**Prospectus**
Dated: November 23, 2017
Read with Section 32 of the Companies Act, 2013
**Book Built Issue**

# AMBITION MICA LIMITED

Our Company was incorporated as "Ambition Mica Private Limited" in Ahmedabad, Gujarat, as a private limited company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 19, 2010 bearing Registration No. 059931 issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli, Ahmedabad. Our Company was converted in to public company vide fresh certificate of incorporation consequent upon conversion from private to public company dated March 25, 2015 issued by Registrar of Companies, Ahmedabad, Gujarat. The shares of our company got listed with the SME platform of BSE Ltd. through Initial Public offer on July 14, 2015. Our corporate identification number is L25202GJ2010PLC059931. For details of incorporation, change of name and Registered Office of our Company, please refer to chapter titled "General Information" and 'Our History and Certain Other Corporate Matters' beginning on page 56 and 145 respectively of this Prospectus.

**Registered Office:** Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330, Gujarat., India.
**Tel. No.:** +91 929292629; **Fax No.:** Not Available
**Contact Person:** Gauravkumar Jani, Company Secretary and Compliance Officer
**Email:** investor@ambitionmica.com; **Website:** www.ambitionmica.com

**PROMOTERS OF OUR COMPANY: VELJIBHAI PATEL AND GOVINDBHAI PATEL**

## THE ISSUE

**FURTHER PUBLIC OFFER CONSISTING OF FRESH ISSUE OF 30,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. 42/- PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF RS. 32/- PER EQUITY SHARE) AGGREGATING RS. 1260.00* LAKHS (THE "ISSUE"), OF WHICH 1,56,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 42/- PER EQUITY SHARE, AGGREGATING RS. 65.52 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 28,44,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 42/- PER EQUITY SHARE, AGGREGATING RS. 1194.48 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 20.10% AND 19.06% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**
**THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT HAS BEEN DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS") AND HAS BEEN ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER BUSINESS STANDARD, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER BUSINESS STANDARD AND ALL EDITIONS OF THE GUJARATI NEWSPAPER WESTERN TIMES, GUJARATI BEING THE REGIONAL LANGUAGE OF THE PLACE WHERE REGISTERED OFFICE OF THE COMPANY IS SITUATED EACH WITH WIDE CIRCULATION, AT LEAST 1 (ONE) WORKING DAY PRIOR TO THE BID/ ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL WAS AVAILABLE TO THE SME PLATFORM OF BSE LIMITED ("BSE SME", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.**

**THE FACE VALUE OF EQUITY SHARES IS RS. 10/- EACH. THE ISSUE PRICE IS RS. 42/- WHICH IS 4.2 TIMES THE FACE VALUE OF THE EQUITY SHARES.**

**In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 276 of this Prospectus. A copy of Prospectus has been delivered to the Registrar of Companies as required under Section 26(4) 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 268 OF THIS PROSPECTUS**

## 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 17 of this Prospectus.

## ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the 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 are already listed on SME Platform of BSE Limited ("BSE"). The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE") in terms of 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, 2009').Our Company has received an In-principle approval letter dated November 03, 2017 from BSE for using its name in this offer document for further listing of our shares on the SME Platform of BSE. For the purpose of this further Issue, BSE will be the Designated Stock Exchange.

| BOOK RUNNING LEAD MANAGERS TO THE ISSUE | | REGISTRAR TO THE ISSUE |
|---|---|---|
| **PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**<br>406-408, Keshava Premises, Behind Family Court,<br>Bandra Kurla Complex, Bandra (East), Mumbai – 400051,<br>Maharashtra, India<br>**Tel**: +91-22 61946719; **Fax**: +91-22 2659 8690<br>**Email:** ipo@pantomathgroup.com<br>**Website:**www.pantomathgroup.com<br>**Investor Grievance Id:** ipo@pantomathgroup.com<br>**Contact Person:** Bharti Ranga<br>**SEBI Registration No:** INM000012110 | **SMALL INDSUTRIES DEVELOPMENT BANK OF INDIA**<br>MSME Development Centre, Plot No. C-11,<br>'G' Block Bandra Kurla Complex,<br>Bandra (East), Mumbai- 400051<br>**Tel:** +91-22 67531100<br>**Fax:** +91-22 67531236<br>**Website:** www.sidbi.in<br>**Email:** sureshrai@sidbi.in<br>**Contact Person:** Suresh Kumar Rai<br>**SEBI Registration No:** INM000012086 | **KARVY COMPUTERSHARE PRIVATE LIMITED**<br>Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 India<br>Toll free No.: 1800 3454 001<br>**Tel:** 040 6716 2222; **Fax:** 040 2343 1551<br>**Email:** einward.ris@karvy.com<br>**Website:** www.karisma.karvy.com<br>**Investor Grievance Id:** ambitionmica.fpo@karvy.com<br>**Contact Person:** M. Murali Krishna<br>**SEBI Registration No.:** INR000000221 |

## ISSUE PROGRAMME

| ISSUE OPENED ON THURSDAY, NOVEMBER 16, 2017 | ISSUE CLOSED ON TUESDAY, NOVEMBER 21, 2017 |
|---|---|

** Subject to finalisation of basis of Allotment*

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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
## DEFINITION AND ABBREVIATION

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings as provided below. References to any legislation, act or regulation shall be to such legislation, act or regulation as amended from time to time. The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "Statement of Tax Benefits", "Financial Statements" and "Main Provisions of the Articles of Association" on pages 99, 172 and 325, respectively, shall have the meaning given to such terms in such sections. In case of any inconsistency between the definitions given below and definitions contained in the General Information Document, the definitions given below shall prevail.

**General Terms**

| Term | Description |
|---|---|
| "Ambition Mica Limited" or "Ambition Mica", or "the Company" ,or "our Company" or "we", "us", "our", or "Issuer" or the "Issuer Company" | Unless the context otherwise requires, refers to Ambition Mica Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 |

**Company Related Terms**

| Term | Description |
|---|---|
| "Articles" or "Articles of Association" or "AOA" | The Articles of Association of our Company, as amended from time to time |
| "Auditor" or "Statutory Auditor" | The statutory auditor of our Company, being M/s Hitesh Gohel & Co., Chartered Accountants |
| Audit Committee | The Audit Committee as constituted vide the Board meeting held on March 28, 2015 |
| Associate Company | "associate company", in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company. |
| Banker to our Company | Such banks which are disclosed as bankers to the Company in the chapter titled '*General Information*' beginning on page 56 of this Prospectus. |
| "Board" or "Board of Directors" or "our Board" | The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company being Gauravkumar Jani |
| 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 unless otherwise specified in the context thereof. |
| Equity Shareholders | Persons/Entities holding Equity Shares of our Company |
| Group Companies | Such companies as are included in the chapter titled "*Our Group Companies"* beginning on page number 167 of this Prospectus |
| ISIN | International Securities Identification Number. In this case being INE563S01011 |
| "Memorandum of Association" or "Memorandum" or "MOA" | The Memorandum of Association of our Company, as amended from time to time |

| Term | Description |
|---|---|
| Manufacturing unit | The manufacturing unit of the Company is situated at Plot No.309, Vehlal Road, Village-Zak, Taluka-Dahegam, District-Gandhinagar, Gujarat, India. |
| Nomination and Remuneration Committee | The Nomination and Remuneration Committee as constituted vide the Board Meeting held on March 28, 2015 |
| Peer Reviewed Auditor | The Peer Reviewed Auditor of our Company means an, Independent Auditor having a valid Peer Review Certificate in our case being N. K. Aswani & Co., Chartered Accountants |
| "Promoter" or "our Promoter" | Promoter of our Company being Veljibhai Patel and Govindbhai Patel |
| Promoter Group | Includes such persons and entities are constituting our promoter group in terms of Regulation 2(1) (zb) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled "*Our Promoter and Promoter Group*" beginning on page 163 of this Prospectus |
| Registered Office | The Registered office of our Company situated at Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330, Gujarat. |
| RoC / Registrar of Companies | Registrar of Companies, Gujarat, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India. |
| Shareholders | Shareholders of our Company |
| Stakeholders Relationship Committee | The Stakeholders Relationship Committee constituted vide Board resolution dated March 28, 2015 |
| you, your or yours | Prospective investors in this Issue |

**Issue Related Terms**

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

| Term | Description |
|---|---|
| | a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity) |
| Bid cum 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 | An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account |
| ASBA Account | An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form |
| ASBA Application Location(s) / Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, and Indore |
| Banker(s) to the Issue/ Public Issue Bank(s) | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled "*Issue Procedure"* beginning on page 276 of this Prospectus. |
| Bid | An indication to make an issue during the Bid Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Prospectus and Bid cum Application Form |
| Bid Amount | The amount at which the bidder makes a bid for Equity Shares of our Company in terms of the Prospectus |
| Bid cum Application Form | The application form in terms of which a Bidder (including an ASBA Bidder) makes a Bid in terms of the Prospectus and which will be considered as an application for Allotment |
| Bid Lot | 3000 Equity shares and in multiples of 3000 Equity Shares thereafter |
| Bid/Issue Closing date | November 21, 2017, the date after which the Syndicate and SCSBs shall not accept any Bids |
| Bid/Issue Opening Date | November 16, 2017, the date on which the Syndicate and SCSBs shall start accepting Bids |
| Bid/Issue Period | The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both the days during which prospective Investors may submit their bids, including any revision thereof. |
| Bid/Issue Price | The price at which the Equity Shares are being issued by our Company under the Prospectus being Rs. 42/- per Equity Share of face value of Rs. 10 each fully paid |
| Bid/Issue Proceeds | Proceeds from the Issue that will be available to our Company, being Rs. 11260.00 Lakhs |
| Bidder | Any prospective investor who intends to bid for Equity Shares in this issue in terms of the Prospectus |
| Bidding Centre(s) | Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs. |
| Book Building Process / Book Building Method | The book building route as provided under Schedule XI of the SEBI (ICDR) Regulations , 2009 in terms of which this Issue is being made |

| Term | Description |
|---|---|
| Book Running Lead Managers / BRLMs | Book Running Lead Managers to the Issue in this case being Pantomath Capital Advisors Private Limited and Small Industries Development Bank of India (SIDBI), SEBI Registered Category I Merchant Bankers |
| Broker Centres | Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of BSE Limited. |
| CAN / Confirmation of Allocation Note | The notice or advice or intimation of Allocation of Equity Shares sent to the successful Bidders ASBA Bidders who have been Allocated Equity Shares upon the discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof |
| BSE Limited | The Bombay Stock Exchange |
| BSE SME | SME Platform of BSE Limited |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account. |
| Collecting Centres | Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs |
| Controlling Branch | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time |
| Cut-off Price | Any price within the Price Band finalised by our Company in consultation with BRLMs. A Bid submitted at Cut-off Price is a valid price at all levels within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price, for a Bid Amount not exceeding Rs 42 No other category of Bidders is entitled to Bid at the Cut-off Price. |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details |
| Depositories | Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996 |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility |
| Designated CDP Locations | Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (www.bseindia.com) and updated from time to time |
| Designated Date | The date on which the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the amount is unblocked in the ASBA Account, as appropriate, after the Issue is |

