings (net)	2.05	181.83	30.80	305.23
Truck Loan	-	9.65	(2.30)	(1.94)
Interest on Truck Loan	-	(0.69)	(1.16)	-
Interest & finance cost	-	(9.84)	(17.59)	(53.39)
<b>Net cash flow from financing activities (C)</b>	<b>3.05</b>	<b>278.74</b>	<b>409.62</b>	<b>527.71</b>
Net increase/(decrease) in cash & cash equivalents (A+B+C)	3.75	31.69	(34.17)	36.87
Cash & cash equivalents as at beginning of the year	-	3.75	35.44	1.27
Cash & cash equivalents as at end of the year	<b>3.75</b>	<b>35.44</b>	<b>1.27</b>	<b>38.14</b>

## **ANNEXURE – IV**

### **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:**

#### **A. SIGNIFICANT ACCOUNTING POLICY:**

##### **1. Basis of preparation of Financial Statements:**

- (a) These financial statements have been prepared to comply in all material respect with all the applicable Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act. 1956.
- (b) The financial statements are prepared under the historical cost convention and on the accounting principles of going concern. The Company follows the accrual system of accounting where income & expenditure are recognized on accrual basis.
- (c) Accounting policies not specifically referred to are consistent and in consonance with generally accepted accounting policies.

##### **2. Use of Estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles 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

##### **3. Revenue Recognition :**

Sale of goods is recognized on dispatches to customers, which coincide with the transfer of significant risks and rewards associated with ownership, net of Discount.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

##### **4. Fixed Assets:**

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. All Cost including any cost attributable in brining the assets to their working condition for their intended use is capitalized. Expenditure on additions, improvement and renewable is capitalized.

##### **5. Depreciation:**

Upto 31st March 2014, depreciation on fixed assets is provided on written down value (WDV) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life.

With effect from 1st April 2014, depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013. The carrying amount as on 1st April 2014 is depreciated over the balance useful life of asset.

**6. Impairment of Assets:**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**7. Valuation of Investments:**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current Investments are carried at the lower of cost or quoted / fair value computed scrip wise, Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

**8. Valuation of Inventories:**

Cost of inventory includes all cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

Closing Stock is valued as under:-

Raw Material	– At cost or net realizable value whichever is less.
Work in Progress	– At cost or net realizable value whichever is less.
Finished Goods	– At cost or net realizable value whichever is less.

**9. Employee Benefits:**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

**10. Provision for Current Tax & Deferred Tax:**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from the timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in the future.

**11. Contingent Liabilities / Provisions:**

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

Provision is made in the accounts in respect of contingent liabilities which is likely to materialize into liabilities after the year end, till the finalization of accounts and which have material effect on the position stated in the Balance Sheet.

## 12. Earning Per Share:

Basic earning per share is computed by dividing the net profit for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

### DETAILS OF SHARE CAPITAL AS RESTATED

### ANNEXURE V

(Rs. in Lakhs)

Particulars	As at March 31,			As at
	2012	2013	2014	December 31, 2014
<b><u>Equity Share Capital</u></b>				
<b><u>Authorised Share Capital</u></b>				
Equity Share of Rs. 10/- each	1.00	100.00	500.00	1000.00
<b>TOTAL</b>	<b>1.00</b>	<b>100.00</b>	<b>500.00</b>	<b>1000.00</b>
<b><u>Issued, Subscribed &amp; Fully Paid Up Share Capital</u></b>				
Equity Share of Rs. 10/- each	1.00	98.79	498.66	651.83
<b>TOTAL</b>	<b>1.00</b>	<b>98.79</b>	<b>498.66</b>	<b>651.83</b>

*Reconciliation of number of shares outstanding at the end of year*

(in lakhs)

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at December 31, 2014
Equity shares at the beginning of the year	-	0.10	9.88	49.87
Add: Shares Allotted during the year	0.10	9.78	39.99	15.31
Equity Shares at the end of the year	0.10	9.88	49.87	65.18

### *Details of Shareholders holding more than 5% of the aggregate shares in the Company*

Name of Shareholder	As at March 31, 2012		As at March 31, 2013		As at March 31, 2014		As at December 31, 2014	
	No. of Shares (in lakhs)	Percent age	No. of Shares (in lakhs)	Percent age	No. Of Shares (in lakhs)	Percent age	No. Of Shares (in lakhs)	Percent age
Bhavesh Kakadiya	0.04	40.00%	1.35	13.63%	12.69	25.45%	15.23	23.37%
Yogesh Patel	0.03	30.00%	1.51	15.28%	13.24	26.55%	13.31	20.41%
Harshad	0.03	30.00%	1.51	15.28%	14.54	29.16%	16.29	25.00%

Name of Shareholder	As at March 31, 2012		As at March 31, 2013		As at March 31, 2014		As at December 31, 2014	
	No. of Shares (in lakhs)	Percent age	No. of Shares (in lakhs)	Percent age	No. Of Shares (in lakhs)	Percent age	No. Of Shares (in lakhs)	Percent age
Monpara								
Rameshbhai Monpara	-	-	0.50	5.06%	0.50	1.00%	-	-
Ishwarbhai Monpara	-	-	0.50	5.06%	0.30	0.60%	-	-
Sahaj Chem Industries	-	-	0.65	6.58%	0.35	0.70%	-	-
Thakarshibhai Kheni	-	-	-	-	3.00	6.02%	5.00	7.67%

**DETAILS OF RESERVES & SURPLUS AS RESTATED****Annexure – VI****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
<b><u>Surplus in statement of Profit &amp; Loss</u></b>				
Opening balance	-	(0.83)	6.42	111.31
Add: Profit/(loss) for the year/ period	(0.83)	7.25	104.89	240.13
Closing Balance	<b>(0.83)</b>	<b>6.42</b>	<b>111.31</b>	<b>351.44</b>
<b><u>Securities Premium</u></b>				
Opening Balance	-	-	-	-
Add: Received during the year	-	-	-	124.64
Closing Balance	-	-	-	<b>124.64</b>
<b>TOTAL</b>	<b>(0.83)</b>	<b>6.42</b>	<b>111.31</b>	<b>476.08</b>

**DETAILS OF LONG TERM BORROWINGS AS RESTATED****ANNEXURE - VII****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
<b><u>Secured</u></b>				
Term Loan	-	134.85	159.98	417.72
Vehicle Loan	-	6.83	4.73	2.25
<b><u>Unsecured</u></b>				
Loan from director, relatives & others	0.29	25.46	24.38	57.01
<b>TOTAL</b>	<b>0.29</b>	<b>167.14</b>	<b>189.09</b>	<b>476.98</b>

**Nature of security and terms of repayment for long term borrowings**

Nature of Security	Terms of Repayment
IndusInd Bank Truck Loan amounting to 10.40 Lakhs is secured against Truck	Loan to be repaid in 47 equal monthly instalment, starting from November, 2012 and last instalment due in September, 2016
Federal Bank Term Loan amounting to 57 Lakhs is secured against Plant & Machinery	Loan to be repaid in 84 equal monthly instalment, starting from June, 2014 and last instalment due in June, 2021
Federal Bank Term Loan amounting to 160 Lakhs is secured against Plant & Machinery	Loan to be repaid in 84 equal monthly instalment, starting from January, 2013 and last instalment due in January, 2020
IDBI Bank Term Loan amounting to 360 Lakhs is secured against Plant & Machinery	Loan to be repaid in 60 equal monthly instalment, starting from July, 2015 and last instalment due in July, 2020

**DETAILS OF OTHER LONG TERM LIABILITIES****ANNEXURE – VIII****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
Security Deposits	0.71	0.71	-	-
<b>TOTAL</b>	<b>0.71</b>	<b>0.71</b>	<b>-</b>	<b>-</b>

**DETAILS OF LONG TERM PROVISIONS AS RESTATED****ANNEXURE – IX****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
Provision for Gratuity	0.19	1.40	4.29	8.70
<b>TOTAL</b>	<b>0.19</b>	<b>1.40</b>	<b>4.29</b>	<b>8.70</b>

**DETAILS OF SHORT TERM BORROWINGS AS RESTATED****ANNEXURE – X****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
<b>Secured</b>				
Federal Bank Cash Credit	-	150.44	137.22	130.52
<b>TOTAL</b>	<b>-</b>	<b>150.44</b>	<b>137.22</b>	<b>130.52</b>

**Nature of security and terms of repayment for short term borrowings****Nature of Security**

Federal Bank cash Credit A/c is Hypothecated against pari-passu clause on the stock of raw-material, stores, finished goods, etc. and personal guarantee of directors.

**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED****ANNEXURE – XI****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
<b><u>Current maturities of long term debt</u></b>				
Term loan	-	22.86	30.32	45.18
Vehicle loan	-	2.82	2.62	3.16
Interest accrued but not due on borrowings	-	-	0.79	-
<b><u>Other payables</u></b>				
Creditors for expenses	0.73	2.80	10.26	189.69
Creditors for Capital Goods	-	-	-	0.67
Advance from customers	2.30	4.03	0.37	-
Statutory dues	-	2.71	1.40	3.52
Gratuity Payable	0.01	0.03	0.08	0.16
<b>TOTAL</b>	<b>3.04</b>	<b>35.25</b>	<b>45.84</b>	<b>242.38</b>

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED****ANNEXURE XII****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
<b>Others</b>				
Provision for income tax	-	1.82	23.84	47.91
<b>TOTAL</b>	<b>-</b>	<b>1.82</b>	<b>23.84</b>	<b>47.91</b>

**DETAILS OF LONG TERM LOANS & ADVANCES****ANNEXURE XIII****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
<b>Unsecured considered good</b>				
PGVCL Deposit	-	9.04	9.61	9.60
Advances to Others	-	0.62	0.62	0.62
MAT CREDIT	-	1.85	26.13	74.68
<b>TOTAL</b>	<b>-</b>	<b>11.51</b>	<b>36.36</b>	<b>84.90</b>

**DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED****ANNEXURE - XIV****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
Preliminary expenses	-	-	-	5.62
<b>TOTAL</b>	-	-	-	<b>5.62</b>

**DETAILS OF INVENTORIES AS RESTATED****ANNEXURE – XV****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
Raw materials	-	65.69	43.96	32.77
Finished Goods	0.27	26.89	7.08	39.41
<b>TOTAL</b>	<b>0.27</b>	<b>92.58</b>	<b>51.04</b>	<b>72.18</b>

**DETAILS OF TRADE RECEIVABLES AS RESTATED****ANNEXURE XVI****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
<u><b>Unsecured, considered good</b></u>				
Less than six months	1.16	89.48	544.83	712.60
More than six months	-	9.54	17.15	212.03
<b>TOTAL</b>	<b>1.16</b>	<b>99.02</b>	<b>561.98</b>	<b>924.63</b>

**DETAILS OF SHORT TERM LOANS & ADVANCES****ANNEXURE – XVII****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
Advance to suppliers	-	-	64.20	147.61
Balances with government authorities	0.20	-	14.49	-
<b>TOTAL</b>	<b>0.20</b>	<b>-</b>	<b>78.69</b>	<b>147.61</b>

**DETAILS OF OTHER CURRENT ASSETS AS RESTATED****ANNEXURE – XVIII****(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
Prepaid expenses	0.07	1.38	1.87	0.56
<b>TOTAL</b>	<b>0.07</b>	<b>1.38</b>	<b>1.87</b>	<b>0.56</b>



**CAPITALISATION STATEMENT AS AT DECEMBER 31, 2014****Annexure – XIX**  
**(Rs. in Lakhs)**

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	178.86	
Long term debt (B)	476.98	
<b>Total debts (C)</b>	<b>655.84</b>	
<b>Shareholders' funds</b>		
Equity share capital	651.83	893.03
Reserve and surplus - as restated	476.09	693.17
<b>Total shareholders' funds</b>	<b>1127.92</b>	<b>1586.20</b>
<b>Long term debt / shareholders' funds</b>	<b>0.42</b>	
<b>Total debt / shareholders' funds</b>	<b>0.58</b>	

**STATEMENT OF TAX SHELTERS****Annexure – XX**  
**(Rs. in Lakhs)**

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
Profit before tax as per books (A)	(0.83)	9.72	119.45	239.44
Tax Rate (%)	0.00%	0.00%	0.00%	0.00%
Tax at notional rate on profits	-	-	-	-
<b>Adjustments :</b>				
<b>Permanent differences (B)</b>				
Expenses disallowed under Income Tax Act, 1961	-	0.80	0.39	-
<b>Total permanent differences(B)</b>	-	0.80	0.39	-
<b>Income considered separately (C)</b>	-	-	-	-
<b>Total income considered separately (C)</b>	-	-	-	-
<b>Timing differences (D)</b>				
Difference between tax depreciation and book depreciation	-	-	-	-
Difference due to expenses allowable/ disallowable u/s 40	-	-	-	-
<b>Total timing differences (D)</b>	-	-	-	-
<b>Net adjustments E = (B+C+D)</b>	-	<b>0.80</b>	<b>0.39</b>	-
<b>Tax expense / (saving) thereon</b>	-	-	-	-

Particulars	As at March 31,			As at December 31, 2014
	2012	2013	2014	
<b>Income from other sources</b>	-	-	-	-
<b>Income from other sources (F)</b>	-	-	-	-
<b>Taxable income/(loss) (A+E+F)</b>	(0.83)	10.52	119.85	239.44
<b>Taxable income/(loss) as per MAT</b>	(0.83)	9.72	119.45	239.44
<b>Income tax as returned/computed</b>	-	2.00	23.98	47.91
Tax paid as per normal or MAT	-	MAT	MAT	MAT

**DETAILS OF OTHER INCOME AS RESTATED**
**ANNEXURE –XXI**
*(Rs. in Lakhs)*

Particulars	As at March 31,			As at December 31, 2014	Nature
	2012	2013	2014		
Other income	-	0.28	0.62	0.38	
Net profit before tax as restated	(0.83)	9.72	119.45	239.44	
<b>Percentage</b>	-	<b>2.83%</b>	<b>0.52%</b>	<b>0.16%</b>	
<b>Source of income</b>					
Interest income	-	0.28	0.62	-	Recurring and not related to business activity.
Dividend Received	-	-	-	0.38	Recurring and related to business activity.
<b>Total other income</b>	-	<b>0.28</b>	<b>0.62</b>	<b>0.38</b>	