| Term | Description |
|---|---|
| | closed, following which the Equity Shares shall be allotted to the successful Applicants |
| Designated RTA Locations | Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.bseindia.com) and updated from time to time |
| Designated Stock Exchange | EMERGE Platform of National Stock Exchange of India Limited |
| Draft Red Herring Prospectus | The Draft Red Herring Prospectus dated September 29, 2017 issued in accordance with section 32 of the Companies Act, 2013 and filed with the BSE SME under SEBI (ICDR) Regulations |
| EBITDA | Revenue from Operations (net) less total expenses (expenses other than finance cost, and depreciation and amortisation) |
| EBITDA Margin | EBITDA divided by revenue from operations (net) |
| 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 |
| FII/ Foreign Institutional Investors | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India. |
| First/ Sole Applicant | Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names |
| Floor Price | The lower end of the Price Band, at or above which the Issue Price will be finalised and below which no Bids (or a revision thereof) will be accepted |
| 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. |
| Issue Agreement | The agreement dated September 28, 2017 between our Company and the Book Running Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue/ Issue Size/ Further Public Issue/ Further Public Offer/ Further Public Offering/ FPO | Public Issue of 30,00,000 Equity Shares of face value of Rs. 10/- each fully paid of Ambition Mica Limited for cash at a price of Rs 42/- per Equity Share (including a premium of Rs. 32/- per Equity Share) aggregating Rs. 1260.00 lakhs. |
| Listing Agreement | The Equity Listing Agreement dated July 14,2015 signed between our Company and the BSE SME i.e. SME Platform of BSE Limited |
| Market Maker | Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers 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 1,56,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 42/- per Equity Share aggregating Rs. 65.52 lakhs for the Market Maker in this Issue |
| Market Making Agreement | Market Making Agreement dated October 3, 2017 between our |

| Term | Description |
|---|---|
| | Company, BRLMs and Market Maker. |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time |
| Net Issue | The Issue excluding the Market Maker Reservation Portion of 28,44,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 42/- per Equity Share aggregating Rs. 1194.48 lakhs by our Company |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. |
| 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 |
| Non Institutional Investors | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000 |
| OCB/ Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue |
| 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 |
| Price Band | Price band of a minimum price (Floor Price) of Rs 40 and the maximum price (Cap Price) of Rs 42 and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLMs and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least one working day prior to the Bid/Issue Opening Date |
| Pricing Date | The date on which our Company in consultation with the BRLMs, finalises the Issue Price. |
| Prospectus | The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information |
| Public Issue Account | Account opened with the Bankers to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date. |
| Public Issue Account Agreement | Agreement entered on October 3, 2017 amongst our Company, Book Running Lead Managers, the Registrar to the Issue and Bankers to the Issue for collection of the Application Amount on the terms and conditions thereof. |
| Qualified Institutional Buyers or QIBs | A Mutual Fund, Venture Capital Fund, Alternative Investment Fund and Foreign Venture Capital investor registered with the Board, , foreign portfolio investor other than Category III foreign portfolio |

| Term | Description |
|---|---|
| | investor, registered with the Board; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs. 25.00 Crore rupees; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India. |
| Red Herring Prospectus or RHP | The Red Herring Prospectus dated November 09, 2017 issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigendum thereto. |
| Refund Account | Account to which Application monies to be refunded to the Applicants |
| Refund Bank/ Refund Banker | Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited |
| Refund through electronic transfer of funds | Refund through ASBA process |
| Registered Broker | Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on & http://www.bseindia.com/members/MembershipDirectory.aspx&https://www1.nseindia.com/membership/dynaContent/find_a_broker.htm |
| Registrar /Registrar to the Issue | Registrar to the Issue, in this case being Karvy Computershare Private Limited having registered office at Plot nos. 17 – 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500081 |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Registered Brokers | Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI |
| Reservation Portion | The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009 |
| Registrar Agreement | The agreement dated September 28, 2017, entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue |
| Reserved Category / Categories | Categories of persons eligible for making application under reservation portion. |
| 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 |

| Term | Description |
|---|---|
| | Form(s) |
| SCSB/ Self Certified Syndicate Banker | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time |
| SEBI (Foreign Portfolio Investor) Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014. |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| Specified Locations | Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time |
| Sub Syndicate Member | A SEBI Registered member of BSE appointed by the BRLMs and/or Syndicate Member to act as a Sub-Syndicate Member in the Issue |
| Syndicate | Includes the BRLMs, Syndicate Members and Sub-Syndicate Members |
| Syndicate Agreement | The agreement dated October 9, 2017 entered into amongst our Company, the BRLMs and the Syndicate Members, in relation to the collection of Bids in this Issue |
| Syndicate ASBA Bidding Locations | Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Mumbai, Chennai, Kolkata, Ahmedabad, Gujarat |
| Syndicate Members / Members of the Syndicate | Pantomath Stock Brokers Private Limited |
| Transaction Registration Slip/ TRS | The slip or document issued by the Syndicate or the SCSB (only on demand), to the Bidder as proof of registration of the Bid |
| Underwriter | Pantomath Capital Advisors Private Limited |
| Underwriting Agreement | The agreement dated October 3, 2017 entered into between the Underwriter and our Company. |
| Working Day | All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and for (c) the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016. |

**Industry Related and Technical Terms**

| Term | Description |
|---|---|
| CSO | Central Statistics Office |
| DPP | Defence Procurement Policy |

| Term | Description |
|---|---|
| EPFO | Employees' Provident Fund Organisation |
| ESI | Employee State Insurance |
| FDI | Foreign Direct Investment |
| FCNR | Foreign Currency Non-Resident |
| FY | Financial Year |
| GDP | Gross Domestic Product |
| GST | Goods and Services Tax |
| GVA | Gross Value Added |
| HPL | High Pressure Laminate |
| IMF | International Monetary Fund |
| INR | Indian Rupees Official Currency of India |
| MSMEs | Micro, Small & Medium Enterprises |
| MYEA | Mid-Year Economic Analysis |
| NITI Aayog | National Institution for Transforming India |
| NMP | National Manufacturing Policy |
| US/ U.S./ USA | United States of America |
| WPI | Wholesale Price Index |
| PMMY | Pradhan Mantri MUDRA Yojana |
| PMGKY | Pradhan Mantri Garib Kalyan Yojana |
| RBI | Reserve Bank of India |
| SED | Strategic Engineering Division |
| SEZ | Special Economic Zone |
| TADF | Technology Acquisition and Development Fund |
| TASL | Tata Advanced Systems Ltd |
| UDAY | Ujwal DISCOM Assurance Yojana Scheme |
| US$ | United States Dollar, the official currency of United States of America |

**Conventional and General Terms / Abbreviations**

| Abbreviation | Full Form |
|---|---|
| AGM | Annual General Meeting. |
| AIF | Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012. |
| AS/ Accounting Standards | Accounting Standards issued by the Institute of Chartered Accountants of India. |
| ASBA | Applications Supported by Blocked Amount. |
| CAGR | Compound Annual Growth Rate. |
| CAN | Confirmation of Allocation Note. |
| CDSL | Central Depository Services (India) Limited. |
| CENVAT | Central Value Added Tax. |
| CIN | Corporate Identification Number. |
| Client ID | Client identification number of the Bidder's beneficiary account. |
| CSR | Corporate Social Responsibility |
| DB | Designated Branch. |

| Abbreviation | Full Form |
|---|---|
| DIN | Director's Identification Number. |
| DP | Depository Participant. |
| DP ID | Depository Participant's Identification Number. |
| EGM | Extraordinary General Meeting of the shareholders. |
| EPS | Earnings per Equity Share. |
| FCNR Account | Foreign Currency Non Resident Account. |
| FEMA Regulations | Foreign Exchange Management Act, 1999, as amended from time to time and the rules and regulations issued thereunder. |
| FBT | Fringe Benefit Tax. |
| FDI | Foreign Direct Investment. |
| FII | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India. |
| FPI | Foreign Portfolio Investors (as defined under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time] registered with SEBI under applicable laws in India. |
| FPO | Further Public Offering |
| FIPB | Foreign Investment Promotion Board. |
| FIs | Financial Institutions. |
| FVCI | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000. |
| FY | Financial Year. |
| GAAP | Generally Accepted Accounting Principles. |
| GBS | Gross Budgetary Support. |
| GDP | Gross Domestic Product. |
| GIR Number | General Index Registry Number. |
| GoI / Government | Government of India. |
| HNI | High Net Worth Individual. |
| HUF | Hindu Undivided Family. |
| ICAI | Institute of Chartered Accountants of India. |
| ICDS | Income Computation and Disclosure Standards |
| IMF | International Monetary Fund. |
| Ind AS | Indian Accounting Standards |
| INR | Indian National Rupee. |
| IT Act | Income-tax Act, 1961, as amended. |
| Ltd. | Limited. |
| Merchant Banker | Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulation, 1992. |
| MM | Milli Metre. |
| NR | Non-Resident. |
| NRE Account | Non Resident (External) Account. |
| NRI | Non-Resident Indian. |
| NRO Account | Non Resident (Ordinary) Account. |
| NSDL | National Securities Depository Limited. |
| OCB | Overseas Corporate Body. |

| Abbreviation | Full Form |
|---|---|
| p.a. | Per annum. |
| P/E Ratio | Price/ Earnings Ratio. |
| PAN | Permanent Account Number. |
| PAT | Profit After Tax. |
| PBT | Profit Before Tax. |
| RBI | The Reserve Bank of India. |
| RoNW | Return on Net Worth. |
| R&D | Research & Development. |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended from time to time. |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time. |
| SCSB | Self Certified Syndicate Bank. |
| SICA | The Sick Industrial Companies (Special Provisions) Act, 1985. |
| STT | Securities Transaction Tax. |
| SME | Small and Medium Enterprises. |
| SPV | Special Purpose Vehicle. |
| Sq. ft. | Square feet. |
| Sq. mt. | Square metre. |
| TAN | Tax Deduction Account Number. |
| TIN | Taxpayers Identification Number. |
| TRS | Transaction Registration Slip. |
| UoI | Union of India. |
| U.S./ United States/ USA | United States of America. |
| U.S. GAAP | Generally Accepted Accounting Principles in the United States of America. |
| USD/ US$ | United States Dollar. |
| VAT | Value Added Tax. |
| VCFs | Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be. |
| WDV | Written Down Value. |
| w.e.f. | With effect from. |
| YoY | Year on Year. |

Notwithstanding the following: -

i. In the section titled "*Main Provisions of the Articles of Association"* beginning on page 325 of this Prospectus, defined terms shall have the meaning given to such terms in that section;

ii. In the chapter titled "*Financial Statements as Restated*" beginning on page 172 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter;

iii. In the section titled "*Risk Factors*" beginning on page 17 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 222 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled *'Financial Statements'* beginning on page 172 this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled *'Financial Statements'* beginning on page 172 of this Prospectus.

### CURRENCY OF PRESENTATION

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

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

### INDUSTRY & MARKET DATA

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Prospectus have been obtained from publically available Information, Industry Sources and Government Publications.

Industry Sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions 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 by the Book Running Lead Managers or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various

factors, including those discussed in the section *"Risk Factors"* on page 17 of this Prospectus. Accordingly, investment decisions should not be based solely on such information.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Book Running Lead Managers, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the BRLMs and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

## FORWARD LOOKING STATEMENT

This Prospectus contains certain "forward-looking statements". These forward looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

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

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

For a further discussion of factors that could cause our actual results to differ, refer to section titled *"Risk Factors"* and chapter titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on pages 17 and 222 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Book Running Lead Managers, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the BRLMs and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange Further, in accordance with Regulation 51A of the SEBI Regulations, the Company may be required to undertake an annual updation of the disclosures made in the Prospectus/ Prospectus and make it publicly accessible in the manner specified by SEBI.

## 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. To obtain a complete understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 117, "Our Industry" beginning on page 101 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 222 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 RISK FACTORS*

### A. Business Risks / Company specific Risk

1. ***Our product is subject to frequently changing designs, patterns, customer requirements and tastes, our inability to meet such needs or preferences may affect our business.***

   Designs and patterns of laminates, especially textured laminates, change frequently, based on the changing customer requirements and tastes. Even, decorative paper, which is the essential raw material for manufacturing textured laminates, is also subject to changing designs and patterns. Our products thus become vulnerable to changing market demand. Inability in successfully predicting changing customer trends could lead to obsolesce in inventory of decorative and for laminated which may turned to be dead stock. Our inability on our part to understand the prevailing trends or our inability to forecast changes as per latest trends or understand the needs of our customers in this industry well in time may affect our growth prospects. Our management expertise lies in designing and styling of our products after identifying latest trends and customer requirements derived through valuable customer feedback and interaction. It is our endeavour to keep ourselves abreast with the latest trends in home décor and to introduce the designs accordingly to broad base our product portfolio and augment our business.

2. **Currently our Company, Group Company and Promoter are involved in certain tax related proceedings; any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.**

   There are no legal proceedings by or against our Directors.

   Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company and Subsidiaries see the chapter titled "Outstanding Litigation and Material Developments" on page 240 of this Prospectus.

A classification of legal proceedings is mentioned below:

| Name of Entity | Criminal Proceedings | Civil/ Arbitration Proceedings | Tax Proceedings | Labour Disputes | Consumer Complaints | Complaints under Section 138 of NI Act, 1881 | Aggregate amount involved (Rs. In lakhs) |
|---|---|---|---|---|---|---|---|
| **Company** | | | | | | | |
| **By the Company** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Against the Company** | **Nil** | **Nil** | **1** | **Nil** | **Nil** | **Nil** | **Not Ascertainable** |
| **Promoters** | | | | | | | |
| **By the Promoter** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Against the Promoter** | **Nil** | **Nil** | **1** | **Nil** | **Nil** | **Nil** | **0.014** |
| **Group Companies** | | | | | | | |
| **By Group Companies** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Against Group Companies** | **Nil** | **Nil** | **1** | **Nil** | **Nil** | **Nil** | **0.079** |
| **Directors other than promoters** | | | | | | | |
| **By the Directors** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Against the Directors** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |
| **Subsidiaries** | | | | | | | |
| **By the Subsidiaries** | **N.A.*** | **N.A.** | **N.A.** | **N.A.** | **N.A.** | **N.A.** | **N.A.** |
| **Against the Subsidiaries** | **N.A.** | **N.A.** | **N.A.** | **N.A.** | **N.A.** | **N.A.** | **N.A.** |

*N.A. = Not Applicable

3. ***Over dependence on imported raw materials may affect profitability***

Major raw materials used for production of laminates include phenol, formaldehyde, melamine and decorative papers majority of which are purchased by us form domestic importers of such products. Raw materials like phenol, formaldehyde and melamine are petrol based and hence their prices are volatile. Over dependence on imports and unavailability of such products from domestic producers may adversely affect our profitability in case the trade relations of India with any of countries from where raw materials are imported get strained in future or the suppliers face any sort of problems due to internal issues of producing countries. Also significant exchange rate fluctuations may affect our Company's business as it may alter the costs of the imports significantly.

Decrease in the availability of raw materials which we require, or volatility in the price of these raw materials may significantly and adversely affect our business, financial condition and results of our operations if we are unable to estimate and accordingly adjust the prices of our product.

4. ***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 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.

5. ***If we are unable to negotiate favourable credit terms from our suppliers, our results of operations would be adversely affected.***

While we have maintained a long term relationship with many of our suppliers and we have been able to negotiate favorable credit terms from them due to increased order sizes and timely payments, we cannot assure you that we shall be able to maintain such favourable credit terms in future. Although we have long term relationship with our suppliers, we do not have a formal written agreement with any of them. We get longer credit periods based on our relationship with the suppliers established over a period of time primarily because of continuity of orders placed with them, size of the order and timely payments made to suppliers.

6. ***Our growth and our financial results may be affected by factors influencing the demand for our products.***

Our financial results are influenced by the macroeconomic factors determining the growth of the Indian economy as a whole and real estate sector in particular. The interior infrastructure sector is influenced by a growth in disposable income. A buoyant economy and rising per capita income and easy availability of housing finance drive urbanization, fuelling growth in housing and creating room for the interior infrastructure. The demand for interior infrastructure products is primarily dependent on the demand for real estate which influences the demand for laminates, decorative veneers, compact laminates and allied products. Periods of slowdown in the economic growth of India has significantly affected the real estate sector in the recent past. Any further downturn in the real estate industry and/or changes in governmental policies affecting the growth of this sector may have an adverse effect on the demand for laminates and other interior infrastructure products and the results of our operations

7. ***Cheap substitutes and competition form unorganised players may affect the business. Further absence of entry barriers into laminates production may attract many players from both organized and unorganized sectors which will escalate competition and resultant price pressure on the products.***

The laminate industry is highly fragmented with unorganized sector forming a significant portion which leads to cheaper products entering the market. Also there are newer substitutes emerging such as plastic which is replacing laminates in its various applications. With the reduction in trade barriers, there is an increase in production of cheaper products and copying of designs which pose a competition to the existing domestic organized players. This may directly impact our Company's operations.

Further there are low entry barriers for setting up laminates manufacturing unit(s). Plant and machinery required for setting up a laminates manufacturing unit could be easily made and installed

at low cost and short time. Thus, due to low investment in machinery many players from the organized as well as the un-organised sector may enter into this industry. The entry of these players may result in competition and resultant price pressure on the products.

Cheaper and substandard products are prevalent in every market segment. These products cater to a different segment of the market and do not impact our market share. However in view of our management with growing preference of the customers for branded/better quality products, there is an assured market for the products of our Company.

8. ***Our operations are hazardous and could expose us to the risk of liabilities, lost revenues and increased expenses. Further our product uses paper, which may not be an environment friendly produce.***

Our operations are subject to various hazards associated with the production of resins such as the use, handling, processing, storage and transportation of hazardous materials, as well as accidents such as leakage or spillages of chemicals. Any mishandling of hazardous chemical and poisonous substances could also lead to fatal accidents. In addition, our employees operate heavy machinery at our manufacturing facilities and accidents may occur while operating such machinery. These hazards can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities. In addition, we may be subject to claims of injury from indirect exposure to hazardous materials that are incorporated into our products. Liabilities incurred as a result of these events have the potential to adversely impact our financial position. While we maintain general insurance against these liabilities, insurance proceeds may not be adequate to fully cover the substantial liabilities, lost revenues or increased expenses that we might incur. Further we use paper as raw material which may not be used considered as an environment friendly produce. This could have adverse consequences on our business model in medium to long term.

9. ***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** | | | | **For the period ended September 30, 2017** |
|---|---|---|---|---|---|---|
| | **2013** | **2014** | **2015** | **2016** | **2017** | |
| **A. Current Assets** | | | | | | |
| Inventories | 706.42 | 940.36 | 996.80 | 1383.29 | 1617.30 | 1530.81 |
| Trade Receivables | 561.95 | 886.93 | 1008.09 | 1597.44 | 2388.08 | 3363.35 |
| Cash and Cash Equivalents | 49.32 | 99.05 | 58.10 | 141.19 | 85.92 | 17.75 |
| Short Term Loans & Advances | 24.77 | 39.38 | 17.33 | 57.96 | 99.33 | 35.88 |
| Other Current Assets | 36.92 | 42.80 | 28.66 | 17.44 | 5.53 | 5.76 |
| **Total (A)** | 1379.39 | 2008.52 | 2109.00 | 3197.33 | 4,196.17 | 4953.55 |
| **B. Current Liabilities** | | | | | | |
| Trade Payables | 733.55 | 1195.12 | 927.11 | 1500.94 | 2145.96 | 2512.97 |

| Particulars | | For the year ended | | | | For the period ended September 30, 2017 |
|---|---|---|---|---|---|---|
| | 2013 | 2014 | 2015 | 2016 | 2017 | |
| Other Current Liabilities | 119.55 | 193.40 | 362.77 | 383.85 | 392.72 | 356.79 |
| Short Term Provisions | 16.31 | 23.26 | 92.20 | 46.53 | 75.89 | 298.80 |
| **Total (B)** | 869.41 | 1411.78 | 1382.09 | 1931.33 | 2614.57 | 3168.56 |
| **Working Capital (A-B)** | 509.98 | 596.74 | 726.91 | 1266 | 1581.6 | 1748.99 |
| **Inventories as % of total current assets** | 51.21% | 46.82% | 47.26% | 43.26% | 38.54% | 30.90% |
| **Trade receivables as % of total current assets** | 40.74% | 44.16% | 47.80% | 49.96% | 56.91% | 67.90% |

We have been sanctioned fund based working capital limits of Rs. 1466.87 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 90 of this Prospectus.

**10.** ***One of Our Promoter Group Company Velsons Laminate Private Limited will soon commence production of laminates and thereby causing a potential conflict of interest.***

One of Our Promoter Group Company namely, Velsons Laminate Private Limited ("Velsons") is engaged in manufacturing of laminates. Also there is no non-compete agreement entered by us with Velsons, this may result a conflict of interest with respect to business strategies of our Company.