**Related Party Transaction**

**ANNEXURE – XXII**

**(Rs. in Lakhs)**

Name	Nature of Transaction	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable)/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable)/ Receivable	Amount of Transaction till; 31/12/2014	Amount Outstanding as on 31/12/14 (Payable)/ Receivable
Harshad Monpara	Directors remuneration	-	-	6.00	-	10.80	(0.62)	7.20	(2.12)
	Loan taken	-	-	14.80	(10.18)	16.08	(0.10)	19.80	(13.20)
	Loan given	-	-	-	-	11.04	-	-	-
Bhavesh Kakadiya	Directors remuneration	-	-	6.00	-	9.60	(1.38)	7.20	(2.98)
	Loan taken	-	-	14.91	(4.50)	3.00	(2.80)	27.90	(27.90)
Ishwarbhai Monpara	Purchase	-	-	15.95	(3.81)	29.72	(11.59)	40.85	-
Rameshbhai Monpara	Purchase	-	-	15.75	(5.40)	0.20	-	26.85	-
Babubhai Kakadiya	Rent	-	-	-	-	1.20	(1.20)	1.20	-
	Loan received	-	-	-	-	-	-	26.55	(13.70)
	Shares allotted	-	-	-	-	-	-	12.85	-
	Sales	-	-	-	-	0.46	-	-	-
	Purchase	-	-	-	-	7.57	-	-	-
	Purchase of tractor	-	-	-	-	5.00	-	-	-
Chimanlal Patel	Sales	-	-	-	-	5.40	-	-	-
Sagar Enterprise	Sales	-	-	2.00	-	73.67	24.17	113.65	98.09
Govind Monpara	Purchase	-	-	5.14	(5.14)	-	-	37.55	(32.55)

Name	Nature of Transaction	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable)/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable)/ Receivable	Amount of Transaction till; 31/12/2014	Amount Outstanding as on 31/12/14 (Payable)/ Receivable
Sahaj Chem Industries	Sales	-	-	-	-	106.49	21.37	54.92	10.23
Yogesh Patel	Loan taken	-	-	16.60	(2.28)	6.00	-	6.00	(5.00)
	Directors remuneration	-	-	6.00	-	9.60	(0.66)	7.20	(2.70)

**SUMMARY OF ACCOUNTING RATIOS****Annexure – XXIII****(Rs. in Lakhs)**

Ratio	As at March 31,			As at December 31, 2014
	2012	2013	2014	
Restated PAT as per statement of profit and loss	(0.83)	7.25	104.89	240.13
Weighted average number of equity shares at the end of the year/ period	0.10	4.83	32.27	53.44
Net worth	0.17	105.21	609.97	1127.92
<b>Earnings Per Share</b>				
Basic & Diluted (Rs)	(8.26)	1.50	3.25	4.49
<b>Return on net worth (%)</b>	<b>(474.25)%</b>	<b>6.90%</b>	<b>17.20%</b>	<b>21.29%</b>
<b>Net asset value per share (Rs)</b>	<b>1.74</b>	<b>21.76</b>	<b>18.90</b>	<b>21.11</b>
Nominal value per equity share (Rs.)	10.00	10.00	10.00	10.00

**RECONCILIATION OF RESTATED PROFIT****Annexure – XXIV****(Rs. in Lakhs)**

Adjustments for	As at March 31,			Upto December 31, 2014
	2012	2013	2014	
Net profit/(loss) after tax as per audited statement of profit & loss	(0.48)	8.93	108.09	235.73
<b>Adjustments for:</b>				
Preliminary expenses	(0.15)	0.03	0.12	-
Provision for gratuity	(0.20)	(1.23)	(2.95)	4.37
Deferred Tax Liability / Asset Adjustment	-	(0.48)	(0.36)	0.08
Financial Charge	-	-	(0.01)	(0.05)
<b>Net profit/ (loss) after tax as restated</b>	<b>(0.83)</b>	<b>7.25</b>	<b>104.89</b>	<b>240.13</b>

**Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.**

**Adjustments having impact on Profit**

- Due to adoption of Accounting Standard -15 “Employee Benefits” , provision for gratuity expenses has been made as per Actuarial Valuation Report obtained by the company.
- The deferred tax liability / asset has been adjusted on account of changes in WDV of assets for the year / period.
- Previously Preliminary expenses were being written off over a period of 5 years but now it has completely expensed out in the year of expenditure.

d) Bank Charges were not booked earlier now booked.

**Adjustments having no impact on Profit**

**Material Regrouping**

Appropriate adjustments have been made in restated financial statements, wherever required , by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the years ended 2014, 2013 and 2012 and period ended December 31, 2014 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "*Financial Statements*" on page 185 of this Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

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 set forth in "*Risk Factors*" and "*Forward-Looking Statements*" on pages 16 and 15, of this Prospectus beginning respectively.

Our Company was incorporated on December 27, 2011 and has only completed three years since incorporation. The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for years ended 31<sup>st</sup> March, 2014, 2013 and 2012 and for the period ended December 31, 2014.

### **Overview**

Our Company, an ISO 9001:2008 certified is engaged in the manufacturing of bio-fuels viz. bio-briquettes and bio-pellets which is an alternative source of energy and has the ability to replace/are fairly good substitutes of traditional fossil fuels like coal, firewood, lignite, etc.

Driven by experience in agriculture, innovation and investment in R&D, our Promoters sensed that bio-fuel is the need of the hour and can be the next big thing in fuel sector. With the indiscriminate exploitation of all fossil fuels, our Promoters sought to capitalize on the growing global demand of an alternate source of renewable energy and thus incorporated our Company under the name "Jiya Eco-Products Private Limited" in December 2011. Subsequently in February 2014, our Company was converted into a public limited company and its name was changed to "Jiya Eco-Products Limited".

In 2012, our Company succeeded in setting-up our manufacturing unit at Navagam, Bhavnagar. Our Company started with the production of bio-briquettes and within a short span of time of around 2 years it enhanced its installed capacity to around 31,000 tonnes by installing new machineries, and forayed into production of bio-pellets as well thus making diversification in our range of products and increasing the scalability of our business.

At present, our Company has Authorised collection centres spread over surrounding villages to source agricultural waste which serves as the major raw material in production of bio-fuels. Also our Company has arrangements with various Gram-Panchayats in the State of Gujarat for procurement of solid waste, which serves as another important raw material in our business.

### **Significant developments subsequent to the last financial year**

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Prospectus, any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

1. M/s. Hitesh Agrawal & Co., Chartered Accountants, have been appointed as Statutory Auditors of the Company with effect from April 1, 2014.
2. M/s. R.T Jain & Co., Chartered Accountants, have been appointed as Peer Reviewed Auditors of Company from January 15, 2015.
3. The authorized share capital as on March 31, 2014 was Rs. 5,00,00,000 consisting of 50,00,000 Equity Shares of Rs. 10/- each which was increased to 10,00,00,000 consisting of 1,00,00,000 Equity Shares of face value Rs. 10/- each pursuant to a resolution of the shareholders dated June 22, 2014.
4. The paid-up share capital as on March 31, 2014 was Rs. 498.66 Lakhs which was further increased by Rs. 90.85 Lakhs on July 21, 2014; Rs 8.99 Lakhs on October 28, 2014 and Rs. 53.34 Lakhs on December 30, 2014. Currently, our paid up capital is Rs. 651.83 Lakhs
5. We have passed a special resolution on January 16, 2015 authorizing the Board of Directors to borrow funds for the purpose of business of the Company upto an amount of Rs.100 Crores and for the purpose also authorized them to provide requisite security.
6. We have passed a special resolution on January 16, 2015 to authorizing the Board of Directors to raise funds by making an initial public offering.
7. We have re-appointed Bhavesh Kakadiya and Harshad Monpara as the Managing Directors, with effect from December 19, 2014.
8. Mr. Nimish Jani and Mrs. Hetalben Kakadiya have been appointed as additional non-executive director on January 20, 2015. Also re-appointed Mr. Yogesh Patel as non-executive director on January 20, 2015.
9. We have appointed Mr. Jitenkumar Shah, Mr. Nitinbhai Kapadiya and Mr. Kamal Kishore Jani as Independent Directors on the Board of the Company with effect from January 16, 2015.
10. We have appointed Vipul Vora as Chief Financial Officer of our Company with effect from December 19, 2014.



11. We have appointed Harshil Shah as Company Secretary & Compliance Officer of our Company with effect from January 20, 2015.
12. We have appointed Mr. Tushar Patel as Independent Director on the Board of the Company on May 20, 2015 and Mr. Kamalkishor Jani resigned from the Board of the Company with effect from May 29, 2015.

## **SIGNIFICANT 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:

- **Bio-fuel manufacturing, a novel concept**  
The bio-fuel production / manufacturing is relatively a new concept in India and is yet to have a defined market as compared to its contemporary conventional fuel. Further, there is not much awareness among population about bio-fuel production and uses.
- **Resistance to change from existing users of conventional fossil fuel**  
Usually people are resistant to change. We may face resistance from existing users of traditional conventional fuel to switch to bio-fuel. Such reluctant from proposed consumers may affect our profitability and business severally.
- **Concentration on few geographical locations**  
We generate our entire sales from our operations in certain geographical regions especially Gujarat and any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations. Such geographical concentration of our bio-fuel business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations.
- **Few entry barriers**  
Absence of entry barriers into bio-fuel production may attract many players from both organized and unorganized sectors which will escalate competition and resultant price pressure on the products. Plant and machinery required for setting up a bio-fuel unit could be easily made and installed at low cost and less time. Thus, due to such exemptions, incentives and low entry barriers, many players from the organized as well as the un-organised sector may enter this industry.
- **Government policies**  
In order to promote bio-fuel, the Government provides various incentives and exemptions to companies engaged in this business. Our Company avails the benefit of Tax Holiday and VAT exemption under Gujarat Vat Act, 2003. These benefits may attract more and more players in the market thereby reducing our share and growth.

## DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for period ended December 31, 2014 and years ended March 31, 2014, 2013 and 2012.

### OVERVIEW OF REVENUE & EXPENDITURE

#### Revenues

##### *Income from operations:*

Our principal component of income is from sale of products manufactured by us. We have not made any export sales. Our Company usually follows negotiated price mechanism. We quote on the basis of requirements received from our customers.

##### *Other Income:*

Our other income includes interest income.

**(Rs. In Lakhs)**

Particulars	Till March 31,			Till December 31, 2014
	2012	2013	2014	
<b>Income</b>				
Revenue from Operations	1.10	164.83	1401.33	2045.64
As a % of Total Revenue	100.00%	99.83%	99.96%	99.98%
Other Income	-	0.28	0.62	0.38
As a % of Total Revenue	-	0.17%	0.04%	0.02%
<b>Total Revenue</b>	<b>1.10</b>	<b>165.11</b>	<b>1401.95</b>	<b>2046.02</b>

#### Expenditure

Our total expenditure primarily consists of Cost of raw materials, Changes in Inventories of traded goods/ finished goods, Employee Benefit Expenses, Financial Cost, Depreciation & Amortization Expenses and Other Expenses.

##### *Cost of Raw Material*

Cost of raw material consumed comprises of the expenses for purchase of agro-wastes, forest wastes and solid wastes which are procured domestically.

##### *Employee Benefits Expenses*

Our employee benefits cost primarily consists of salaries, wages and bonuses paid to our employees, director's remuneration and staff welfare expenses.

##### *Financial Cost*

Our financial cost includes bank interest, bank charges, interest paid to lenders, etc.

##### *Depreciation*

Depreciation includes depreciation on plant & machinery, buildings and other tangible assets.

*Other Expenses*

Other expense includes legal & professional fees, rent, administration expenses, office expenses, etc.

**Statement of profits and losses**

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue

**(Rs. In Lakhs)**

Particulars	For the Year Ended March 31,			For the Period ended December 31,
	2012	2013	2014	2014
<b>INCOME</b>				
Revenue from Operations	1.10	164.83	1401.33	2045.64
As a % of Total Revenue	100.00%	99.83%	99.96%	99.98%
Other Income	-	0.28	0.62	0.38
As a % of Total Revenue	-	0.17%	0.04%	0.02%
<b>Total Revenue (A)</b>	<b>1.10</b>	<b>165.11</b>	<b>1401.95</b>	<b>2046.02</b>
<b>Growth %</b>	<b>-</b>	<b>14869.72%</b>	<b>749.12%</b>	
<b>EXPENDITURE</b>				
Cost of material consumed	-	1.71	675.87	945.06
As a % of Total Revenue	-	1.04%	48.21%	46.19%
Purchase of stock-in-trade	1.18	-	-	-
As a % of Total Revenue	107.14%	-	-	-
Changes in inventories of finished goods, traded goods and work-in-progress	(0.27)	(26.62)	19.81	(32.33)
As a % of Total Revenue	(24.89)%	(16.12)%	1.41%	(1.58)%
Employee benefit Expenses	0.29	67.97	203.15	195.09
As a % of Total Revenue	26.63%	41.17%	14.49%	9.54%
Finance costs	-	16.50	39.15	57.95
As a % of Total Revenue	-	10.00%	2.79%	2.83%
Depreciation and Amortization expense	-	9.51	51.57	77.08
As a % of Total Revenue	-	5.76%	3.68%	3.77%
Other Expenses	0.73	86.32	296.97	563.73
As a % of Total Revenue	65.99%	52.28%	21.18%	27.55%
<b>Total Expenses (B)</b>	<b>1.93</b>	<b>155.39</b>	<b>1286.52</b>	<b>1806.58</b>
As a % of Total Revenue	174.88%	94.11%	91.77%	88.30%
<b>Profit before tax (A-B)</b>	<b>(0.83)</b>	<b>9.72</b>	<b>115.43</b>	<b>239.44</b>
As a % of Total Revenue	(74.88)%	5.89%	8.23%	11.70%

Particulars	For the Year Ended March 31,			For the Period ended December 31,
	2012	2013	2014	2014
Prior period items (Net)	-	-	-	-
Profit before exceptional, extraordinary items and tax	(0.83)	9.72	115.43	239.44
As a % of Total Revenue	(74.88)%	5.89%	8.23%	11.70%
Exceptional items	-	-	-	-
Profit before extraordinary items and tax	(0.83)	9.72	115.43	239.44
As a % of Total Revenue	(74.88)%	5.89%	8.23%	11.70%
Extraordinary items	-	-	4.02	-
Profit before tax	(0.83)	9.72	119.45	239.44
<b>PBT Margin</b>				
Tax expense :				
(i) Current tax	-	0.00	0.00	0.00
(ii) Deferred tax	-	2.47	14.56	(0.70)
<b>Total Tax Expense</b>	-	2.47	14.56	(0.69)
Profit for the year/ period	(0.83)	7.25	104.89	240.13
<b>PAT Margin</b>	(74.88)%	4.39%	7.48%	11.74%

## REVIEW OF NINE MONTHS ENDED DECEMBER 31, 2014

### INCOME

#### *Income from Operations*

Our income from operations was Rs. 2045.64 lakhs which was 99.98% of our total revenue for the nine months ended December 31, 2014.