***11. Our Company has not complied with certain statutory provisions under Companies Act 1956, and has also delayed in filing of certain forms under the said Acts. Such non-compliances/lapses may attract penalties.***

Our Company have failed/delayed in complying with statutory requirements such as obtaining approvals under section 297/314 of the Companies Act, 1956, registration of special resolutions, filing of form for appointment/resignation of directors, filing of annual returns etc., as required under the Companies Act to the RoC. Such delay/non-compliance including the following may in the future render us liable to statutory penalties:

a. The paid up capital of our Company was more than Rupees One Crore after March 15, 2011 and pursuant to Section 297 of the Companies Act, 1956, our Company was required to take previous approval of Central Government before entering into any contract inter alia with a director of the company or his relative, a firm in which such a director or relative is a partner, or a private company of which the director is a member or director. However, our Company has not taken approval of Central Government before entering into such contracts.
b. We have in the past, not complied with the provisions of Section 314(1) of the Companies Act, 1956 with respect to appointment of relatives of directors to an "office or place of profit." The said appointments approved by the shareholders by passing special resolutions, need to be filed with RoC within prescribed time. If any office or place of profit is held in contravention of the provisions of Section 314 (1), the relatives of the directors shall be inter alia, deemed to have

vacated his office as such, on and from the date next following the date of the general meeting of the Company and shall be liable to refund any remuneration received from the Company.

However the above mentioned offences have already been compounded by our Company.

We have appointed a whole time Company Secretary with effect from March 26, 2015 who shall look after the legal compliances of the Company and shall ensure the timely compliances in future.

12. ***Our Company has not been making the required filings under various regulations applicable to us in a timely manner.***

Our Company is required various regulations applicable to it like Companies Act, 2013, Environment (Protection) Act, 1986, Air (Prevention and Control of Pollution) Act, 1981, Water (Prevention and Control of Pollution) Act, 1974, Hazardous Waste Management & Handling Rules, 2008, Gujarat Commercial Tax, Central Excise Act, 1944, Income Tax Act, 1961 etc. to make filings with various authorities constituted under the said acts 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. 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 a system to ensure that requisite filings are done appropriately with the requisite timeline.

13. ***We rely significantly on our Dealers/Distributors and Agents network in market for sale of our products.***

We sell our products in market through our network of dealers and distributors. Furthermore, our business growth in open markets depends on our ability to attract additional dealerships to our distribution network. While we believe that we have good relations with our dealers but there is no assurance that our current dealers will continue to do business with us or that we can continue to appoint additional dealers in our network. If we do not succeed in maintaining the stability of our dealership network, our market share may decline, materially affecting our results of operations and financial condition.

14. ***Our Top 10 distributors/dealers contribute more than 56.06% of our gross revenues for the period ending March 31, 2017. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our Top 10 distributors contribute more than 56.06% of our revenues for the period ending March 31, 2017. Any decline in our quality standards, growing competition and any change in the demand for our quality standards, growing competition and any change in the demand for our services by these customers may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

However, the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Our Company and our management have been able to maintain and strengthen these business relationships over a period of time. We believe that we may not foresee substantial challenges in maintaining our business relationship with them or finding new customers.

15. ***We have, in the last twelve months, issued Equity Shares at prices that may be lower than the Issue Price.***

We have in the last twelve months issued Equity Shares at prices that may be lower than the Issue Price as under:

| Date of Allotment / Transfer | Number of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Nature of Consideration | Reasons for allotment | Allottees |
|---|---|---|---|---|---|---|

| Date of Allotment / Transfer | Number of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Nature of Consideration | Reasons for allotment | Allottees |
|---|---|---|---|---|---|---|
| February 7, 2017 | 39,74,000 | 10 | NA | Other than cash | Bonus Issue | To all shareholders as per record date February 06, 2017 |

For further details regarding such issuances, please refer to the section "Capital Structure - Share Capital History of our Company" beginning on page 69 of the Prospectus

16. ***Our operations are significantly dependent on the timely procurement of raw materials and any delay in such procurement or procurement on commercially unviable terms may adversely affect our business and results of operations.***

We are engaged in the business of manufacturing laminates and Doorskin. We place orders for the raw materials on a monthly basis with the quantity of our orders dependent on internal estimates. In the event our estimates prove to be incorrect on grounds of higher purchase orders than expected in a particular month or quarter, we may be unable to procure additional raw material from our suppliers. However, in the event of such estimation of the requirements of raw material in future, we are unable to assure you that we shall be able to procure raw materials from other sources on commercially viable terms, if at all and occurrence of the same shall not affect our ability to deliver our products to our customers in time. In the event of any material upswing of crude oil prices globally or locally the price of the raw materials may increase which would consequently increase the cost of manufacture of our products. In the event we are unable to pass on this cost to our customers, our margins and results of operations may be adversely affected.

17. ***Our Company has not entered into any supply agreement for the major raw materials required for manufacturing of our products and are exposed to risks relating to fluctuations in commodity prices and shortage of raw material.***

Raw material costs are dependent on commodity prices, which are subject to fluctuations. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we experience a significant or prolonged shortage of raw materials from any of our suppliers and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules in a timely fashion, which would adversely affect our sales, margins and customer relations. In the absence of such supply agreements, we cannot assure that a particular supplier will continue to supply raw materials to us in the future. In the event the prices of such raw materials were to rise substantially or if imports were to be restricted in any manner, we may find it difficult to make alternative arrangements for supplies of our raw materials, on the terms acceptable to us, which could materially affect our business, results of operations and financial condition.

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

A significant proportion of our revenues have historically been derived from a limited number of customers. Over the last three financial years, our top ten and five customers contributed 56.06% and 39.76% of our total revenue from operations for financial year 2016-17 respectively. The loss of orders from any of these significant customers will result in a considerable reduction in our revenue. Our business from customers is dependent on our continuing relationship with such customers, the quality of our products, competitive pricing and our ability to timely deliver on their orders, and there can be no assurance that such customers will continue to do business with us in the future on

commercially acceptable terms or at all. If our customers do not continue to purchase products from us, or reduce the volume of products purchased from us, our business prospects, results of operations and financial condition may be adversely affected. Significant dependence on them may increase the potential volatility of our results of operations and exposure to individual contract risks. In the event that any of these customers discontinue purchase of products from us, our results of operations and financial condition may be adversely affected. We have not entered into any long term or definitive agreements with our customers, and instead rely on purchase orders to govern the volume, pricing and other terms of sales of our products. However, such orders may be amended or cancelled prior to finalization, and should such an amendment or cancellation take place, we may be unable to seek compensation for any surplus un purchased products that we manufacture. Our customers do not, typically, place firm purchase orders until a short time before the products are required from us as a result of which, we do not hold a significant order book at any time, making it difficult for us to forecast revenue, production or sales. Consequently, there is no commitment on the part of the customer to continue to source their requirements from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers‘ vendor preferences. Any failure to meet our customers‘ expectations could result in cancellation of orders. There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

19. ***We are highly dependent on our Top 5 and Top 10 suppliers for uninterrupted supply of raw-materials. Any disruption in supply of raw materials from these suppliers will adversely affect our operations.***

There are a very few suppliers from whom we procure raw materials like phenol, formaldehyde and melamine and they may allocate their resources to service other clients ahead of us. While we believe that we could find additional suppliers to supply these raw materials, any failure of our suppliers to deliver these raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers and incur contractual penalties or liabilities for failure to perform contracts, which could have a material adverse effect on our business, financial condition and results of operations. We are highly dependent on the suppliers of raw material for our products. We procure our raw materials from various domestic and international suppliers depending upon the price and quality of raw materials. However, our Top 5 and top 10 suppliers contribute significantly to supply of raw materials. While our company believe that we would not face difficulties in finding additional suppliers of raw materials, any disruption of supply of raw materials from these suppliers or our procurement of raw materials at terms not favourable to us can adversely affect our operations and financial cost. The contributions of our top 5 suppliers to our total supplies are as follows:

| Particulars | For the year ended March 31, 2017 |
|---|---|
| % wise Top 5 of Total Purchase | 37.46% |
| % wise Top 10 of Total Purchase | 57.49% |

20. ***Any inability on our part to maintain quality standards could adversely impact our business, results of operations and financial conditions. Quality control is a vital element for our sector.***

Our business is dependent on the trust our customers have in the quality of our products. The products we manufacture must meet our customers’ quality standards. Although we have put in place quality control procedures, we cannot assure that our products will always be able to satisfy our customers’ quality standards. Any negative publicity regarding our Company, or products, including those arising from a drop in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

21. ***Any inability on our part to keep pace with the technological developments could adversely impact our business, results of operations and financial conditions.***

Any rapid change in our customers' expectation on account of changes in technology or introduction of new products or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. We believe that we have always expanded our capacities based on latest technology to cater to the growing demand of our customers. Our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and financial results.

22. ***We generated a majority of our sales in Madhya Pradesh, Maharashtra, Gujarat ,Delhi, Karnataka, Andhra Pradesh and Rajasthan and any adverse developments affecting our operations in these states could have an adverse impact on our revenue and results of operations.***

For the year ended March 31, 2017, our sales in Madhya Pradesh, Maharashtra, Gujarat ,Delhi, Karnataka, Andhra Pradesh and Rajasthan together contributed 82.22% of our total revenue as mentioned below:

| State | Revenue from State (Rs. In lakhs) | % of Total Revenue |
|---|---|---|
| Gujarat | 1511.83 | 25.07% |
| Maharashtra | 1444.26 | 23.95% |
| Karnataka | 623.92 | 10.35% |
| Madhya Pradesh | 431.10 | 7.15% |
| Delhi | 378.04 | 6.27% |
| Andhra Pradesh | 326.66 | 5.42% |
| Rajasthan | 242.11 | 4.01% |
| **Total** | **4957.92** | **82.22%** |

We may continue to expand our sales in these states. Existing and potential competitors to our business may increase their focus on these states, which could reduce our market share. For example, our competitors may intensify their efforts in these states to capture a larger market share. The concentration of our operations in these states heightens our exposure to adverse developments related to competition, as well as economic, political, demographic and other changes, which may adversely affect our business prospects, financial conditions and results of operations. Any adverse development that affects the performance of the sales in these states could have a material adverse effect on our business, financial condition and results of operations.

23. ***Our growth strategy to expand into new geographic areas poses risks. We may not be able to successfully manage some or all of such risks, which may have a material adverse effect on our revenues, profits and financial condition.***

Our operations have been geographically concentrated in the States of Madhya Pradesh, Maharashtra, Gujarat ,Delhi, Karnataka, Andhra Pradesh and Rajasthan . Our business is therefore significantly dependent on the general economic condition and activity in the State in which we operate along with the Central, State and Local Government policies relating to Laminate and Mica Industry. We may expand geographically, and may not gain acceptance or be able to take advantage of any expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We may face additional risks if we undertake operations in other geographic areas in which we do not possess the same level of familiarity as competitors. If we undertake operations of different product than those currently is; we may be affected by various factors, including but not limited to:

- Adjusting our products to different geographic areas;
- Obtaining the necessary materials and labour in sufficient amounts and on acceptable terms; Obtaining necessary Government and other approvals in time or at all;

- Failure to realize expected synergies and cost savings;
- Attracting potential customers in a market in which we do not have significant experience; and
- Cost of hiring new employees and absorbing increased costs.

By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected

***24. 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. We do not have professional designer for design the laminates and same is being looked after by Rameshbhai Patel, whole time director of our Company. 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. Our manufacturing unit is on rent from one of Director Monghiben Patel, she may be interested to the extent of rent to be received. For further information, see *"Capital Structure"* and *"Our Management"* and "Related Party Transactions" beginning on pages 69, 149 and 170 , respectively, of this Prospectus. 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.