#### *Other Income*

Our other income was Rs. 0.38 lakhs which was 0.02% of our total revenue for the nine months ended December 31, 2014.

### EXPENDITURE

#### *Cost of materials consumed*

Our cost of materials consumed was Rs. 945.06 lakhs which was 46.19% of our total revenue for the nine months ended December 31, 2014.

#### *Changes in inventories of finished goods, traded goods and work-in-progress*

Our changes in inventories of finished goods was Rs. (32.33) lakhs which was (1.58) % of our total revenue for the nine months ended December 31, 2014.

**Employee Benefits Expenses**

Our employee benefits expenses were Rs. 195.09 lakhs which was 9.54% of our total revenue for the nine months ended December 31, 2014.

**Financial Cost**

Our financial cost was Rs. 57.95 lakhs which was 2.83% of our total revenue for the nine months ended December 31, 2014.

**Depreciation**

Our depreciation expenses were Rs. 77.08 lakhs which was 3.77% of our total revenue for the nine months ended December 31, 2014.

**Other Expenses**

Our other expenses were Rs. 563.73 lakhs which was 27.55% of our total revenue for the nine months ended December 31, 2014.

**Profit Before Tax**

Our profit before tax was Rs. 239.44 lakhs which was 11.70% of our total revenue for the nine months ended December 31, 2014.

**Net Profit After Tax**

Our restated net profit was Rs. 240.13 lakhs which was 11.74% of our total revenue for the nine months ended December 31, 2014.

### COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2014 WITH FINANCIAL YEAR ENDED MARCH 31, 2013.

**INCOME****Operating Income**

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Operating Income	164.83	1401.33	750.16%

The operating income of the Company for the year ending March 31, 2014 is Rs. 1401.33 lakhs as compared to Rs. 164.83 lakhs for the year ending March 31, 2013, showing an increase of 750.16% approximately. The increase in sales is due to increase in our production capacity and we started with manufacturing of pellets.

**Other Income**

Our other income increased by 126.79% approximately from Rs. 0.28 Lakhs to Rs. 0.62 Lakhs.

**DIRECT EXPENDITURE**

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Cost of materials	1.71	675.87	39400.24%

consumed			
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The direct expenditure has increased from Rs. 1.71 lakhs in Financial Year 2012-2013 to Rs. 675.87 lakhs in Financial Year 2013-2014 showing an increase of 39400.24 % over the previous year. The increase was due to increase in our production capacity as compared to last year.

#### CHANGE IN INVENTORIES

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Changes in inventories of finished goods, traded goods and work-in-progress	(26.62)	19.81	(174.42)%

The change in inventories of finished goods has increased from Rs. (26.62) lakhs in Financial Year 2012-2013 to Rs. 19.81 lakhs in Financial Year 2013-2014 showing an increase of 174.42 % over the previous year. The increase was due to increase in sales as compared to last year.

#### ADMINISTRATIVE AND EMPLOYEE COSTS

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Employee Benefit Expenses	67.97	203.15	198.89%
Other Expenses	86.32	296.97	244.04%

There is an increase in employee benefit expenses from Rs. 67.97 lakhs to Rs. 203.15 lakhs i.e. approximately 198.89% shows that the company has recruited more employees to support growing operations of the company.

The other expenses have increased from Rs. 86.32 lakhs in March 31, 2013 to Rs. 296.97 lakhs in March 31, 2014 i.e. approximately 244.04 % showing an increase in cost of Rs.210.05 lakhs over the last financial year. The increase in costs is due to expansion of business operations of the Company.

#### FINANCE CHARGES

The finance charges for the period Financial Year 2013-2014 has substantially increased to Rs. 39.15 lakhs from Rs.16.50 lakhs during Financial Year 2012-2013. The increase in finance charges is due to increase in borrowings of the Company in line with business expansion.

#### DEPRECIATION AND AMORTIZATION

Depreciation for the Financial Year 2013-2014 has increased from Rs.9.51 lakhs to Rs. 51.57 lakhs. The significant increase is due to installation of new machineries.

#### PROFIT BEFORE TAX

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Profit Before Tax	9.72	119.45	1128.93%

Profit before tax has increased by 1128.93 % from Rs. 9.72 lakhs for the year ended 31 March 2013 to Rs. 119.45 lakhs for the year ended 31 March 2014. The increase in profit is achieved due to significant rise in operations and the turnover of the Company.

#### PROVISION FOR TAX AND NET PROFIT

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Taxation Expenses	2.47	14.56	490.61%
Profit after Tax	7.25	104.89	1345.84%

#### COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2013 WITH FINANCIAL YEAR ENDED MARCH 31, 2012.

The Company was incorporated in December, 2011 and its first financial statements were prepared for around 3 months period ending 31<sup>st</sup> March, 2012. During this period, the Company was in the stage of setting up its operations and hence no transactions were carried out by the Company except for incurring incorporation expenses. Thus the figures for the period ended 31<sup>st</sup> March, 2012 are not comparable with those of year ended 31<sup>st</sup> March, 2013.

#### OTHER MATTERS

##### 1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

##### 2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled “Risk Factors” beginning on page 16 of this Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

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

Other than as disclosed in the section titled “Risk Factors” beginning on page 16 of this Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

##### 4. Future relationship between Costs and Income

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices of raw materials.

##### 5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

Increase in revenue is by and large linked to increases in volume of business activity by the

Company.

**6. Total turnover of each major industry segment in which the issuer company operates.**

The Company is operating in bio-fuels industry. Relevant industry data, as available, has been included in the chapter titled *“Our Industry”* beginning on page 109 of this Prospectus.

**7. Status of any publicly announced new products or business segments**

Our Company has not announced any new product and segment, other than disclosed in the Prospectus.

**8. The extent to which the business is seasonal**

Our Company business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers**

The % of Contribution of our Company’s customer vis a vis the total income for the Financial Year 2013-2014 is as follows:

Particulars	Customers
Top 5 (%)	42.22%
Top 10 (%)	53.89%

**10. Competitive Conditions**

We face competition from existing and potential unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled *“Our Business”* on page 123 of this Prospectus.



## FINANCIAL INDEBTEDNESS

### I. Details of Borrowings of our Company

Set forth below is a brief summary of our Company's secured and unsecured borrowings from banks and financial institutions together with a brief description of certain significant terms of such financing arrangements

#### A. Secured Borrowings

##### 1. Loan of Rs. 450 lakhs sanctioned by IDBI Bank & Rs. 357 lakhs sanctioned by Federal Bank (Consortium Agreement)

- \*Sanctioned by IDBI Bank vide sanction letter number IDBI/ABO/CBG/JEPL/No- 3414 dated April 03, 2014 and Letter of modification No IDBI/ABO/CBG/JEPL/No – 13614 dated June 13,2014
- \*\*Sanctioned by Federal Bank vide sanction order number CL/2012/15410000010 dated October 10, 2012
- \*\*\*Sanctioned by Federal Bank vide sanction order number CL/2013/15410000047 dated November 22, 2013

Name of the lender	IDBI Bank	Federal Bank Limited
<b>Facility</b>	*Term Loan – Rs. 300 lakhs *Cash Credit – Rs. 150 lakhs	**Term Loan I – Rs. 160 lakhs ***Term Loan II – Rs 57 lakhs **Cash Credit – Rs. 150 lakhs
<b>Interest Rate (%, p.a., unless otherwise specified)</b>	Term Loan(s) – BBR+350 bps p.a. Cash Credit – BBR+300bps p.a.	Term Loan I – BR+200 bps p.a. Term Loan II – BR+200 bps p.a. Cash Credit – BR+575 bps p.a.
<b>Tenor / Repayment schedule</b>	<b>Term Loan</b> – Repayable in 60 Monthly equal of Rs 5 lakh each commencing one year after the date of first disbursement. <b>Cash Credit</b> – On demand	<b>Term Loan I</b> – Repayable in 84 months <b>Term Loan II</b> – Repayable in 84 months <b>Cash Credit</b> – On demand
<b>SECURITY</b>		
<b>Primary Security</b> <b>Term Loan:</b> Exclusive charge on the assets sourced out of term loan <b>Cash Credit:</b> First pari-passu charge on the current assets of the company.		
<b>Collateral:</b> <ol style="list-style-type: none"> <li>Industrial Plot At Survey No. 202/P-1/P-1, Navagam (Gayekewad), Taluka – Valbhaipur, Dist – Bhavnagar, (Admeasuring 12,535 Sq. Mtrs), In The Name Of Shri Babubhai Gopalbhai Kakadiya</li> <li>Industrial Plot (Admeasuring 2,428 Sq. Mtrs) And Building (Admeasuring 1,952 Sq Mtrs) Thereon Situated At RS No. 202/P/2, Navagam (Gayekewad) Taluka – Valbhaipur, Dist – Bhavnagar, Registered In The Name Of Shri Bhaveshbhai Jivrajbhai Kakadiya.</li> <li>Residential Bungalow (Land Admeasuring 141.025 Sq. Mtrs), Building Admeasuring 199.62 Sq Mtrs.) At Plot No. 5/A, RS No. 249 Paiki, Sardar Patel Society, Opp. Jewels Circle, Bortalav,</li> </ol>		

Bhavnagar, In The Name Of Shri Harshadbhai M Monpara (L&B); and

4. Agriculture Land Of Revenue S. No. 202p2/P1, Near Ayodhyapuram Jan Derasar, Bhavnagar – Ahmedabad State Highway, Navagam, Valbhaipur, Bhavnagar (Admeasuring 26,191 Sq. Mtrs) In The Name Of Shri Babubhai Gopalbhai Kakadiya

together with all constructions, structures, furniture, tenements and fixtures etc. attached to the earth or permanently fastened to anything attached to the earth or permanently fastened to anything attached to the earth, both present and future.

**Personal Guarantee**

1. Mr. Bhavesh Kakadiya
2. Mr. Yogesh Chimanlal Patel
3. Mr. Harshadbhai Monpara
4. Mr. Babubhai Kakadiya

**Restrictive Covenants as mentioned in the consortium agreement between Our Company i.e. Jiya Eco products Limited and IDBI Bank and Federal Bank dated June 18, 2014 are:-**

- That the Mortgagors will not so long as the Mortgage debt is outstanding and not paid encumber or charge the said premises or any part thereof without the consent in writing of the Mortgagee which the Mortgagee shall be entitled to refuse to grant without assigning any reason therefore.
- That the mortgagors and/or the company shall pay interest with monthly rest as may be stipulated by the Mortgagee from time to time and the interest shall be added to the loan amount with cumulative effect and that amount shall form the principal amount.
- The Mortgagors shall while in lawful possession of the said premises have no power to grant leases thereof save and except with the consent in writing of the Mortgagee first had and obtained (which consent the Mortgagee shall not be bound to give) on such terms and conditions as the Mortgagee shall in its absolute discretion think fit and the provisions of Section 65-A of the Transfer of Property Act, 1882 shall not apply to these presents.

**Restrictive Covenants as per sanction letter date October 10, 2012 of Federal Bank**

- a) Unsecured loans amounting to Rs. 35 Lakhs estimated to be raised by the Company as on March 31, 2012 shall not be repaid during the currency of credit limits.
- b) During the currency of the bank's credit facilities, the company will not, without the Banks permission in writing, invest any amount for acquisition of fixed assets without maintaining a current ration of 1.25:1.
- c) In the event of repayment of term loan, the company shall pay prepayment penalty at 2.00% on the amount paid for the balance tenure of the loan
- d) The borrower shall not pay any free, commission royalty etc. or give preferential treatment to any concern with which the promoter / director / partners are associated with in respect of purchase of machineries, equipment, raw material etc, obtaining I technical know-how sale of finished goods and any other transactions without the prior approval of the Bank

- e) The borrower shall not shift or remove the security described in the schedule of agreement without the consent of the Bank in writing.
- f) The borrower shall not transfer / invest funds of the company in whatsoever manner in any other concern without obtaining the prior consent of the Bank.
- g) The company shall obtain NOC from the bank for availing of credit facilities from other banks/FIs, further expansion of business, taking up new business activity or setting up/investing in a subsidiary whether in the same business line or unrelated business

#### **Restrictive Covenants as per Sanction letter dated November 22, 2013 of Federal Bank**

- a) Default in any installment as per the scheduled repayment programme of the loan will affect the credit rating and credit history of the borrower.

#### **5. Loan of Rs. 10,40,000 sanctioned by IndusInd Bank**

<b>Name of the lender</b>	IndusInd Bank
<b>Facility</b>	Truck Loan – Rs. 10.40 lakhs
<b>Interest Rate (%<i>,p.a., unless otherwise specified</i>)</b>	Truck Loan(s) –7 .55 p.a.
<b>Tenor/ Repayment schedule</b>	<i>Repayment schedule:</i> Truck Loan(s) – 47 Monthly Installments of Rs 28,810

#### **B. Un-Secured Borrowings**

As on December 31, 2014, our Company had unsecured borrowings of Rs. 57.01 Lacs.

For further details on unsecured borrowings availed during the year, repayment of unsecured loans availed and outstanding amount of unsecured loans, refer to Annexure VII of chapter titled “Financial Statements as Restated” beginning on page 185 of this Draft Prospectus.

## SECTION VI - LEGAL AND OTHER INFORMATION

## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*There are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act, 1956 or Schedule V of the Companies Act, 2013) against our Company, our Directors, our Promoter and our Group Entities that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.*

## CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	Amount (in million)
NIL	NIL
Total	NIL

LITIGATION RELATING TO OUR COMPANY  
FILED AGAINST OUR COMPANY

1. Litigation Involving Civil Laws:  
NIL
2. Litigation Involving Criminal Laws.  
NIL
3. Litigation involving Securities and Economic Laws  
NIL
4. Litigation involving Statutory Laws  
NIL
5. Litigation involving Labour Laws  
NIL

A. FILED BY OUR COMPANY

1. Litigation involving Civil Laws:  
NIL

**2. Litigation Involving Criminal Laws:**

NIL

**3. Litigation Involving Securities and Economic Laws:**

NIL

**4. Litigation Involving Statutory Laws:**

NIL

**5. Litigation Involving Labour Laws:**

NIL

**C. PAST PENALTIES**

**Company Petition No. RD (NWR)/87/(273)2014/1743 filed by the Company against the Registrar of Companies, Ahmedabad, Gujarat.**

The Company had filed a petition dated August 4, 2014 under Section 77 read with Section 87 of the Companies Act, 2013 before the Regional Director, North West Region, Ahmedabad ("**Regional Director**"). The said petition was filed to seek condonation of delay and extension of time in respect of registration of the particulars of charge created on October 12, 2012 for Rs. 3,10,00,000/- (Rupees Three Crores Ten Lakhs only) in favour of The Federal Bank Ltd., Bhavnagar ("**said charge**").