***25. Our business is dependent on our manufacturing facilities, all of which are geographically located in one area. Any loss or shutdown of operations at our manufacturing facilities in Village Zak, District Gandhinagar may have an adverse effect on our business and results of operations.***

Our only manufacturing facility is located at Village Zak, District Gandhinagar. As a result, if there is any local unrest, natural disaster or breakdown of services and utilities in Zak, it may adversely affect our business. Further our manufacturing activities are subject to operating risks which include inter-alia breakdown or failure of power supply, equipment, obsolescence, labour disputes, strikes, lock-outs, continued availability of services of our external contractors, earthquakes and other natural disasters, industrial accidents etc. We have not experienced any significant disruptions in operations in the past. However their occurrence cannot be ruled out. If and when they occur they could have material adverse effect on our business, results of operations or financial condition.

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

Our manufacturing processes requires substantial amount of power facilities. The quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented/ augmented by alternative/ independent sources of power supply since it involve significant capital expenditure and per unit cost of electricity produced is very high in view of increasing oil prices and other constraints. We are mainly dependent on State Government for meeting our electricity requirements. Any defaults or non compliance of the conditions may render us liable for termination of the agreement or any future changes in the terms of the agreement may lead to increased costs, thereby affecting the profitability. Further, since we are majorly dependent on third party power supply; there may be factors beyond our control affecting the supply of power.

Any disruption / non availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company

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

Our manufacturing process requires substantial amount of water, particularly for mixing and cooling process. Currently, our Company meets its water requirements from bore wells and tube wells, installed in the manufacturing facility. We have not made any alternate arrangements for supply of water for our manufacturing facilities. Thus any unfavourable changes or modifications in the said agreement or termination of the agreement may increase our cost of operations and adversely affect results of our operations.

28. ***Land on which our existing manufacturing facility is located is not owned by us. In the event, we are unable to renew the rent/leave and license agreements, or if such agreements are terminated, we may suffer a disruption in our operations.***

Land on which our manufacturing unit at Zak, Ahmedabad is located, has been taken by us on rent/leave and license from two lands owner one of whom is owned by our Director Monghiben Patel. These agreements are renewable on mutually agreed terms. Upon completion of tenure of agreements, we are required to return the said premises to the lessor/licensor, unless renewed.

For details on properties taken on lease/rent by us please refer to the heading titled "Land & Property" in chapter titled "Our Business" beginning on page 117 of this Prospectus.

29. ***Property at which our Registered Office is located is registered in the name of our former Director Prahladbhai Patel, however the consideration for the said properties have been paid by our Company.***

Our Company has purchased property at which our registered located from Raghav Infrastructure. Due to inadvertence, the sale deed in respect of the said property has been registered in the name of our former Director Prahladbhai Patel. However, our Company holds all free and irrevocable rights including the beneficial right, title and interest in the said Property. Our former director Prahladbhai Patel will continue to do such acts, deeds, matters and things as are necessary with respect to the said Properties, for and on behalf of the Company, in accordance with the directions of the Board of Directors and subject to applicable laws. In this regard Prahladbhai Patel has executed a Declaration-cum-Undertaking dated August 31, 2017.

30. ***We are subject to restrictive covenants in secured debt facility provided to us by our lender.***

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. 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 consents necessary to take the actions that we believe are required to operate and grow our business.

For further details in this regard, including approvals obtained from our lender for this Issue, please refer chapter titled "Financial Indebtness" beginning on page 234 of this Prospectus.

31. ***Our Company has negative operating, investing and financing cash flow in the past 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, repay loans and make new investments without raising finance from external resources.

**(Rs. In Lakhs)**

| Particulars | For the period ended September 30, 2017 | For the year ended on | | | | |
|---|---|---|---|---|---|---|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Net Cash Flow from/(used in) Operating Activities | (60.66) | 84.81 | (39.19) | 232.92 | 242.03 | (61.04) |
| Net Cash flow from /(Used in) Investing Activities | 55.60 | (221.50) | (165.10) | (38.70) | (139.64) | (316.58) |
| Net Cash Flow from/(used in) Financing Activities | 63.10 | 81.43 | 287.37 | (235.16) | (52.66) | 414.45 |

Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. Our Company is a new company and is in initial phases of its life cycle where the operating & investing cash flows are generally negative due to investments in fixed assets and working capital.

***32. We have taken guarantees from Promoters, Directors as well as others in relation to debt facilities provided to us.***

We have taken guarantees from Promoters, Directors as well as others in relation to all our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantee/s, the lender for such facilities may ask for alternate guarantee/s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee/s satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled "Financial Indebtedness" beginning on page 234 of this Prospectus.

**33. *We have not applied for certain statutory and regulatory approvals, registrations and licenses. Further, our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.***

Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. Also, we were a private limited company in the name of "Ambition Mica Private Limited" which was carrying business of manufacturers of mid segment decorative laminates and door skins. As per Companies Act, 1956/2013, a private limited company can be converted into public limited company. After complying with the relevant procedure of Companies Act, 1956/2013, the said private limited company was converted into a public limited company in the year 2015. After conversion there was change of name of the company from "Ambition Mica Private Limited" to "Ambition Mica Limited". We shall be taking necessary steps for transferring the approvals in new name of our company. In case we fail to transfer/obtain the same in name of the company same may adversely affect our business or we may not be able to carry our business Approvals like TAN allotment letter and Consent to establish the Unit for a product at a particular production capacity issued by Gujarat Pollution Control Board are currently not traceable by the company. The company has also applied for change of name of these approvals. In case of delay or failure to obtain the same, it could affect our business operations. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. For more information, see chapter "Government and Other Statutory Approvals" on page 248 of this Prospectus/Red Herring Prospectus.

**34.** ***We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain.***

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. Currently, we do not have registered trademarks for our own corporate name and logo under the Trade Marks Act, 1999. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India for the corporate name and logo of our company. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over our corporate name or logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business, financial condition, results of operations and prospects. However, the Company has certain trademarks of its brands in its own name and certain trademarks to which the Company is assignee. See "Government and other Statutory Approvals" on page 248 of this Draft Prospectus/Red Herring Prospectus for further details for the same. In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects. We cannot assure you that the approvals, licences, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. The material approvals, licences or permits required for our business include trade licence, excise and tax laws, environment laws, as applicable. See "Government and other Statutory Approvals" on page 248 of this Prospectus for further details on the required material approvals for the operation of our business.

***35. Our Company has a substantial level of sundry debtors and high debtor days.***

As of March 31, 2017 the aggregate amount owed to the Company by its debtors was Rs 2352.23 Lakhs and debtors month i.e. (Trade receivables / Annual sales) x 365 days) was around 5.68 months as per restated financials. Customer concentration coupled with high debt increase the credit risk of our business. General economic conditions may adversely affect the financial conditions of our debtors, and may result in defaults by some of these debtors. In the event of defaults by our debtors, we may suffer a liquidity shortfall and incur additional costs, including legal expenses, in recovering the sums due and payable to us. If we are unable to recover the sums due and payable to us, or if the recoveries made by us are significantly lower than the aggregate amount owed to us, it may have an adverse impact on our business, financial condition or results of operations.

In view of our management, generally the average debtors period in the industry which we operate is quite high. However, the time to service the contract has resulted in high debtor days in our Company. Moreover, our Company did not have bad debts/ unrealised debtors in recent past.

**36.** ***Our industry is labour intensive and 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 believe that our industry faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Our Company has taken efforts to maintain a lower attrition among the labourers by facilitating them with various in-house facilities and benefits to our employees.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult

for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

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

Any failure or defect in our products could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. However, we ensure that our products are of the requisite quality and strength. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

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

38. ***Our operations may be adversely affected in case of industrial accidents at any of our production facilities.***

Usage of heavy machinery, handling of materials by labour during production process or otherwise, lifting of materials by humans, cranes, heating processes of the furnace etc. may result in accidents, which could cause injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Though our plants and machinery and personnel are covered under insurance, occurrence of accidents could hamper our production and consequently affect our profitability.

39. ***Revenues can be adversely affected if our Company would unable to maintain distribution network***

Our company sells our products with the help of distribution network of various dealers/retailers/distributors. Our company has around 26 distributors and 4799 dealers across India. The distribution network sells our products to end users. Our inability to maintain our existing distribution network or to expand it further as per the requirement of our proposed increased capacities, can adversely affect our revenues. In case, if we are not able to market our manufactured products, it may affect our operations and profitability adversely.

40. ***Within the parameters as mentioned in the chapter titled 'Objects of the Issue' beginning on page 90 of this Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution.***

We intend to use Issue proceeds towards meet long term working capital requirement, issue expenses and general corporate purpose. We intend to deploy the Net Issue Proceeds in FY 2017-2018 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc. For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 90 of this Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled 'Objects of the Issue' beginning on page 90 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the utilization of the proceeds of this Issue.

41. ***Our dependency to a certain extent on contract labour for the performance of some of our operations may adversely affect our business.***

Our Company rely on certain labour contractors who provide us on-site labour for performance of some of our operations. In case of failure in complying with statutory obligations by the labour contractors the same has to be fulfilled by our Company which may eventually result in an increase in our wage cost and may affect our profitability.

42. ***Revenues can be adversely affected if our Company would unable to maintain distribution network***

Our company sells our products with the help of distribution network of various dealers/retailers/distributors. Our company has around 26 distributors across India. The distribution network sells our products to end users. Our inability to maintain our existing distribution network or to expand it further as per the requirement of our proposed increased capacities, can adversely affect our revenues. In case, if we are not able to market our manufactured products, it may affect our operations and profitability adversely.

43. ***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.

44. ***Our Company is dependent on third party transportation providers for the supply of raw materials and delivery of products.***

Our Company uses services of third party transportation providers for supply of raw materials as well as delivery of finished products. Our Company relies on fleet of trucks. In the event of non availability of fleet of trucks, due to strike or any other reason may have an adverse impact on the receipt of supplies of raw material and delivery of the finished products thereby adversely affecting our operations.

45. ***Our Company has availed unsecured loans in past and may avail in future loans from related parties which were repayable on demand.***

We have availed in past unsecured loans from related parties. For further details in relation to the unsecured loans, please refer the chapter "Financial Statements as Restated" beginning on page 172 of this Prospectus. Unsecured loans may be called at any time by these Parties. In the event these loans are required to be re-paid on a short notice, our Company may have to arrange for additional funds which may impact our financials. Currently there are no outstanding loans from related parties.

46. ***Some of our Group Entities have incurred losses in financial year ended March 31, 2013 and one of the Group Companies has a Negative Networth.***

One of our promoter Group Entities has incurred losses in the F.Y. 2013-14 and has a Negative Networth. For further details regarding the performance of our Group Entities, please refer to Chapter titled "Our Group Entities" on page 167 of this Prospectus.

47. ***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, loans advanced by them 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 117, 163 and 170 respectively of this Prospectus

***48. 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.

**49.** ***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.

***50. 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.

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

Our Company has entered into various transactions with our Promoters, Promoter Group, Directors and their Relatives. While we believe that all such transactions are conducted on arms length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in 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 chapter "Related Party Transactions" beginning on page 170 of the Prospectus.

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

After completion of the Issue, our Promoters and Promoters Group will collectively own 72.97 % 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.

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

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

- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974
- Hazardous Waste Management & Handling Rules, 2008
- other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Gujarat

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

***54. 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.***

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 and are subject to exclusions and deductibles. 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.

For details of insurance availed by us please refer heading titled 'insurance' in the chapter 'Our Business' beginning on page 117 of the Prospectus.

***55. Some of our rent/leave and license agreements may have certain irregularities.***

Some of the agreements entered into by us with respect to our manufacturing facilities and other leasehold/leave and license premises may not be adequately stamped and registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may adversely impact the continuance of our activity from such premises.

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

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and

such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

***57. Any change in interest rates and banking policies may have an adverse impact on our Company's profitability.***

The Company is dependent on bank(s) and financial institution(s) for arranging the Company's Working Capital Requirements, Term Loans, etc. Accordingly, any change in the extant banking policies or increase in interest rates may have an adverse impact on the Company's profitability.

## B. Risk relating to the Issue

***58. 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.

***59. 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.

***60. 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 Laminate 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.

***61. 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 has been determined by book build method. This price is be based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 96 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.

***62. 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.

***63. 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.

## *EXTERNAL RISK FACTORS*

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

As stated in the reports of the Auditor included in this Prospectus on page 172, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial

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

***65. 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. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India, if securities transaction tax has been paid on the transaction. Any gain realised on the sale of shares held for more than 36 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 equity shares held for a period of 36 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, may 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.

***66. 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. Further, the Companies Act, 2013 imposes greater monetary and other liability on our Company and Directors for any non-compliance. 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.

**67. *Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.***

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

**68. *Financial instability in Indian financial markets could adversely affect Our Company's results of operations and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian

economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

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

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

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

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

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

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

***72. Instability of economic policies and the political situation in India could adversely affect the fortunes of the industry.***

Unstable internal and international political environment could impact the economic performance in both the short term and the long term. The Government of India has pursued the economic liberalization policies including relaxing restrictions on the private sector over the past several years. The present Government has also announced polices and taken initiatives that support continued economic liberalization. The Government has traditionally exercised and continues to exercise a

significant influence over many aspects of the Indian economy. Our Company's business, and the market price and liquidity of the Equity Shares, may be affected by changes in interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

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

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

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

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

## PROMINENT NOTES

1. Public Issue of 30,00,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. 42/- per Equity Share (including a share premium of Rs. 32]/- per equity share) ("Issue Price") aggregating Rs. 1260.00 Lakhs, of which 1,56,000 Equity Shares of face value of Rs. 10 each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of 28,44,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 20.10% and 19.06%, respectively of the post Issue paid up equity share capital of the Company.

2. Investors may contact the Book Running Lead Managers or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Managers and the Company Secretary & Compliance Officer, please refer to chapter titled "*General Information*" beginning on page 56 of this Prospectus.

3. The pre-issue net worth of our Company was Rs. 1430.30 Lakhs March 31, 2017 . The book value of each Equity Share was Rs. 12.00 for the year ended March 31, 2017 as per the restated financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 172 of this Prospectus.

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

| Name of the Promoters | No. of Shares held | Average cost of acquisition (in Rs.) |
|---|---|---|
| Veljibhai Patel | 18,74,700 | 3.33 |
| Govindbhai Patel | 21,43,500 | 3.33 |

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled *"Capital Structure"* beginning on page 69 of this Prospectus.

5. Our Company has entered into related party .For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer *Annexure "XXIV" "Related Party Transaction"* beginning on page 170 under chapter titled *"Financial Statements as restated"* beginning on page 172 of this Prospectus.

6. 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 274 of this Prospectus.

7. Except as disclosed in the chapter titled *"Capital Structure", "Our Promoter and Promoter Group*", "*Our Management*" and *"Related Party Transaction"* beginning on pages 69, 163, 149 and 170 respectively, of this Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.

8. Except as disclosed in the chapter titled "Capital Structure" beginning on page 69 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.

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

10. Investors are advised to refer to the chapter titled *"Basis for Issue Price"* beginning on page 96 of the Prospectus.

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

12. Our Company was incorporated as "Ambition Mica Private Limited" in Ahmedabad, Gujarat, as a private limited company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 19, 2010 bearing registration no. 059931 issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli, Ahmedabad. Our Company was converted in to public company *vide* fresh certificate of incorporation consequent upon conversion from private to public company dated March 25, 2015 issued by Assistant Registrar of Companies, Ahmedabad, Gujarat. Our corporate identification number is U25202GJ2010PLC059931. For further details please refer to chapter titled "*Our History and Certain Other Corporate Matter"* beginning on page 145 of this Prospectus.

13. Except as stated in the chapter titled *"Our Group Entities"* beginning on page 167 and chapter titled "Related Party Transactions" beginning on page 170 of this Prospectus, our Group Entities have no business interest or other interest in our Company.

## SECTION III – INTRODUCTION
## SUMMARY OF INDUSTRY

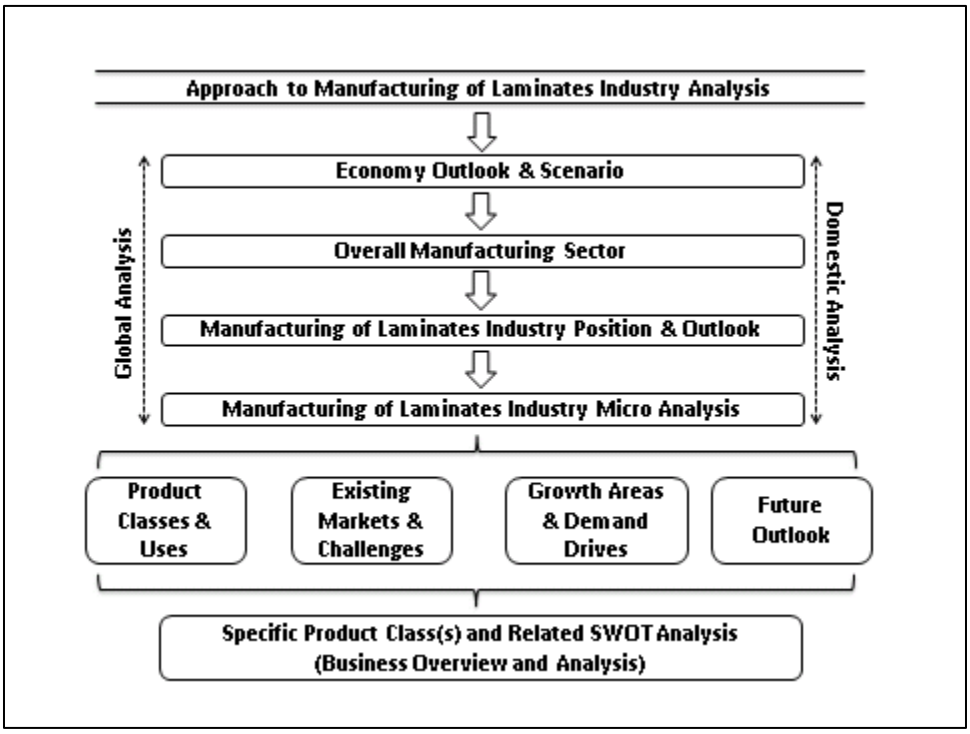
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on page 17 and 172 of this Prospectus.

### APPROACH TO MANUFACTURING OF LAMINATES INDUSTRY ANALYSIS

Analysis of Manufacturing of Laminates Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Manufacturing of Laminates Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Manufacturing of Laminates Industry.

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall manufacturing sector is 'manufacturing of Laminates Industry'.

Thus, Manufacturing of Laminates segment should be analysed in the light of 'Laminates Industry' at large. An appropriate view on Laminate Industry, then, calls for the overall economy outlook and scenario, performance and expectations of Manufacturing Sector, position and outlook of Laminate Industry and micro analysis.




This Approach Note is developed by Pantomath Capital Advisors (P) Ltd (Pantomath) and any unauthorized reference or use of this Note whether in the context of Manufacturing of Laminates Industry and / or any other industry, may entail legal consequences.

### GLOBAL ECONOMIC OVERVIEW

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

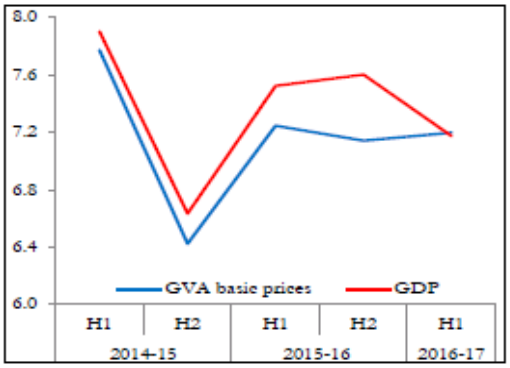
Third, developments in the US, especially the rise of the dollar, will have implications for China's currency and currency policy. If China is able to successfully re-balance its economy, the spill over effects on India and the rest of the world will be positive. On, the other hand, further declines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

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

## REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

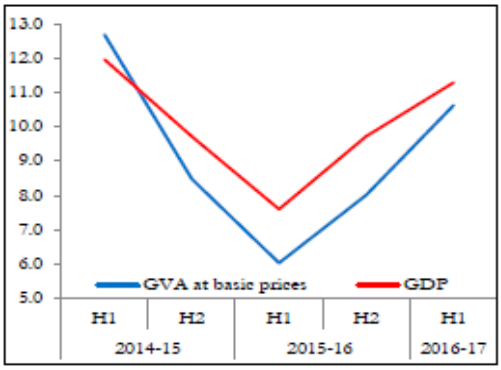
The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. Real GDP growth in the first half of the year was 7.2 percent, on the weaker side of the 7.0-7.75 per cent projection in the Economic Survey 2015-16 and somewhat lower than the 7.6 percent rate recorded in the second half of 2015-16 (Figure 1a). The main problem was fixed investment, which declined sharply as stressed balance sheets in the corporate sector continued to take a toll on firms' spending plans. On the positive side, the economy was buoyed by government consumption, as the 7th Pay Commission salary recommendations were implemented, and by the long-awaited start of an export recovery as demand in advanced countries began to accelerate. Nominal GDP growth recovered to respectable levels, reversing the sharp and worrisome dip that had occurred in the first half of 2015-16 (Figure 1b).