The said charge was ought to have been filed on or before November 11, 2012, pursuant to the provisions of Section 77 of the Companies Act, 2013. However, the particulars of the said charge were received by the Registrar of the Companies, Gujarat ("**RoC**") on August 4, 2014. Thus, there was a delay of 630 (Six Hundred and Thirty) days in filing of the particulars of the said charge with the RoC.

The Regional Director, vide its order dated August 11, 2014 condoned the delay and imposed a fine of Rs.15,000/- (Rupees Fifteen Thousand only) on the Company, which shall be payable to RoC within 60 days from the date of the issue of the order. This penalty amount was paid vide payment challan dated August 11, 2014 bearing SRN: C15219686.

**LITIGATION RELATING TO OUR DIRECTORS**

**A. LITIGATION AGAINST OUR DIRECTORS**

**1. Litigation involving Civil/Statutory Laws**

NIL

**2. Litigation involving Criminal Laws.**

NIL

**3. Litigation Involving Economic Offences.**

NIL

**4. Litigation involving Tax Liabilities.**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS**

**1. Litigation involving Civil/Statutory Laws**

NIL

**2. Litigation involving Criminal Laws.**

NIL

**3. Litigation Involving Economic Offences.**

NIL

**4. Litigation involving Tax Liabilities.**

NIL

**C. PAST PENALTIES**

NIL

**LITIGATION RELATING TO OUR PROMOTERS**

**A. LITIGATION AGAINST OUR PROMOTERS**

**1. Litigation involving Civil/Statutory Laws.**

NIL

**2. Litigation involving Criminal Laws.**

NIL

**3. Litigation Involving Securities and Economic Laws.**

NIL

**B. LITIGATION FILED BY OUR PROMOTERS**

**1. Litigation Involving Civil/Statutory Laws.**

NIL

**2. Litigation Involving Criminal Laws.**

NIL

**3. Litigation Involving Securities and Economic Laws.**

NIL

**C. PAST PENALTIES**

NIL

**LITIGATION RELATING TO OUR GROUP COMPANIES**

NIL

**LEGAL NOTICES**

**1. Legal notices issued to our Company**

NIL

**2. Legal Notices issued by our Company**

NIL

**3. Legal notices issued to Director**

NIL

**4. Legal notices issued by Director**

NIL

**5. Legal Notices issued to our Group Companies.**

**Notice issued to Sahaj Chem (Partnership Firm) by Gujarat Pollution Control Board**

A notice was issued to Sahaj Chemical Industries (“**the Firm**”) by the Gujarat Pollution Control Board (“**GPCB**”) under Section 33 of the Water (Prevention and Control of Pollution) Act, 1974 (“**Water Act**”). GPCB had granted the permission to the Firm to manufacture ammonium nitrate and to release the waste in Nirma Limited. However, pursuant to the inspections made by GPCB, it was discussed in the meeting held on January 21, 2015 that the Firm was releasing the waste products in the creek. GPCB issued an order against the Firm inter-alia directing the Firm to stop the production on its premises and to disconnect water and electric connection

within 15 (Fifteen) days from the issue of order. Further, the Firm was directed to abide by the orders of GPCB, and in case it fails to do so, the Firm and its representatives shall be liable under Section 41(2) of the Water Act. The Firm has abided by the order of GPCB and suspended its production on its premises till further intimation from GPCB.

## 6. Legal Notices issued by our Group Companies.

**NIL**

### AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

As on December 31, 2014 Company does not owe a sum exceeding Rs. 1 lakh to any small scale undertaking and other creditors which is outstanding for more than 30 days, except the following:

(Rs. In Lakhs)

Name of Creditors	Amount
Amrabhai Jerambhai	26.76
Ankit R Doshi	3.02
Ashishbhai B Bagadiya	10.36
Ashokbhai V Gujarati	4.87
Babubhai G Bagadiya	7.73
Gaurangbhai Thakkar	0.93
Ghovindbhai Manjibhai	12.86
Hiteshbhai B Bagadiya	24.89
Hiteshbhai T Dabhi	3.31
Labhubhai B Dabhi	20.10
Maheshbhai J Dabhi	2.81
Mavjibhai N Dumadiya	11.50
Milanbhai R Sanga	11.61
Nanubhai Ranabhai Khamal	0.50
Ranchodbhai Jerambhai Lakhani	1.00
Sangitaben Nadiyadra	0.94
Sanjaybhai Vashrambhai	1.98
Sureshbhai T Sdabhi	9.81
Thakarshibhai D Dabhi	20.52
Tikhabhai R Khamal	17.10
Vallabhbhai Jetani	5.99
Vaneetaben Nadiyadra	0.36
Vipul R Makwana	4.31



## **MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE**

Except as described in this Prospectus, to our knowledge, there have been no material developments, since the date of the last audited balance sheet.

## GOVERNMENT AND OTHER KEY APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.*

The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### 9.1 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 December 19, 2014, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our 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 January 16, 2015, authorized the Issue.
3. The Company has entered into an agreement dated **January 21, 2015** with the Central Depository Services (India) Limited ("**CDSL**") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
4. Similarly, the Company has also entered into an agreement dated **February 23, 2015** with the National Securities Depository Limited ("**NSDL**") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
5. The Company's International Securities Identification Number ("**ISIN**") is INE023S01016.

### 9.2 Incorporation and Other Details

1. Certificate of Incorporation dated December 27, 2011, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, in the name of "Jiya Eco-Products Private Limited".

2. Fresh Certificate of Incorporation Consequent upon Change of Name on Conversion to Public Limited Company dated February 11, 2014, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli pursuant to the Companies Act, 2013, incorporating the change of name of our Company from “Jiya Eco-Products Private Limited” to “Jiya Eco-Products Limited”.
3. The Corporate Identity Number (CIN) of the Company at the time of incorporation was **U01111GJ2011PTC068414**
4. The Corporate Identity Number (CIN) of the Company after conversion to public limited company is **U01111GJ2011PLC068414**.

### 9.3 Tax Related Approvals/Licenses/Registrations

The Company has obtained the following approvals from various tax authorities as set out below:

S. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN).	The Income Tax Department, Government of India.	AACCJ7441B	December 20, 2011*	NA
2.	Certificate of Registration under Gujarat Value Added Tax, 2003.	Commissioner of Commercial Tax, Gujarat	24140504393	February 22, 2012	NA
3.	Certificate of Registration under Central Sales Tax (Registration and Turnover) Rules, 1957.	Commissioner of Commercial Tax, Gujarat	24640504393	February 6, 2014	Until cancelled
4.	Certificate of registration of Service Tax (Form ST-2)	Central Excise officer, Surat	AACCJ7441BSD001	February 5, 2013	Until cancelled

\*Our Company has made an application dated May 26, 2015 to revise the incorporation date on the PAN.

#### 9.4 Labour Related Approvals


S. No.	Description	Authority	Code Number	Date of Certificate
1.	Employees' Provident Fund Code Number	Employees' Provident Fund Organisation, Regional Office Ahmedabad	GJAHD1026313	September 23, 2014

## 9.5 Other Approvals

S. No.	Description	Authority	Registration Number	Particulars	Date of Certificate	Date of Expiry
2.	Entrepreneurs' Memorandum for Setting up Micro, Small, or Medium Enterprise Acknowledgment for Part-II	General Manager, District Industries Centre, Bhavnagar	24-014-12-02269	<p>Item Manufactured: Bio-fuel from agricultural waste</p> <p>Capacity per annum: 24000 Ton</p> <p>Initial Date of Production: November 1, 2012</p> <p>Investment in Plant and Machinery: Rs. 1,85,00,000/-</p> <p>Nature of Activity: Manufacturing</p> <p>Category of Enterprise: Small</p>	May 14, 2013	Valid until cancelled

## 9.6 Pending Approvals

### 9.5.1 Intellectual Property Trademarks

S. No.	Particulars of Mark	Word/ Label Mark	Applicant	Application No.	Date of Filing	Class	Status
1.		Label	Jiya Eco-Products Limited	2878090	January 6, 2015	4	Sent for Vienna Codification.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on December 19, 2014 and by the shareholders of our Company by a special resolution, pursuant to Section 62 of the Companies Act, 2013 passed at the EGM of our Company held on January 16, 2015 at registered office of the Company.

### PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors, our Promoter Group and our Group Entity(s), have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

The companies with which our Promoters, our Directors or persons in control of our Company are/ were associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

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.

### PROHIBITION BY RBI

Neither our Company, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Entity have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

### 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 the post issue face value capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

#### **We confirm that:**

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the LM 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 62 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 days from the date our company becomes liable to repay it, than 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 section 40 of the Companies Act, 2013

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, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 62 of this Prospectus.
5. The Company has Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 1 crore as per the latest audited financial results.
7. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months.
8. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the year ended and as at March 31, 2014, 2013 and 2012 is as set forth below:-

(Rs. In lakhs)

Particulars	December 31, 2014	March 31, 2014	March 31, 2013	March 31, 2012
Distributable Profits*	240.13	104.89	7.25	(0.83)
Net Tangible Assets**	1,629.92	820.38	276.93	1.36
Net Worth***	1,127.91	609.97	105.21	0.17

\* “Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

\*\* ‘Net tangible assets’ are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India

\*\*\* “Net Worth” has been computed as the aggregate of equity share capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

9. The Post-issue paid up capital of the Company shall be at least Rs. 1 Crore.



10. The Company shall mandatorily facilitate trading in demat securities and has already entered into an agreement with both the depositories.
11. The Company has not been referred to Board for Industrial and Financial Reconstruction.
12. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
14. The Company has a website <http://www.jiyaeco.com>
15. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) 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 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, HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

**“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - A. THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION,**

HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – 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 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 PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN

**TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR 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 PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
- 16.WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT 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 AS-18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE PROSPECTUS.**

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION OF**

**REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS.**

**(6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

**Note:**

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34 and 36 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, Ahmedabad in terms of 26, 30 and 32 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, <http://www.jiyaeco.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 February 24, 2015, the Underwriting Agreement dated February 24, 2015 entered into among the Underwriter and our Company and the Market Making Agreement dated February 24, 2015 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/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer “Annexure A” to this Prospectus and the website of the Lead Manager at [www.pantomathgroup.com](http://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 himself 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 Gujarat 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 this Prospectus has been filed with BSE for its observations and BSE shall 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 SME PLATFORM OF BSE**

BSE Limited ("BSE") has given vide its letter dated March 23, 2015 permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

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

#### **FILING**

The Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the SEBI at the Corporate Finance Department, Ahmedabad. A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 has been 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 SME Platform of BSE. However application will be made to the SME

Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principal approval for using its name in our Prospectus vide its letter dated March 23, 2015

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants 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 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

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within twelve 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 Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Lead manager, Underwriters, Market Makers, Registrar to the Issue, Escrow Collection Bank, Banker(s) to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Prospectus with the RoC, as required under sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC. Our Peer Reviewed Auditors 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.

## 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 92 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 dated September 25, 2014 issue 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 February 24, 2015 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 Issue is as set out in the Underwriting Agreement 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, 2014 and the Companies (Prospectus and Allotment of Securities) Rule, 2014.

## PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION

Except as stated in the chapter titled “*Capital Structure*” beginning on page 71 of this Prospectus, our Company has not made any Right Issue. 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 71 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 Entities 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 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 year from the last date of dispatch of the letters of allotment, demat credit and refund orders 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 centre 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 Applicant 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 January 20, 2015 For further details, please refer to the chapter titled “Our Management” beginning on page 157 of this Prospectus.

Our Company has appointed Mr. Harshil Shah on January 20, 2015 as Company Secretary & Compliance Officer and he may be contacted at the following address:

**Jiya Eco-Products Limited**

A-25 Circle – “B”, Above Pakwan-2 Judges

Bungalow Road Bodakdev, Ahmedabad

**Tel:** 02841 - 281028

**Fax:** 02841 - 281028

**Email:** ipo@jiyaeco.in

**Website:** www.jiyaeco.com

**Registration Number:** 068414

Investors can contact the 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 refund orders, etc.

**CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS**

Following Changes in Auditors have been done in last three financial years

- RSPH & Associates Chartered Accountant was appointed as auditors in place of Chandresh Mehta & Associates, Chartered Accountants with effect from April 1, 2013.
- Hitesh Agrawal & Co., Chartered Accountant was appointed as auditors in place of RSPH & Associates, Chartered Accountants with effect from April 1, 2014.

However, our Company has appointed M/s. R T Jain & Co. on January 15, 2015, as peer reviewed auditors of the Company.

**CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 71 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 offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2009 our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, ASBA Application Form, the Revision Form, the Confirmation of Allocation Note the Listing Agreement to be entered into with the SME Exchange 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, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in terms of SEBI circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, QIB applicants, Non- Institutional applicants and other Applicants whose Application amount exceeds Rs. 2 lakhs can participate in the Issue only through the ASBA process. The Retail Individual Applicants can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Applicants should note that the ASBA process involves Application procedures that may be different from the procedure applicable to non ASBA process.*

### AUTHORITY FOR THE ISSUE

The present Initial Public Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on December 19, 2014 and was approved by the Shareholders of the Company by passing Special Resolution at the Extraordinary General Meeting held on January 16, 2015 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

### RANKING OF EQUITY SHARES

The Equity Shares being offered / issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to the rights to receive 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 305 of this Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of the Companies Act, the Articles of Association, the provision of the SME Listing Agreement 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 provisions of the Companies Act and our Articles of Association., For further details, please refer to the chapter titled “Dividend Policy” on page 184 of this 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. 19 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled *“Basis for Issue Price”* beginning on page 97 of the Prospectus. At any given point of time there shall be only one denomination for the Equity Shares of our Company, subject to applicable laws.

## 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 offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable 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, the terms of the SME Listing Agreement with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association 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 305 of this Prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. Further, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only.

The trading of the Equity Shares will happen in the minimum contract size of 6,000 Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 6,000 Equity Shares subject to a minimum allotment of 6,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### MINIMUM NUMBER OF ALLOTTEES

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 collected shall be refunded within 15 days of closure of issue.

#### JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Gujarat.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold within the United States 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 offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and 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 INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, 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 (s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

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.

#### PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

ISSUE OPENS ON	JUNE 29, 2015
ISSUE CLOSING ON	JULY 2, 2015

#### MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten and the details of the same have been disclosed on page 67 of the Prospectus.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days or such period as prescribed by the SEBI, from the date of the Prospectus, the application money has to be returned within such period as may be prescribed.

However as per Regulation XII (A)(9)(b) of Part A of Schedule VIII of the SEBI (ICDR), If our Company does not receive the minimum subscription of 90% of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith 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 section 40 of 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 offer 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 be allotted will not be less than 50 (Fifty) .*



*Further, in accordance with Regulation 106 Q of the SEBI (ICDR) Regulations 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.*

## MIGRATION TO MAIN BOARD

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.

Our company may migrate to the Main Board of BSE from the SME Stock Exchange 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 Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to BSE 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.
- b. If the Paid up Capital of our company is more than Rs. 1,000 lakhs and upto Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board if the Company fulfils the eligible criteria for listing laid down 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 Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## MARKET MAKING

The shares offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange) 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 of shares offered through the Prospectus. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 62 of this Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto Rs. 20 Crore, as applicable in our case	25%	24%



Further, the Market Maker shall give (2) two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

#### **ARRANGEMENT FOR DISPOSAL OF ODD LOTS**

The trading of the equity shares will happen in the minimum contract size of 6,000 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 the SME Platform of BSE.

#### **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 DEMATERIALIZED FORM**

The investors have an option either to receive the security certificate or to hold the securities with depository. As per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. 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.

#### **NEW FINANCIAL INSTRUMENTS**

The Issuer Company is not issuing any new financial instruments through this Issue.

## 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 Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 71 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 305 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.*

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## ISSUE STRUCTURE

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, an issuer whose post issue paid up capital does not exceed ten crore rupees, 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 SME Platform of BSE). 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 243 and 253 of this Prospectus.

### Following is the issue structure:

Public Issue of 24,12,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 19 per Equity Share (including a premium of Rs. 9 per Equity Share) aggregating Rs.458.28 Lakhs ('the Issue') by our Company.

The Issue is being made by way of Fixed Price Method.

The Issue comprises a Net Issue to Public of 22,86,000 Equity Shares ('the Net Issue'), a reservation of 1,26,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion')

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares available for allocation</b>	22,86,000 Equity Shares of Face Value Rs. 10.00	1,26,000 Equity Shares of Face Value Rs. 10.00
<b>Percentage of Issue Size available for allocation</b>	94.78% of the Issue Size	5.22% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 6,000 Equity Shares and Further allotment in multiples of 6,000 Equity Shares each.  For further details please refer to the section titled " <i>Issue Procedure - Basis of Allotment</i> " on page 294 of the Prospectus.	Firm allotment
<b>Mode of Application</b>	<b><i>For Other than Retail Individual Investors Applicants</i></b>  The application must be made compulsorily through the ASBA Process.  <b><i>For Retail Individuals Applicants</i></b> Individual Applicants may apply through the ASBA or the Physical Form.	Through ASBA Process Only

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Minimum Application Size</b>	<p><b><u>For Other than Retail Individual Investors:</u></b></p> <p>Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000.</p> <p><b><u>For Retail Individuals Investors :</u></b></p> <p>6,000 Equity Shares</p>	1,26,000 Equity Shares of Face Value Rs. 10.00 each
<b>Maximum Application Size</b>	<p><b><u>For Other than Retail Individual Investors:</u></b></p> <p>The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable.</p> <p><b><u>For Retail Individuals Investors:</u></b></p> <p>Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Value does not exceed Rs.2, 00,000.00.</p>	1,26,000 Equity Shares of Face Value of Rs 10.00 each
<b>Mode of Allotment</b>	Compulsorily in dematerialized mode.	Compulsorily in dematerialized mode.
<b>Trading Lot</b>	6,000 Equity Shares	6,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations
<b>Terms of payment</b>	The entire Application Amount will be payable at the time of submission of the Application Form.	

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to “*Issue Structure*” on page 250 of the Prospectus.

\*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue ‘the allocation’ is the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to Investor Other than retail individual investors; and

c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

***“If the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage”***

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date but before our Board meeting for Allotment, If our Company withdraws the Issue after the Issue Closing Date, providing reasons for not proceeding with the Issue within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall instruct the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Prospectus, which the Company shall apply for after Allotment and the final RoC approval of the Prospectus.

## ISSUE PROGRAMME

ISSUE OPENS	JUNE 29, 2015
ISSUE CLOSES ON	JULY 2, 2015

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) or such other extended time as may be permitted by BSE.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## 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 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 the Draft Prospectus and this 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 Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit to the Registrar of the Issue. 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. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

## APPLICATION FORM

Pursuant to SEBI Circular dated September 27, 2011 and bearing No. CIR/CFD/DIL/4/2011, the Application Form has been standardized i.e., there will be a single Application Form for ASBA and non-ASBA Applicants. 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 (ASBA and Non-ASBA)	White
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA and Non-ASBA)	Blue

**Applicants (other than 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 Applicants are required to submit their applications only through the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form.**

**No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue or SCSB, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.**

**ASBA 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.**

**Upon completion and submission of the Application Form to a Banker to the Issue or the SCSB, 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.**

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

### Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Corporate Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection Centres of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.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 ASSOCIATES/ 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, 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, 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 Corporate Office and at the 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. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by 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.

An FII or its subaccount who 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 an 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;  
*The entire group of the investee company:* the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
2. *The industry sector in which the investee company operates:* 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

## APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lacs, 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 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 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 this 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 this 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. Copies of the Application Form and copies of the Prospectus will be available with the Bankers to the Issue, the Lead Managers and the Registrar to the Issue. For ASBA Applicants, physical Application Forms will be available with the Designated Branches of the SCSBs and at the Corporate Office of our Company. For ASBA Applicants, electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Corporate Office.
5. Applicants who are interested in subscribing to the Equity Shares should approach any of the Lead Managers or Bankers to the Issue or their authorised agent(s) to register their applications. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.
6. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the Bankers to the Issue should bear the stamp of the Broker. 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.
7. In case of ASBA Applicants, the Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained. SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. ASBA 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. For ASBA applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the

beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for 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.

**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. The Bankers to the Issue and the SCSBs shall accept applications from the Applicants during the Issue Period.
2. 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.
3. During the Issue Period, Applicants (other than QIBs) who are interested in subscribing to the Equity Shares should approach the Bankers to the Issue or their authorised agents to register their application. The Bankers to the Issue 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. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to any Banker to the Issue or the SCSBs (in case of ASBA Applicants). Submission of a second Application Form to either the same or to another Banker to the Issue or the SCSB 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.
5. The Bankers to the Issue / the SCSBs will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the Applicant.
6. Along with the Application Form, all Applicants (other than ASBA Applicants) will make payment in the manner described under “Payment into Escrow Account for Applicants other than ASBA Applicants” on page 264 of this Prospectus.
7. Upon receipt of the Application Form, 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, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such applications and shall not upload such applications with the Stock Exchange.

9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until 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.

## **ESCROW MECHANISM, TERMS OF PAYMENT AND PAYMENT INTO THE ESCROW ACCOUNTS**

### **Terms of Payment**

1. The entire Issue price of Rs. 19.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Company shall refund the excess amount paid on Application to the Applicants.

### **Escrow Mechanism for Applicants other than ASBA Applicants**

Our Company, Registrar to the Issue and the Escrow Collection Banks shall enter into an Escrow Agreement pursuant to which Escrow Account(s) with one or more Escrow Collection Bank(s) will be opened in whose favour the Applicants shall make out the cheque or demand draft in respect of his or her application. Cheques or demand drafts received for the full Application Amount from Applicants would be deposited in the Escrow Account. Please note that escrow mechanism is applicable only to Applicants applying by way of non ASBA process.

The Escrow Collection Banks will act in terms of the Prospectus and the Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Applicants shall maintain the monies in the Escrow Account until the Designated Date. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and this Prospectus.

The Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment mechanism for ASBA Applicants**

The ASBA 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/DIL/1/2011 dated April 29, 2011, all Applicants who are Non Retail Applicants or are applying in this Issue for Equity Shares for an amount exceeding Rs. 2,00,000 shall mandatorily make use of ASBA facility.

### **Payment into Escrow Account for Applicants other than ASBA Applicants**

Each Applicant shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the amount payable on the application as per the following terms:

1. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form.
2. The Applicants (excluding ASBA Applicants) shall, with the submission of the Application Form, draw a payment instrument for the Application Amount in favour of the Escrow Account and submit the same to the Bankers to the Issue. If the payment is not made favouring the Escrow Account along with the Application Form, the application of the Applicant shall be rejected.
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
  - a. In case of Resident Retail Applicants: "Jiya Eco-Products Limited - R"
  - b. In case of Non Resident Retail Applicants: "Jiya Eco-Products Limited - NR"
4. In case of applications by Eligible NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of an NRO Account of Non-Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
5. In case of applications by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an NRO Account of a Non-Resident Applicant applying on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

6. In case of applications by FIIs/FVCIs/multilateral and bilateral financial institutions, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
7. The monies deposited in the Escrow Account will be held for the benefit of the Applicants (other than the ASBA Applicants) till the Designated Date.
8. On the Designated Date, the Escrow Collection Bank shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
9. Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/stockinvest/money orders/postal orders will not be accepted.
10. Payments made through cheques without the Magnetic Ink Character Recognition (MICR) code will be rejected.
11. Applicants are advised to provide the number of the Application Form on the reverse of the cheque or bank draft to avoid misuse of instruments submitted with the Application Form.
12. In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres in separate clearing session. This separate clearing session will operate thrice a week up to April 30, 2014, thereafter twice a week up to October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Issue Closing Date.

#### **ELECTRONIC REGISTRATION OF APPLICATIONS**

1. The SCSBs will register the applications using the on-line facilities of the Stock Exchange.
2. The SCSBs will undertake modification of selected fields in the application details already uploaded within one Working Day from the Issue Closing Date.
3. The SCSBs shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by the Bankers to the Issue and the SCSBs, (ii) the applications uploaded by the SCSBs, (iii) the applications accepted but not uploaded by the SCSBs or (iv) with respect to applications by ASBA Applicants, applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by the SCSBs, the Application Amount has been blocked in the relevant ASBA Account. With respect to applications by ASBA Applicants, the Designated Branch of the relevant SCSB, which receives the relevant schedule (along with Application Forms), will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by a Banker to the Issue or the SCSBs, (ii) the applications uploaded by the SCSBs or (iii) the applications accepted but not uploaded by the SCSBs.
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 SCSBs and their authorized agents during the Issue Period. The Designated Branches of the SCSBs 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 Designated Branches of SCSBs 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 ASBA Applicants, at the time of registering such applications, the Designated Branches of the SCSBs shall enter the following information pertaining to the ASBA 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;
  - Cheque Details in case of Applications other than ASBA Application and Bank Account details in case of ASBA Applicants;
  - Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.

In case of submission of the Application by an ASBA Applicant through the Electronic Mode, the ASBA Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

7. A system generated TRS will be given to the Applicant as a proof of the registration of the application. It is the Applicant's responsibility to obtain the TRS from the Designated Branches. The registration of the Application by the Designated Branches does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
8. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
9. 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 SCSBs shall have no right to reject applications, except on technical grounds.
10. 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.

11. The SCSBs will be given up to one day after the Issue Closing Date to verify the 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.
12. 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 1,26,000 Equity Shares shall be reserved for Market Maker. 11,46,000 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 QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of 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**

1. Our Company has entered into an Underwriting agreement dated February 24, 2015.
2. A copy of the Prospectus is 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 Managers 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;
- With respect to ASBA Applications 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 TRS;
- Non retail applicants should submit their applications through the ASBA process only.

### **Don'ts:**

- 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 Selected Branches / Offices of the Banker to the Issue.
- 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 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. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at Gujarat.

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 BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com).

### **Applicant's Depository Account and Bank Details**

***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.***

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, 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 Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants sole risk and neither the LMs or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. 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.

**Refund orders/allocation advice would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ allocation advice may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicant's sole risk and neither our Company nor the Escrow Collection Banks, the Registrar to the Issue or the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.**

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In case no corresponding record is available with the Depositories, which matches the three parameters, namely, PAN of the sole/First Applicant (including the order of names of joint holders), the DP ID and the beneficiary's identity, then such applications are liable to be rejected.

#### **SUBMISSION OF APPLICATION FORM**

**All Application Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the Bankers to the Issue at the time of submission of the application. With respect to the ASBA Applicants, the Application Form shall be submitted to the Designated Branches of the SCSBs.**

**No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as a duplicate of the Application Form for the records of the Applicant.**

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#### **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 Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank 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, refund orders etc.**

#### **DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY**

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) 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.

In case of Applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 15 working days of Issue Closing Date, giving details of the Bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 7 working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment of Equity Shares shall be made within 15 (Fifteen) days of the Issue Closing Date;
2. Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (Fifteen) days of the Issue Closing Date would be ensured; and
3. The Company shall pay interest at 15% p.a. for any delay beyond the 15 (Fifteen) working days from the Issue Closing Date, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 15 (Fifteen) days prescribed above.
4. The Company will provide adequate funds required for dispatch of refund orders or Allotment Advice to the Registrar to the Issue. Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Applications are received. Bank charges, if any, for en-cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants

## 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

We 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 within seven Working Days of finalization of the Basis of Allotment or twelve (12) Working Days from the Issue Closing Date, whichever is earlier;
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 where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoters' contribution in full has already been brought in;
6. That the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time;
7. 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
8. That, adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the Basis of Allotment.
9. **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.**

## 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 Clause 52 of the SME Listing Agreement 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.

#### **EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated February 23, 2015 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated January 21, 2015 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN No. INE023S01016.

## 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 Draft Prospectus/Prospectus before investing in the Issue.*

#### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through 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](http://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 of 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 being made under Regulation 106M (1) 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 (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 (1) 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 73 of the Companies Act, 1956
- (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 Issuer shall not have Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.
- (f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 1 crore as per the latest audited financial results.
- (g) The Issuer should have a track record of distributable profits in terms of section 205 of Companies Act for two out of immediately preceding three financial years or it should have net worth of at least Rs. 3 Crores.
- (h) The Post-issue paid up capital of the Issuer shall be at least Rs. 1 Crore.