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




*Source:* CSO

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




*Source:* CSO

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

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

**External Sector**

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

The trade deficit declined by 23.5 per cent in April-December 2016 over corresponding period of previous year. During the first half of the fiscal year, the main factor was the contraction in imports, which was far steeper than the fall in exports. But during October- December, both exports and imports started a long-awaited recovery, growing at an average rate of more than 5 per cent. The improvement in exports appears to be linked to improvements in the world economy, led by better growth in the US and Germany. On the import side, the advantage on account of benign international oil prices has receded and is likely to exercise upward pressure on the import bill in the short to medium term. Meanwhile, the net services surplus declined in the first half, as software service exports slowed and financial service exports declined. Net private remittances declined by $4.5 bn in the first half of 2016-17 compared to the same period of 2015-16, weighed down by the lagged effects of the oil price decline, which affected inflows from the Gulf region.

**Fiscal Position**

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

State government finances are under stress. The consolidated deficit of the states has increased steadily in recent years, rising from 2.5 percent of GDP in 2014-15 to 3.6 percent of GDP in 2015-16, in part

because of the UDAY scheme. The budgeted numbers suggest there will be an improvement this year. However, markets are anticipating some slippage, on account of the expected growth slowdown, reduced revenues from stamp duties, and implementation of their own Pay Commissions. For these reasons, the spread on state bonds over government securities jumped to 75 basis points in the January 2017 auction from 45 basis points in October 2016. For the general government as a whole, there is an improvement in the fiscal deficit with and without UDAY scheme.

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

## SUMMARY OF BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled ―Forward-Looking Statements beginning on page 16 of this Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section ―Risk Factors for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, prepared in accordance with Indian GAAP and Companies Act and restated in accordance with the SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Information" as restated beginning on pages 17 and 172 respectively.

Unless otherwise stated, references in this section to AML", "the Company" or "our Company" are to Ambition Mica Limited, and references to "we", "our" or "us" are to the Company.

### OVERVIEW

Incorporated in Ahmedabad, in the year 2010, our Company is an ISI certified Company primarily engaged in manufacturing of mid segment decorative laminates and door skins. Within a short period of our existence, we have garnered significant market share in 1 MM mid segment brands. We market laminates under brands like Velson, Antique, Art Lam, Antique Aurum, Antique colour core and Antique Natural Wood. We also market door skin under brands like Beautique, Texas, Micro Touch, Antique Natural Wood and Door Touch. We got listed on SME platform of BSE Ltd. through Initial public offer on July 14, 2015.

With approximately 1,571 designs in laminates and 452 designs in door skins, we have very diverse design portfolio in the Industry with specialisation in textured laminates.

Our Promoters Veljibhai Patel and Govindbhai Patel have rich experience in marketing of laminates, plywood etc. which has enabled us to grow at high pace in diminutive period of time. Before entering into manufacturing of laminates our promoters acquired extensive experience in marketing of laminates by operating under M/s. Anand Timber Mart. With the help of experience of our promoters and a strong network of about 26 distributors and 4799 dealers, we serve both industrial and consumer industry and have been able to establish a presence in west and south India.

Our manufacturing process involves Phenol and Formaldehyde as raw material. These chemicals are heated to form Polymeric resin of Phenol Formaldehyde. We use Methanol as solvent and layers of these resins are applied on Decorative Paper. These papers are cut and several layers of such papers are joined according to the required thickness. BOOP film is placed for separating the layers of two adjoining sheets and pressure is applied thereafter to form proper structure. Hydraulic pressure is also applied through multi opening hydraulic press at high temperature to create proper mould. Such laminated sheets are trimmed from all four sides and each sheet is sanded from the back for proper bonding. These laminated sheets are packed and then dispatched. For detailed process please refer to manufacturing process explained in this chapter as mentioned below.

Our Company believes in emerging technologically. In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online. Also in order to enable our dealers and distributors help their customers conveniently choose from our wide variety of designs for door skins we have developed a

mobile app by the name Doorskin World on Android and IOS platform which is available for download for free in Google Play Store and Apple Store.

With the initiative of going online, launching of mobile application, experience of promoters, strong network of dealers and distributors, presence in the different parts of the country, varied design portfolio, our company aims to focus on adopting innovative manufacturing approaches to meet our client's expectations, quality and become leaders laminate industry.

We have expanded our business and operations significantly during the past three years. In financial years 2017, 2016, 2015, 2014 and 2013 our turnovers (net) were Rs. 5154.26 lakhs, Rs. 4931.75 lakhs, Rs. 3817.64 lakhs, Rs. 3557.06 lakhs, and Rs. 2048.54 lakhs respectively. Our restated profits were Rs. 199.31 lakhs, Rs. 171.50 lakhs, Rs. 173.66 lakhs, Rs. 91.00 lakhs, and Rs. 82.98 lakhs respectively.

For information on our Company's incorporation and history and financial details, please refer to chapters titled "Our history and certain other Corporate matters", and "Financial Statements as Restated", "beginning on page 145 and 172 respectively of this Prospectus

## OUR PRODUCTS

**Decorative Laminates:** Decorative Laminates are laminated products primarily used as furniture surface materials or wall paneling. They are usually used for furniture tops especially on flat surfaces, including cabinets and tables.

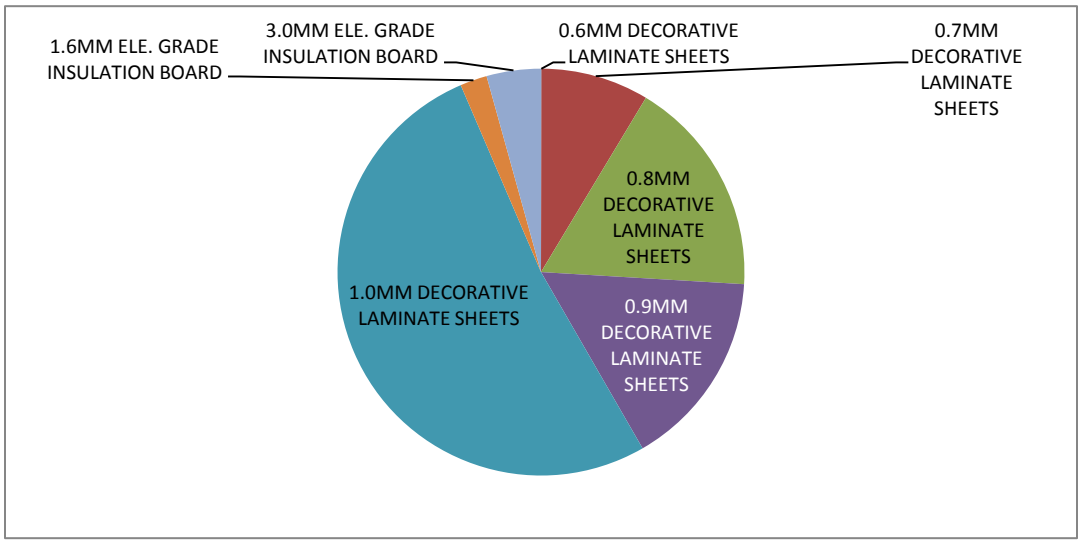
**Door Skin:** Door skin is a cost effective alternative for artistically covering the doors while minimizing wastage. It is primarily a laminate which comes in standard door sizes and vide variety of designs which can be easily used to cover doors

**Colour Core Laminate:** Colour Core Laminates, with its solid colour throughout are ideal for use in high visibility areas like sales counters, reception desks and furniture and offer enormous possibilities for innovative and trendy interiors.

**Electrical Insulation Board:** Electrical Insulation Board is basically laminate sheet which is used for manufacture of switch boards.

Our products have both industrial and consumer application and end users of our products are consumers.

Product-wise Revenue break-up of our Business in 2016-17:




***Source: Management Representation***

**Total turnover prodict wise for fy. 2016-17:**

| Sr. No. | Product | Sales (INR in Lacs) |
|---|---|---|
| 1. | 0.6MM DECORATIVE LAMINATE SHEETS | 1.90 |
| 2. | 0.7MM DECORATIVE LAMINATE SHEETS | 427.37 |
| 3. | 0.8MM DECORATIVE LAMINATE SHEETS | 861.99 |
| 4. | 0.9MM DECORATIVE LAMINATE SHEETS | 782.54 |
| 5. | 1.0MM DECORATIVE LAMINATE SHEETS | 2580.86 |
| 6. | 1.6MM ELE. GRADE INSULATION BOARD | 106.47 |
| 7. | 3.0MM ELE. GRADE INSULATION BOARD | 214.74 |
| | **Total** | **4975.88** |

## OUR BRANDS

| Laminates | |
|---|---|
| **Brand** | **Description** |
| Antique® 24 Carat Laminates | "ANTIQUE" is very popular brand in retail segment of decorative laminates, because of wide range of designs, and good quality. European decorative paper is used which help us to maintain the quality.<br><br>Available Sizes: 8' X 4' |
| ART LAM® Art of Laminates | ART LAM is developed for economic segment which is most preferable and affordable for Indian market. The decorative paper is procured from China. With a view to cater to economy segment have introduced the economic laminate under ART LAM brand.<br><br>Available Sizes: 8' X 4' |
| Antique aurum Exclusive Laminates | This is our premium product in which we use exclusive design papers. World's biggest decorative paper suppliers exclusively offer these designs to us. These laminates are priced at a premium to regular Antique Laminates<br><br>Available Sizes: 8' X 4' |
| LamArt Artistic Laminates 0.8mm laminates | LAM ART is the commercial segment laminate which is widely used because of its very economic pricing. Indian decorative base paper is used to manufacture this laminate.<br><br>Available Sizes: 8' X 4' |
| Antique natural wood LAMINATES | Natural wood series of ANTIQUE is new concept introduce us. We select designs from natural veneer and develop the decorative paper. Its cost is very less than veneer and life is higher. This is our popular catalogue in interior and architecture.<br><br>Available Sizes: 8' X 4' |

| Door Skin | |
|---|---|
| **Brand** | **Description** |

| Door Skin | |
|---|---|
| **Brand** | **Description** |
| Beautique Premium Metal Door Skins & Wardrobe | Beautique premium metal door skin is manufactured by selectively chosen imported design paper and perforated aluminium foil. It is the only range which contains 100% imported paper that improves longevity.<br><br>Available Sizes: 7' X 3' & 8' X 4' |
| TEXAS TRENDY DOOR DESIGN | Texas range is specifically designed and highly recommended for main door applications. The range consists of traditional metal door skins, emboss door skins, metal door skins, paper cut door skins, higher resolution digital door skins, and eco door skins.<br><br>Available Sizes: 7' X 3.25' |
| MICRO TOUCH Designer Door Skin | This ready-to-use concept for décor benefits the customer by easing installation, reducing wastage, and minimising costs. Microtouch designer range offers metal door skins, paper cut door skins, high resolution digital door skins and emboss door skins.<br><br>Available Sizes: 7' X 3' & 8' X 4' |
| DOOR TOUCH ECO DOOR SKIN | Door touch eco door skins offer a multitude of cylinder printed designs that can be pasted on flush doors. Its widely spread applications are found in various commercial and residential sectors.<br><br>Available Sizes: 7' X 3' |
| Antique naturalwood doorskin every main door deserve the best | "Antique" Naturalwood Doorskin presents the perfect replacement for veneer doorskin with contemporary design. It is developed by 100% imported paper that improves longevity.<br><br>Available Sizes: 7' X 3.25' |

## OUR COMPETITIVE STRENGTHS

**We believe that the following are our Primary competitive strengths:**

(a) *Wide Brand Portfolio*

The laminate industry is a fragmented and an unorganized industry. We believe that our brands have created a niche for themselves in the Industry. We have been able to grow and sustain the demand for our brands by offering a constant flow of new and unique designs and finishes.