- (i) The Issuer shall mandatorily facilitate trading in demat securities.
- (j) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (k) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Issuer.
- (l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (m) The Company should have a website

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) 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 this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE 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 Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## 2.4 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

## 2.5 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

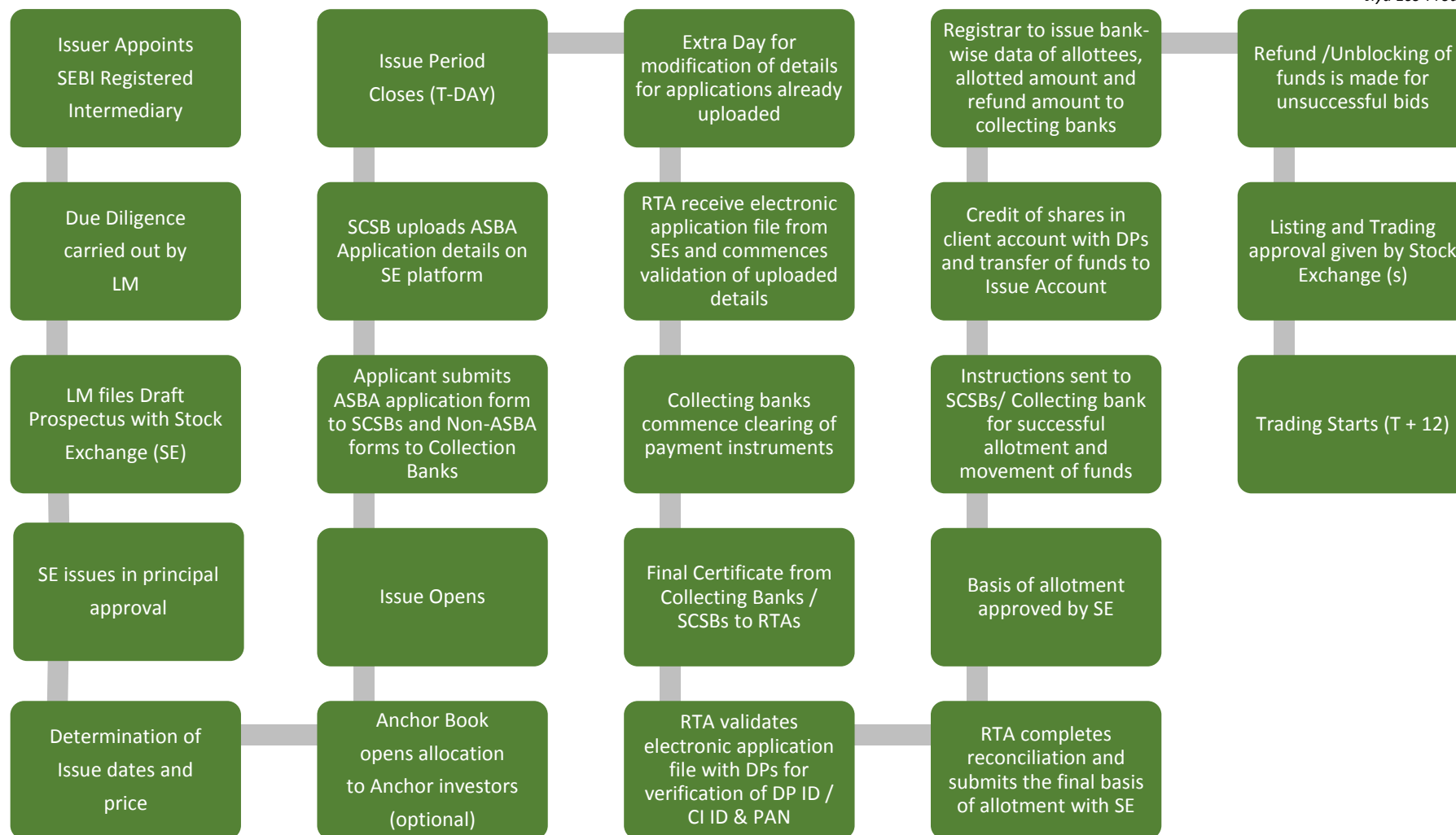
- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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.

## 2.6 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:

- 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 as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- 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;
- Mutual Funds registered with SEBI;
- 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;
- 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);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- 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 Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs, at the corporate office of the Issuer and at the 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 rematerialised 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:

R Application Form

COMMON APPLICATION FORM FOR ABSE / NON-ABSE		JIYA ECO-PRODUCTS LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIANS & OIBs ELIGIBLE WHILE APPLYING ON NON-REPATRIATION BASIS	
<b>To,</b> <b>The Board of Directors</b> <b>JIYA ECO-PRODUCTS LIMITED</b>		<b>FIXED PRICE SME ISSUE</b> <b>INE023S01016</b>		<b>Date:</b> _____ <b>Application Form No.</b> _____	
<b>BROKER'S / AGENT'S STAMP &amp; CODE</b>  <b>BANK BRANCH STAMP &amp; CODE</b>  <b>REGISTRAR'S SERIAL NO.</b>		<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>  <b>BANK BRANCH SERIAL NO.</b>   		<b>1. NAME &amp; CONTACT DETAILS of Sole/First Applicant</b> Mr. / Ms. _____ _____ Address _____ _____ City _____ Pin No. (PIN/STD code) / Mobile _____ <b>2. PAN OF SOLE/First Applicant</b> _____	
<b>3. INVESTOR'S BANK/DEBIT ACCOUNT DETAILS</b> <input type="checkbox"/> NRE/ <input type="checkbox"/> NRI/ <input type="checkbox"/> CoB				<b>4. Investor Details</b> <input type="checkbox"/> Individual <input type="checkbox"/> HUF <input type="checkbox"/> CO <input type="checkbox"/> FI <input type="checkbox"/> NP <input type="checkbox"/> MF <input type="checkbox"/> IF <input type="checkbox"/> IC <input type="checkbox"/> VC <input type="checkbox"/> OTH	
<b>5. APPLICATION DETAILS</b> No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. of Rs. 15/- per share * (In Figures) _____ (In Words) _____ Option to receive securities in demat or physical form? (Please tick any one) <input type="checkbox"/> Demat <input type="checkbox"/> Physical <input type="checkbox"/>				<b>6. Certification</b> <input type="checkbox"/> I am individual <input type="checkbox"/> Non-resident <input type="checkbox"/> OIB	
<b>7. Payment Details</b> (Please tick (✓) any one of payment option A or B below) <b>Payment Option : Full Payment</b> Amount Paid (Rs. in figures) _____ (Rs. in words) _____ <input type="checkbox"/> (a) Cheque / Demand Draft (DD) <input type="checkbox"/> (b) A/c Debit Cheque/DD No. _____ Date: ____/____/____ Bank A/c No. _____ Drawn on (Bank Name & Branch) _____ Bank Name & Branch _____				<b>8. Signature of SOLE / First Applicant</b> _____ Date: _____, 2015	
<b>9. Signature of ABSE Bank Account Holder(s)</b> (All ABSE Bank Account(s) for ABSE Option Only) (We/We are the sole signatory/ies for the application) _____ 1) _____ 2) _____ 3) _____				<b>Bank Branch/ID Stamp</b>  <b>Payment Option (Demat/Physical)</b> Payment through NRE/ NRI/ COB/ OIB of the Director whose account is maintained _____	
TEAM HERE					
<b>JIYA ECO-PRODUCTS LIMITED - PUBLIC ISSUE - R</b>					
<b>ACKNOWLEDGMENT Slip for ICSSB</b>					
<b>Application Form No.</b> _____					
<b>Received from Mr./Ms.</b> _____ <b>Address</b> _____ <b>Telephone / Mobile</b> _____ (E-mail) _____					
<b>No. of Equity Shares applied for</b> in figures _____ in words _____ <b>Cheque / Demand Draft drawn</b> _____ <b>Instrument No./ABSE Bank A/c No.</b> _____ <b>Drawn on (Name of Bank &amp; Branch)</b> _____					
TEAM HERE					
<b>Stamp &amp; Signature of ICSSB</b>					
<b>Name of Sole / First Applicant</b> _____ <b>Acknowledgment Slip for Applicant</b> <b>Application Form No.</b> _____					

## NR Application Form

<b>COMMON APPLICATION FORM</b> FOR ABBE / NON-ABBE	<b>JIYA ECO-PRODUCTS LIMITED - PUBLIC ISSUE - NR</b>	FOR NRFL, PFL, PVO ETC. APPLYING ON A REGISTRATION BASIS
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**To,**  
The Board of Directors  
**JIYA ECO-PRODUCTS LIMITED**

FIXED PRICE SME ISSUE

INE023501016

Date: \_\_\_\_\_  
 Application Form No. \_\_\_\_\_

<b>BROKER'S / AGENT'S STAMP &amp; CODE</b>  <b>BANK BRANCH STAMP &amp; CODE</b>  <b>REGISTRAR'S SERIAL NO.</b>	<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>  <b>BANK BRANCH SERIAL NO.</b>	<b>1. NAME &amp; CONTACT DETAILS of Broker/Agent or Broker/Agent Applicant</b> Mr. / Mrs. _____ Age _____ Address _____ Email _____ Tel. No. (with STD code) / Mobile _____ <b>2. NAME OF SUB-PRINTER APPLICANT</b> _____
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<b>3. INVESTOR'S DISCLOSURE OF ACCOUNT DETAILS</b> <input type="checkbox"/> NRFL <input type="checkbox"/> PFL <input type="checkbox"/> COFL For NRFL enter 8 digit DP ID followed by 8 digit Client ID / For COFL enter 16 digit Client ID. <b>4. APPLICATION DETAILS</b> No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 15/- per share * (In Figures) _____ (In Words) _____ Option to receive interest income in DEMAT or PHYSICAL FORM? (Please tick any one) Demat <input type="checkbox"/> Physical <input type="checkbox"/> <small>* PLEASE note that applications must be made in multiples of 100 shares and further multiples of 100 shares accordingly.          * PLEASE note that the trading of equity shares will be only in dematerialized mode on the SME Platform of BSE.</small>	<b>5. CERTIFICATION</b> <input type="checkbox"/> I am an individual <input type="checkbox"/> I am a firm <input type="checkbox"/> I am a company
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<b>6. Investor Status</b> <input type="checkbox"/> Non-Resident Indian (Registration basis) NR <input type="checkbox"/> Foreign Institutional Investor FI <input type="checkbox"/> Foreign Venture Capital Investor FVCI <input type="checkbox"/> FI Sub-Account Corporate/Individual FI SA <input type="checkbox"/> Other (Please Specify) OTH	
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<b>7. PAYMENT DETAILS (Please tick any one of payment option A or B below)</b> <b>Payment Option A: Post Payment</b> Amount Paid (Rs. in Figure) _____ (Rs. in Words) _____ <input type="checkbox"/> (a) Cheque / Demand Draft (DD) Cheque/DD No. _____ Date: ____/____/____ Drawn on (Bank Name & Branch) _____ <input type="checkbox"/> (b) ABBE Bank A/c No. _____ Bank Name & Branch _____	
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(I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT (WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORMS AND HEREBY AGREE AND CONFIRM THE TRUTHFUL UNDERSTANDING OF THE INFORMATION) (I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT (WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE APPLICATION FORM GIVEN DISCLOSED).

<b>8. SIGNATURE OF BROKER/AGENT APPLICANT</b>  Date: _____ 2015	<b>9. SIGNATURE OF ABBE BANK ACCOUNT HOLDER (or) ABBE BANK BRANCH OFFICE (or) ABBE BANK BRANCH OFFICE)</b> <small>(The address to which all ABBE related correspondence should be sent to)</small> 1) _____ 2) _____ 3) _____	<b>BANK BRANCH STAMP</b>  <b>ABBREVIATION (OPTIONAL)</b> Mutual through ABBE ABBE Code of the Branch where account is maintained
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**TEAR HERE**

<b>JIYA ECO-PRODUCTS LIMITED - PUBLIC ISSUE - NR</b>	<b>Acknowledgment Slip for ABBE</b>
DPO / Clerk _____ Received from NRFL _____ Address _____ Telephone / Mobile _____ (E-mail) _____	No. of Equity Shares applied for In Figure _____ In Words _____ Cheque / Demand Draft (DD) _____ Instrument No./ABBE Bank A/c No. _____ Drawn on (Name of Bank & Branch) _____ <b>Stamp &amp; Signature of ABBE</b> Name of flow / Joint Applicant _____ <b>Acknowledgment Slip for Applicant</b> Application Form No. _____

**JIYA ECO-PRODUCTS LIMITED - PUBLIC ISSUE - NR**

FIXED PRICE SME ISSUE

INE023501016

Date: \_\_\_\_\_  
 Application Form No. \_\_\_\_\_

<b>BROKER'S / AGENT'S STAMP &amp; CODE</b>  <b>BANK BRANCH STAMP &amp; CODE</b>  <b>REGISTRAR'S SERIAL NO.</b>	<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>  <b>BANK BRANCH SERIAL NO.</b>	<b>1. NAME &amp; CONTACT DETAILS of Broker/Agent or Broker/Agent Applicant</b> Mr. / Mrs. _____ Age _____ Address _____ Email _____ Tel. No. (with STD code) / Mobile _____ <b>2. NAME OF SUB-PRINTER APPLICANT</b> _____
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<b>3. INVESTOR'S DISCLOSURE OF ACCOUNT DETAILS</b> <input type="checkbox"/> NRFL <input type="checkbox"/> PFL <input type="checkbox"/> COFL For NRFL enter 8 digit DP ID followed by 8 digit Client ID / For COFL enter 16 digit Client ID. <b>4. APPLICATION DETAILS</b> No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 15/- per share * (In Figures) _____ (In Words) _____ Option to receive interest income in DEMAT or PHYSICAL FORM? (Please tick any one) Demat <input type="checkbox"/> Physical <input type="checkbox"/> <small>* PLEASE note that applications must be made in multiples of 100 shares and further multiples of 100 shares accordingly.          * PLEASE note that the trading of equity shares will be only in dematerialized mode on the SME Platform of BSE.</small>	<b>5. CERTIFICATION</b> <input type="checkbox"/> I am an individual <input type="checkbox"/> I am a firm <input type="checkbox"/> I am a company
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<b>6. Investor Status</b> <input type="checkbox"/> Non-Resident Indian (Registration basis) NR <input type="checkbox"/> Foreign Institutional Investor FI <input type="checkbox"/> Foreign Venture Capital Investor FVCI <input type="checkbox"/> FI Sub-Account Corporate/Individual FI SA <input type="checkbox"/> Other (Please Specify) OTH	
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<b>7. PAYMENT DETAILS (Please tick any one of payment option A or B below)</b> <b>Payment Option A: Post Payment</b> Amount Paid (Rs. in Figure) _____ (Rs. in Words) _____ <input type="checkbox"/> (a) Cheque / Demand Draft (DD) Cheque/DD No. _____ Date: ____/____/____ Drawn on (Bank Name & Branch) _____ <input type="checkbox"/> (b) ABBE Bank A/c No. _____ Bank Name & Branch _____	
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(I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT (WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORMS AND HEREBY AGREE AND CONFIRM THE TRUTHFUL UNDERSTANDING OF THE INFORMATION) (I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT (WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE APPLICATION FORM GIVEN DISCLOSED).

<b>8. SIGNATURE OF BROKER/AGENT APPLICANT</b>  Date: _____ 2015	<b>9. SIGNATURE OF ABBE BANK ACCOUNT HOLDER (or) ABBE BANK BRANCH OFFICE (or) ABBE BANK BRANCH OFFICE)</b> <small>(The address to which all ABBE related correspondence should be sent to)</small> 1) _____ 2) _____ 3) _____	<b>BANK BRANCH STAMP</b>  <b>ABBREVIATION (OPTIONAL)</b> Mutual through ABBE ABBE Code of the Branch where account is maintained
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**TEAR HERE**

<b>JIYA ECO-PRODUCTS LIMITED - PUBLIC ISSUE - NR</b>	<b>Acknowledgment Slip for ABBE</b>
DPO / Clerk _____ Received from NRFL _____ Address _____ Telephone / Mobile _____ (E-mail) _____	No. of Equity Shares applied for In Figure _____ In Words _____ Cheque / Demand Draft (DD) _____ Instrument No./ABBE Bank A/c No. _____ Drawn on (Name of Bank & Branch) _____ <b>Stamp &amp; Signature of ABBE</b> Name of flow / Joint Applicant _____ <b>Acknowledgment Slip for Applicant</b> Application Form No. _____

#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in 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 109A of the Companies Act. 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 giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

#### **4.1.4 FIELD NUMBER 4: APPLICATION DETAILS**

- (a) The Issuer may mention Price in the draft 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 6,000 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 6,000 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. 200,000 and in multiples of 6,000 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 this Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB 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) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RILs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RILs and/or Reserved Categories applying in their respective reservation portion can apply, either through the ASBA mechanism or by paying the application amount through a cheque or a demand draft ("Non-ASBA Mechanism").
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- (d) 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 Instructions for non-ASBA Applicants:**

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the application amount in favour of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).
- (c) If the cheque or demand draft accompanying the Application Form is not made favouring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by CTS 2010 compliant cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Non CTS 2010 cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.

- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

#### **4.1.7.2 Payment instructions for ASBA Applicants**

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) 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 ASBA Account, a maximum of five Application Forms can be submitted.
- (f) ASBA 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.
- (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 consequent transfer of the Application Amount against the Allotted Equity Shares 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 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 12 Working Days of the Issue Closing Date.

##### **4.1.8.1 Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) RILs, 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 make payment through 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 ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA 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 an Escrow Collection Bank or SCSB, 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, refund orders, the Applicants should contact the Registrar to the Issue.
  - ii. In case of ASBA 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 -
  - i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
  - ii. In case of Non-ASBA applications cheque or draft number and the name of the issuing bank thereof
  - iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

#### 4.2 INSTRUCTIONS FOR FILING THE 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 their applications till closure of the Issue period or withdraw their applications until finalization of allotment.
- (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:

COMMON RECEISSION FORM FOR ABSA / NON-ABSA		<b>JIYA ECO-PRODUCTS LIMITED - PUBLIC ISSUE - R</b>		FOR RECESSION THROUGH CDSB, SUGGESTED WHEN APPLICABLE ON NON-ABSA INSTITUTION BASIS	
<b>To, The Board of Directors JIYA ECO-PRODUCTS LIMITED</b>		<b>FIXED PRICE SME ISSUE</b> <b>INE023501016</b>		Application Form No. _____	
<b>BROKERS / AGENT'S STAMP &amp; CODE</b>		<b>SUB-BROKERS / SUB-AGENT'S STAMP &amp; CODE</b>		<b>1. NAME &amp; CONTACT DETAILS OF SOLE/JOINT APPLICANT</b> No. / Tel. _____ Fax / Mobile _____ E-mail _____ 2. NAME OF SOLE/JOINT APPLICANT _____ 3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS: <input type="checkbox"/> HELD <input type="checkbox"/> CDSB For NEOL, use 5 digit ID followed by 4 digit Client ID / For CDSB, use 16 digit Client ID _____	
<b>BANK BRANCH STAMP &amp; CODE</b>		<b>BANK BRANCH SERIAL NO.</b>		<b>REGISTRAR'S SERIAL NO.</b>	
<b>4. PRICE (as per lot application or otherwise)</b>					
<b>Options:</b>		<b>NO. of Equity Shares applied</b> <b>(Application must be in multiples of 500 equity shares)</b> (in figures)		<b>PRICE PER EQUITY SHARE (R)</b> (in figures)	
Option 1 (One Option 2) (One Option 3)		Issue Price Discount, if any Net Price		Issue Price Discount, if any Net Price	
<b>5. NO. of Shares applied</b>		<b>NO. of Equity Shares applied</b> <b>(Application must be in multiples of 500 equity shares)</b> (in figures)		<b>PRICE PER EQUITY SHARE (R)</b> (in figures)	
Option 1 (One Option 2) (One Option 3)		Issue Price Discount, if any Net Price		Issue Price Discount, if any Net Price	
<b>6. Investor details: please tick (✓) any one or payment option A or B below</b>					
<b>Additional Amount Paid (R in figures)</b> _____ (R in words) _____					
<input type="checkbox"/> (a) CHEQUE / DEMAND DRAFT (DD)					
<input type="checkbox"/> (b) ABSA					
Cheque / DD no. _____ Date: _____ Bank name & Branch: _____					
Bank name & Branch: _____					
(I/WE, ON BEHALF OF JOINT APPLICANT, I/WE HEREBY CONFIRM THAT I/WE HAVE READ AND AGREE TO THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM SLIDE HEREIN, AGREE AND CONFIRM THE APPLICANT'S UNDERSTANDING OF THE DISCLOSURE (I/WE, ON BEHALF OF JOINT APPLICANT, I/WE HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE APPLICATION FORM (I/WE) DISCLOSURE.					
<b>7. A. SIGNATURE OF SOLE / JOINT APPLICANT</b>		<b>7. B. SIGNATURE OF ABSA BANK ACCOUNT HOLDER(S)</b> (All holders of ABSA Bank Account must sign)		<b>7. C. SIGNATURE OF CDSB / SUGGESTED WHEN APPLICABLE ON NON-ABSA INSTITUTION BASIS</b>	
Date: _____ 2015		Date: _____		Date: _____	
<b>TEAR HERE</b>					
<b>JIYA ECO-PRODUCTS LIMITED - PUBLIC ISSUE - R</b>		<b>ACKNOWLEDGMENT Slip for CDSB</b>		<b>Application Form No.</b>	
<b>Additional amount paid (R in figures)</b> _____		<b>Bank &amp; Branch</b> _____		<b>Stamp &amp; Signature of Banker</b>	
<b>Cheque / dd/ABSA Bank a/c no.</b> _____		<b>Received from ABSA</b> _____		<b>Telephone / mobile</b> _____	
<b>Signature / initials</b> _____		<b>Email</b> _____		<b>TEAR HERE</b>	
<b>JIYA ECO-PRODUCTS LIMITED - PUBLIC ISSUE - R</b>		<b>ACKNOWLEDGMENT OF SYNDICATE MEMBER - (CDSB)</b>		<b>NAME OF SOLE / JOINT APPLICANT</b>	
<b>Issue Equity Shares</b> _____		<b>Issue Price</b> _____		<b>Additional amount paid (R in figures)</b> _____	
<b>Cheque / dd/ABSA Bank a/c no.</b> _____		<b>Bank &amp; Branch</b> _____		<b>ACKNOWLEDGMENT Slip for Applicant</b>	
<b>Application Form No.</b> _____		<b>Application Form No.</b> _____		<b>Application Form No.</b> _____	



#### **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) With respect to the applications, other than applications submitted by ASBA Applicants, any revision of the application should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the application.
- (b) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (c) In case of applications submitted by ASBA Applicant, 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
Non-ASBA Application	Collection Centres of Escrow Banks
ASBA Application	To the Designated branches of the SCSBs where the ASBA Account is maintained

Applicants should submit the application forms/ Revision Form directly to the escrow collection banks/ASBA Bankers, as applicable.

## **SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

### **5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE**

As the 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 SCSB and/or

Bankers to the Issue.

ASBA Applicants may submit an Application Form either in physical form to the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs 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.

## **5.2 GROUNDS OF REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, 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 including minors, insane persons;
- 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 6,000;
- Category not ticked;
- Multiple Applications as defined in this 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;
- 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 where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- 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 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 BSE

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 BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

## **SECTION 6: 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 SME Platform of BSE (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 6,000 equity shares the allotment will be made as follows:
  - i. Each successful Applicant shall be allotted 6,000 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 6,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 6,000 equity shares subject to a minimum allotment of 6,000 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 6,000 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 BSE.

The Executive Director / Managing Director of BSE - 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 Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus.
- (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) credit of shares to the successful Applicants Depository Account will be completed within 12 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 two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to 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 12 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 12 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 been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If 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 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

- (a) **In case of ASBA Applications:** Within 12 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.
- (b) **In case of Non-ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Applicants and also for any excess amount paid on Application, after adjusting for allocation/ allotment to Applicants.
- (c) In case of non-ASBA Applicants, the Registrar to the Issue may obtain from the depositories the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Applicants in their Application Forms for refunds. Accordingly, Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.
- (d) In the case of applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

#### 8.3.1 Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centres specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Applicant as obtained from the Depository;
- (b) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (c) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where

clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

- (e) For all the other Applicants, including Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where applications are received.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc. Applicants are requested to contact their respective Banks.

#### **8.3.2 Mode of making refunds for ASBA Applicants**

In case of ASBA Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

#### **8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 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 Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/(ASBA)/ASBA	An application, whether physical or electronic, used by 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 of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
ASBA Applicant	Prospective /Applicants in the Issue who apply through ASBA
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) 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
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.
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

Term	Description
	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
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to an Applicant should be construed to mean an Bidder/ Applicant
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 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 extent notified)
DP	Depository Participant
DP ID	Depository Participant's Identification Number
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- <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a>
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund 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	The designated stock exchange as disclosed in the Prospectus of the Issuer

Term	Description
Exchange	
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI 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 promoters and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Applicants (excluding the ASBA /Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the A applicant Amounts and where applicable, remitting refunds of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
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 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

Term	Description
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 RHP/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. 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, 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
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
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
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category 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
Refund Account(s) Refund Bank(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/ Applicants), if any, of the whole or part of the Application Amount may be made Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion

Term	Description
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. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue 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 <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
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 of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our Company



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular 1 of 2014, with effect from April 17, 2014 ("Circular 1 of 2014"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Circular 1 of 2014 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectorial limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

**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 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. However the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of 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.**

## SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, *inter alia*, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles

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:	
	"The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	"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
	"Auditors" means and includes those persons appointed as such for the time being of the Company.	Auditors
	"Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	"The Company" shall mean Jiya Eco-Products Limited	The Company
	"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	Executor or Administrator

Sr. No	Particulars	
	section 31 of the Administrator General Act, 1963.	
	"Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	Words importing the masculine gender also include the feminine gender.	Gender
	"In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	"Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting
	"Month" means a calendar month.	Month
	"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
	"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
	"National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	"Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	"Office" means the registered Office for the time being of the Company.	Office
	"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	"Person" shall be deemed to include corporations and firms as well as individuals.	Person
	"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
	"The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.	Register of Members
	"Seal" means the common seal for the time being of the Company.	Seal
	"Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	Special Resolution
	Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	"The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes

Sr. No	Particulars	
	“These presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	“Variation” shall include abrogation; and “vary” shall include abrogate.	Variation
	“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.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V (a) of Memorandum of Association of the Company from time to time.	Authorized Capital.
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time 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 64 of the Act.	Increase of capital by the 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	Non Voting Shares

Sr. No	Particulars	
	capital by way of non-voting Shares at price(s) premium, 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.	
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.	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect:</p> <p>(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;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(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;</p> <p>(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</p> <p>(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</p>	Provisions to apply on issue of Redeemable Preference Shares

Sr. No	Particulars	
	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, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called 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 54 of 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 called.	ESOP
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 61 of the Act, the Company in general meeting may, from time to time, sub-	Consolidation, Sub-Division And Cancellation

Sr. No	Particulars	
	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.	
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder 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 thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	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. 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
19.	(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.
20.	Subject to the provisions of Section 62 of the Act and these	Shares at the disposal of the

Sr. No	Particulars	
	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.
21.	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.
22.	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 subdivided. 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.
23.	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.
24.	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	Directors may allot shares as full paid-up



Sr. No	Particulars	
	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.	
25.	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.
26.	Every Member, or his heirs, executors, administrators, or 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.	Liability of Members.
27.	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	
28.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
29.	(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	Share Certificates.

Sr. No	Particulars	
	<p>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 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.</p> <p>(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.</p> <p>(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.</p>	
30.	<p>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</p>	<p>Issue of new certificates in place of those defaced, lost or destroyed.</p>

Sr. No	Particulars	
	<p>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.</p> <p>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.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	
31.	(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 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.	The first named joint holder deemed Sole holder.
	(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.
32.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, 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 recognize any interest in share other than that of registered holders.
33.	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.

Sr. No	Particulars	
	UNDERWRITING AND BROKERAGE	
34.	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
35.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
36.	(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. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	Directors may make calls
37.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
38.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing 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.
39.	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.

Sr. No	Particulars	
40.	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.
41.	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.
42.	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.
43.	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, it 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 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.	Proof on trial of suit for money due on shares.
44.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any	Judgment, decree, partial payment suo motto

Sr. No	Particulars	
	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.	proceed for forfeiture.
45.	<p>(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.</p> <p>(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.</p>	Payments in Anticipation of calls may carry interest
	LIEN	
46.	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	Company to have Lien on shares.

Sr. No	Particulars	
	shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	
47.	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 authorize 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.
48.	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.
	<b>FORFEITURE AND SURRENDER OF SHARES</b>	
49.	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	If call or installment not paid, notice may be given.



Sr. No	Particulars	
	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.	
50.	<p>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 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.</p> <p>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.</p>	Terms of notice.
51.	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.
52.	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
53.	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 may be sold etc.
54.	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.



Sr. No	Particulars	
55.	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.
56.	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.
57.	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 of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
58.	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.
59.	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.
60.	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	Validity of sale

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	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.	
61.	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	
62.	(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. (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.
63.	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. The instrument of transfer shall be in a common form approved by the Exchange;	Transfer Form.
64.	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	Transfer not to be registered except on production of instrument of transfer.

Sr. No	Particulars	
	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.	
65.	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— (a) any transfer of shares on which the company has a lien.	Directors may refuse to register transfer.
66.	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.
67.	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.
68.	The Board of Directors shall have power on giving not less than seven days previous 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 debenture holder or other security holders.
69.	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.
70.	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.
71.	For this purpose the notice to the transferee shall be deemed	Notice to transferee.

Sr. No	Particulars	
	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.	
72.	<p>(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. Before recognizing 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.</p> <p>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</p> <p>(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.</p>	Recognition of legal representative.
73.	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 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 72 of the Companies Act.	Titles of Shares of deceased Member

Sr. No	Particulars	
74.	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
75.	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).
76.	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.
77.	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.
78.	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	Company not liable for disregard of a notice prohibiting registration of transfer.

Sr. No	Particulars	
	prohibiting registration of such transfer, 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.	
79.	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 SH4 hereof as circumstances permit.	Form of transfer Outside India.
80.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	<b>NOMINATION</b>	
81.	<p>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, 2013 shall apply in respect of such nomination.</p> <p>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 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If 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.</p>	Nomination
82.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- to be registered himself as holder of the security, as the case may be; or to make such transfer of the security, as the case may be, as the deceased security holder, could have made;	Transmission of Securities by nominee

Sr. No	Particulars	
	<p>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;</p> <p>a nominee shall be entitled to the same dividends and 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.</p> <p>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.</p>	
	DEMATERIALISATION OF SHARES	
83.	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	
84.	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
85.	(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	Receipts of one sufficient.



Sr. No	Particulars	
	give effectual receipts of any dividends or other moneys payable in respect of share; and	
	(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	
86.	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 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.	Power to issue share warrants
87.	(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. (b) Not more than one person shall be recognized as depositor of the Share warrant. The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	Deposit of share warrants
88.	(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. 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	Privileges and disabilities of the holders of share warrant



Sr. No	Particulars	
	Company.	
89.	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	
90.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion.
91.	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.
92.	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 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.	Rights of stock holders.
93.	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	
94.	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 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	Power to borrow.

Sr. No	Particulars	
	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.	
95.	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.
96.	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, charge, 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 undertaken by the Company or any person or Company as the case may be.	Securing payment or repayment of Moneys borrowed.
97.	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.
98.	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	Mortgage of uncalled Capital.

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	calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	
99.	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 surety 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	
100.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
101.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of	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
102.	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.
103.	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 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 of General Meeting

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	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.	
104.	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.
105.	<p>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.</p> <p>No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>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.</p> <p>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.</p>	Chairman with consent may adjourn meeting.
106.	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.
107.	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.
108.	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	
109.	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.
110.	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	Number of votes each member entitled.

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	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 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.	
111.	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.
112.	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
113.	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
114.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
115.	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	Votes of joint members.

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	<p>deemed joint holders thereof.</p> <p>For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	
116.	<p>Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorized as mentioned in Articles</p>	<p>Votes may be given by proxy or by representative</p>
117.	<p>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) authorize 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 Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorized 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.</p>	<p>Representation of a body corporate.</p>
118.	<p>(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.</p>	<p>Members paying money in advance.</p>
	<p>(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.</p>	<p>Members not prohibited if share not held for any specified period.</p>
119.	<p>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 indemnity (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.</p>	<p>Votes in respect of shares of deceased or insolvent members.</p>
120.	<p>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 Authorized 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</p>	<p>No votes by proxy on show of hands.</p>

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	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.	
121.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding 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.
122.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
123.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death 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.	Validity of votes given by proxy notwithstanding death of a member.
124.	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.
125.	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.
	<b>DIRECTORS</b>	
126.	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
127.	81. The following shall be the First Directors of the Company: a. Harshadkumar Manjibhai Monpara b. Yogeshkumar Chimanlal Patel c. Bhavesh Jivrajbhai Kakadiya	First Directors



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128.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
129.	<p>(a) Subject to the provisions of the Companies Act, 2013 and 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</p> <p>(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.</p> <p>(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.</p> <p>(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.</p>	Nominee Directors.
130.	The Board may appoint an Alternate Director to act for a 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.	Appointment of alternate Director.
131.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any	Additional Director



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	other person to be an Additional Director. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting.	
132.	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 up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors' power to fill casual vacancies.
133.	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.
134.	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	
135.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (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.
136.	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 Directors then present to preside at the meeting. 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.	Chairperson
137.	Questions arising at any meeting of the Board of Directors	Questions at Board meeting

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	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.	how decided.
138.	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
139.	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.
140.	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.
141.	A committee may elect a Chairperson of its meetings. 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
142.	A committee may meet and adjourn as it thinks fit. 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
143.	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	Acts of Board or Committee shall be valid notwithstanding defect in

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	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 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.	appointment.
	RETIREMENT AND ROTATION OF DIRECTORS	
144.	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	
145.	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
146.	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
	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 authorized to carry on, in any part of India.	To acquire any property , rights etc.
	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	To take on Lease.

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	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 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 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.	To erect & construct.
	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.
	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.
	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.
	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.
	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such	To accept surrender of shares.

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	terms and conditions as shall be agreed upon.	
	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.
	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 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.	To conduct legal proceedings.
	To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	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.
	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 realize 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.
	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 by way of indemnity.
	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.
	To give to any Director, Officer, or other persons employed	Commission or share in

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	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.	profits.
	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.
	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 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.	Transfer to Reserve Funds.
	To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants,	To appoint and remove officers and other

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	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.	employees.
	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 authorized by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and 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.	To appoint Attorneys.
	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.
	From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and	To make rules.



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	employees.	
	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.
	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.
	To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	To redeem preference shares.	To redeem preference shares.
	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 support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. 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.	
	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	



Sr. No	Particulars	
	<p>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.</p>	
	<p>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.</p> <p>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.</p> <p>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.</p> <p>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 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.</p> <p>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.</p> <p>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.</p> <p>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</p>	

Sr. No	Particulars	
	<p>fluctuating body of persons as aforesaid.</p> <p>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.</p>	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	
147.	<p>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.</p> <p>The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	Powers to appoint Managing/ Whole-time Directors.
148.	<p>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 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.</p>	Remuneration of Managing or Whole-time Director.
149.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day 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.</p> <p>(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</p>	Powers and duties of Managing Director or Whole-time Director.

Sr. No	Particulars	
	<p>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.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(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.</p> <p>(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.</p>	
	CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER	
150.	<p>Subject to the provisions of the Act,—</p> <p>A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think 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;</p> <p>A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>A provision of the Act or these regulations requiring or authorizing 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</p>	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer

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	to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	
	THE SEAL	
151.	<p>(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.</p> <p>(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.</p>	The seal, its custody and use.
152.	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	
153.	<p>(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.</p> <p>(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.</p> <p>(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 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.</p>	Division of profits.
154.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and	The company in General Meeting may declare

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	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.	Dividends.
155.	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. 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
156.	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.
157.	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.
158.	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.
159.	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.
160.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has 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 .
161.	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	
	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.
162.	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.
163.	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.
164.	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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Dividends how remitted.
165.	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.
166.	No unclaimed dividend shall be forfeited and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
	<b>CAPITALIZATION</b>	
167.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(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</p> <p>(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.</p> <p>(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:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and</p>	Capitalization.

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	<p>amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes 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.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	
168.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(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</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(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</p> <p>(b) to authorize 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.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(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.</p>	Fractional Certificates.
169.	<p>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</p>	Inspection of Minutes Books of General Meetings.



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	<p>furnished with copies thereof on payment of regulated charges.</p> <p>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.</p>	
170.	<p>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.</p> <p>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 authorized by the Board or by the company in general meeting.</p>	Inspection of Accounts
	FOREIGN REGISTER	
171.	<p>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.</p>	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
172.	<p>Any document or notice to be served or given by the Company be signed by a Director or such person duly authorized by the Board for such purpose and the signature may be written or printed or lithographed.</p>	Signing of documents & notices to be served or given.
173.	<p>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 Authorized Officer of the Company and need not be under the Common Seal of the Company.</p>	Authentication of documents and proceedings.
	WINDING UP	
174.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(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.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such</p>	



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	<p>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.</p> <p>(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.</p>	
	INDEMNITY	
175.	<p>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 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.</p>	Directors' and others right to indemnity.
176.	<p>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 loss or 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</p>	Not responsible for acts of others

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	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.	
	SECRECY	
177.	(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 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.	Access to property information etc.

## 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 Company located at G-6/7 B, Ruturaj Complex, Opp. A.V. School Ground, Crecent Road Bhavnagar - 364001, Gujarat, India, 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 February 24, 2015 between our Company and the Lead Manager.
2. Agreement dated February 24, 2015 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated February 24, 2015 between our Company, the Lead Manager and Underwriter.
4. Market Making Agreement dated February 24, 2015 between our Company, Market Maker, the Lead Manager.
5. Escrow Agreement dated February 24, 2015 amongst our Company, the Lead Manager, Escrow Collection Bank and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated February 23, 2015
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated January 21, 2015.

#### 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 December 19, 2014 authorizing the Issue
3. Special Resolution of the shareholders passed at the EGM dated January 16, 2015 authorizing the Issue.
4. Statement of Tax Benefits dated February 24, 2015 issued by our Peer Review Auditor, R.T. Jain & Co., Chartered Accountants.
5. Report of the Peer Review Auditor, M/s. R.T. Jain & Co., Chartered Accountants dated February 24, 2015 on the Restated Financial Statements for the period ended December 31, 2014 and Financial Year ended as on March 31, 2012, 2013 and 2014 of our Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditors, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue/Escrow Collection Banks, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from BSE Limited *vide* letter dated March 23, 2015, to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE Limited.

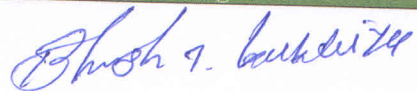
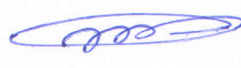

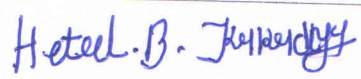
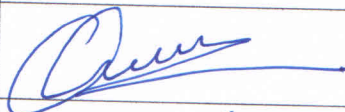
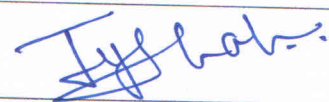
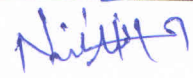
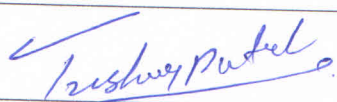
8. Due Diligence Certificate dated February 25, 2015 from Lead Manager to BSE Limited.
9. Copy of the agreement dated December 19, 2014 for appointing Mr. Harshad Monpara and Mr. Bhavesh Kakadiya as Managing Directors of our Company.

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 Prospectus 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
<b>BhaveshKakadiya</b> Managing Director	
<b>HarshadMonpara</b> Managing Director	
<b>Yogesh Patel</b> Non Executive Director	
<b>HetalbenKakadiya</b> Additional Non Executive Director	
<b>NitinbhaiKapadia</b> Independent Director	
<b>Jitenkumar Shah</b> Independent Director	
<b>NimishJani</b> Additional Independent Director	
<b>TusharPatel</b> Additional Independent Director	

Signed by the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company



**VipulVora**  
Chief Financial Officer



**Harshil Shah**  
Company Secretary & Compliance Officer

Place: Bhavnagar

Date: June 22, 2015

# 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	Closing price on listing date	% change in price on listing date (closing) vs issue price	Benchmark index on listing date (closing)	Closing price as on 10 <sup>th</sup> calendar day from listing day	Benchmark index as on 10 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 20 <sup>th</sup> calendar day from listing day	Benchmark index as on 20 <sup>th</sup> calendar day from listing day (closing )	Closing price as on 30 <sup>th</sup> calendar day from listing day	Benchmark index as on 30 <sup>th</sup> calendar day from listing day (closing )
1.	Si. Vi. Shipping Corporation Limited	6.855	25.00	March 06, 2014	26.10	26.10	4.40	21,513.87	36.15	21,832.61	34.80	22,095.30	35.00	22,343.45
2.	Women's Next Loungeries Limited	6.50	65.00	April 21, 2014	67.00	67.50	3.85	22,764.83	70.00	22,403.89	70.00	23,551.00	71.00	24,298.02
3	Ultracab (India) Limited	7.97	36.00	October 10, 2014	38.00	38.05	5.69	26,297.38	38.25	26,429.85	38.00	26,429.85	39.00	27,346.33
4.	Momai Apparels Limited	30.00	78.00	October 16, 2014	78.00	79.70	2.18	7,748.20	86.15	79,91.70	86.15	8,338.30	81.00	8,430.75
5.	Jet Infraventur	4.50	125.00	November 25, 2014	130.00	129.10	3.28	28,338.05	127.15	28,458.10	127.90	27,319.56	128.00	27,241.78

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	Closing price on listing date	% change in price on listing date (closing) vs issue price	Benchmark index on listing date (closing)	Closing price as on 10 <sup>th</sup> calendar day from listing day	Benchmark index as on 10 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 20 <sup>th</sup> calendar day from listing day	Benchmark index as on 20 <sup>th</sup> calendar day from listing day (closing )	Closing price as on 30 <sup>th</sup> calendar day from listing day	Benchmark index as on 30 <sup>th</sup> calendar day from listing day (closing )
	e Limited													
6	Supreme (India) Impex Limited	7.872	60.00	March 31, 2015	62.00	61.30	2.17	8491.00	62.50	8780.35	61.00	8448.10	62.50	8181.50
7	Filtra Consultants and Engineers Limited	3.112	42.00	April 15, 2015	42.80	44.90	6.90	28,799.69	42.00	27,176.99	42.00	27,440.14	43	27,324.00

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://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 10<sup>th</sup>/20<sup>th</sup>/30<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered

## SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on listing date			Nos of IPOs trading at Premium on listing date			Nos of IPOs trading at discount on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> 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%
13-14	1	6.855	-	-	-	-	-	1	-	-	-	-	1	-
14-15	**5	56.844	-	-	-	-	-	5	-	-	-	-	-	5
15-16	***1	3.112						1	-	-	-	-	-	1

\*The scripts of Si. Vi. Shipping Corporation Limited was listed on March 6, 2014.

\*\*The scripts of Women's Next Loungeries Limited, Ultracab (India) Limited, Momai Apparels Limited, Jet Infraventure Limited and Supreme(India) Impex Limited were listed on April 21, 2014, October 10, 2014, October 16, 2014, November 25, 2014, and March 31, 2015

\*\*\*The Scripts of Filtra Consultants and Engineers Limited was listed on April 15, 2015.