(b) *Wide Product Range*

| Brand | No of Designs |
|---|---|
| ***LAMINATES*** | |
| Lamart | 308 |
| Artlam | 390 |
| Antique | 466 |
| Honest | 215 |
| Beautique | 192 |
| **Total** | **1571** |
| ***DOORSKIN*** | |

| | |
|---|---|
| Microtouch | 89 |
| Artlam | 122 |
| Doortouch | 138 |
| Beautique | 103 |
| **Total** | **452** |

With approximately 1571 designs in laminated and 452 designs in Door Skins we have one of the largest design portfolio in the Industry. This gives us unmatched competitive edge over our competitors.

*(c) Proficient Management Team*

Our Promoters have rich experience in the industry in which we are currently enagaed. Our senior management team has experience in sourcing of raw materials, product designing, operating manufacturing facilities and marketing of laminates. The vision, prudence and dynamism of our management enables us to discover and capitalize on new opportunities and accordingly position ourselves to become leaders in Our industry.

*(d) Our Sales Distribution and Marketing Network*

We have presence in west and south India through our network of 26 distributors and 4799 dealers. In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online. Also in order to enable our dealers and distributors help their customers conveniently choose from our vide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and IOS platform which is available for download for free in Google Play Store and Apple Store. We participate in number of exhibitions across India to create awareness about our products

*(e) Quality Product*

We focus on the quality of the raw materials and finished products at our manufacturing unit to ensure that the desired quality is attained. We have BIS Certification Marks License No CM/L 3792377 and all our products are IS 2046:1995 complaint in terms of quality.

## SUMMARY OF FINANCIAL STATEMENTS

**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED** **ANNEXURE-I**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31,2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **I. EQUITY AND LIABILITIES** | | | | | | |
| **1. Shareholders' funds** | | | | | | |
| (a) Share capital | 1192.20 | 1192.20 | 397.40 | 290.00 | 290.00 | 225.00 |
| (b) Reserves and surplus | 325.57 | 241.11 | 836.47 | 372.73 | 199.07 | 108.07 |
| **Sub-Total** | **1517.77** | **1433.31** | **1233.87** | **662.73** | **489.07** | **333.07** |
| **2. Share application money pending allotment** | | - | - | - | - | - |
| **Sub-Total** | | - | - | - | - | - |
| **3. Non-current liabilities** | | | | | | |
| (a) Long-term borrowings | 331.86 | 325.75 | 170.93 | 506.51 | 698.47 | 631.87 |
| (b) Deferred tax liabilities (Net) | 183.72 | 175.69 | 148.60 | 123.79 | 106.54 | 84.58 |
| (c) Other Non Current Liabilities | - | - | - | - | - | - |
| (d) Long term provisions | 3.83 | 3.47 | 2.71 | 7.18 | 3.15 | 0.86 |
| **Sub-Total** | **519.41** | **504.91** | **322.24** | **637.48** | **808.16** | **717.31** |
| **4. Current liabilities** | | | | | | |
| (a) Short-term borrowings | 978.44 | 958.48 | 857.20 | 447.49 | 334.81 | 404.99 |
| (b) Trade payables | 2512.97 | 2145.97 | 1500.94 | 927.11 | 1195.12 | 733.55 |
| (c) Other current liabilities | 356.79 | 392.72 | 383.85 | 362.77 | 193.40 | 119.56 |
| (d) Short-term provisions | 298.80 | 75.89 | 46.54 | 92.20 | 23.26 | 16.31 |
| **Sub-Total** | **4147.00** | **3573.06** | **2788.53** | **1829.57** | **1746.59** | **1274.41** |
| **TOTAL** | **6184.18** | **5511.28** | **4344.64** | **3129.78** | **3043.82** | **2324.79** |
| **II. ASSETS** | | | | | | |
| **1. Non-current assets** | | | | | | |
| (a) Fixed assets | 1194.33 | 1193.53 | 1100.73 | 1006.06 | 1020.69 | 930.87 |
| (b) Non-current investments | 9.68 | 101.15 | 1.15 | 1.15 | 1.15 | 1.15 |
| (c) Long-term loans and advances | 26.62 | 20.44 | 45.43 | 13.57 | 13.45 | 13.38 |
| **Sub-Total** | **1230.63** | **1315.12** | **1147.31** | **1020.78** | **1035.29** | **945.40** |
| **2. Current assets** | | | | | | |
| (a) Current investments | | | | | | |
| (b) Inventories | 1530.81 | 1617.30 | 1383.29 | 996.81 | 940.36 | 706.42 |
| (c) Trade receivables | 3363.35 | 2388.08 | 1597.45 | 1008.09 | 886.93 | 561.95 |
| (d) Cash and cash equivalents | 17.75 | 85.92 | 141.19 | 58.11 | 99.05 | 49.32 |
| (e) Short-term loans and advances | 35.88 | 99.33 | 57.96 | 17.33 | 39.38 | 24.77 |
| (f) Other Current Asset | 5.76 | 5.53 | 17.44 | 28.67 | 42.81 | 36.93 |
| **Sub-Total** | **4953.55** | **4196.16** | **3197.33** | **2109.00** | **2008.53** | **1379.39** |
| **TOTAL** | **6184.18** | **5511.28** | **4344.64** | **3129.78** | **3043.82** | **2324.79** |

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

**(Amount in Lakhs)**

| Particulars | For the period ended September 30, 2017 | For the period ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| I.Revenue from operations | 3362.22 | 5152.26 | 4917.82 | 3815.97 | 3554.84 | 2047.10 |
| II.Other income | 1.09 | 2.00 | 13.94 | 1.67 | 2.22 | 1.43 |
| **III. Total Revenue (I + II)** | **3363.31** | **5154.26** | **4931.76** | **3817.64** | **3557.06** | **2048.53** |
| IV. Expenses: | | | | | | |
| Cost of materials consumed | 2832.96 | 3701.11 | 3731.23 | 2812.31 | 2908.87 | 1594.90 |
| Purchases of Stock-in-Trade | | | | | - | - |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | (311.52) | (42.77) | (29.63) | 29.55 | (22.03) | (56.02) |
| Employee benefits expense | 47.25 | 108.83 | 122.61 | 161.38 | 123.13 | 71.51 |
| Finance costs | 89.17 | 174.67 | 179.14 | 155.88 | 114.07 | 119.11 |
| Depreciation and amortization expense | 29.55 | 55.70 | 50.25 | 46.13 | 49.27 | 38.13 |
| Other expenses | 543.71 | 856.90 | 615.65 | 353.34 | 247.74 | 158.56 |
| **Total expenses** | **3231.12** | **4854.44** | **4669.25** | **3558.60** | **3421.05** | **1926.19** |
| **V. Profit before exceptional and extraordinary items and tax (III-IV)** | **132.19** | **299.82** | **262.51** | **259.04** | **136.01** | **122.34** |
| VI. Exceptional items | | - | - | - | - | - |
| **VII. Profit before extraordinary items and tax (V - VI)** | **132.19** | **299.82** | **262.51** | **259.04** | **136.01** | **122.34** |
| VIII. Extraordinary Items- | - | - | - | - | - | - |
| **IX. Profit before tax (VII- VIII)** | **132.19** | **299.82** | **262.51** | **259.04** | **136.01** | **122.34** |
| X. Tax expense: | | | | | | |
| (1) Current tax | 40.19 | 73.28 | 58.94 | 68.13 | 27.21 | 24.48 |
| (2) MAT Credit | - | - | - | - | (4.18) | (19.00) |
| (3) Deffered Tax | 8.03 | 27.09 | 24.81 | 17.24 | 21.96 | 33.89 |
| **XI. Profit (Loss) for the period from continuing operations (VII-VIII)** | **83.97** | **199.45** | **178.76** | **173.66** | **91.02** | **82.97** |
| XII. Profit/(loss) from discontinuing operations | - | - | - | - | - | - |
| XIII. Tax expense of discontinuing operations | - | - | - | - | - | - |
| **XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)** | - | - | - | - | - | - |
| **XV. Profit (Loss) for the period (XI + XIV)** | **83.97** | **199.45** | **178.76** | **173.66** | **91.02** | **82.97** |
| XVI Earnings per equity share: | | | | | | |
| (1) Basic & Diluted EPS | 0.70 | 1.67 | 4.86 | 5.99 | 3.39 | 4.07 |

**STATEMENT OF CASH FLOW AS RESTATED** **ANNEXURE-III**

**(Amount in Lakhs)**

| Particulars | For the period ended September 30, 2017 | For the period ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | |
| Restated Net profit Before Tax and Extraordinary Iteams | 132.18 | 299.82 | 262.51 | 259.04 | 136.00 | - |
| **Adjustments For:** | | | | | | |
| Depreciation | 29.55 | 55.70 | 50.25 | 46.13 | 49.27 | 38.13 |
| Reversal of Excess Provision | 0.50 | - | - | - | - | - |
| Loss on Sale of Fixed Assets | - | - | 2.26 | 8.38 | 2.70 | - |
| Interest/Dividend/Other Income | (0.67) | (2.00) | (13.93) | (1.29) | (2.22) | (1.43) |
| Interest and Finance Charges | 89.17 | 174.67 | 179.14 | 155.88 | 114.07 | 119.11 |
| **Operating Profit before working capital changes** | **250.73** | **528.19** | **480.23** | **468.14** | **299.82** | **155.81** |
| **Adjustment For:** | | | | | | |
| Decrease/(Increase) in Inventories | 86.49 | (234.01) | (386.48) | (56.45) | (233.94) | (245.62) |
| Decrease/(Increase) in Trade receivables | (975.26) | (790.64) | (589.35) | (121.17) | (324.98) | (222.65) |
| Decrease/(Increase) in Other Current Assets | (0.22) | 11.91 | 11.22 | 14.14 | (5.88) | (20.16) |
| Decrease/(Increase) in Short-term loans and advances | 63.45 | (41.37) | (40.63) | 22.05 | (14.61) | (1.62) |
| (Decrease)/Increase in Trade Payables | 367.00 | 645.02 | 573.83 | (268.00) | 461.57 | 154.71 |
| (Decrease)/Increase in Other Current Liabilities | (35.93) | 8.87 | 21.08 | 169.37 | 73.84 | 23.35 |
| (Decrease)/Increase in Provisions | 223.27 | 30.11 | (50.14) | 72.98 | 9.24 | (21.73) |
| **Cash Generated from Operations** | **(20.47)** | **158.08** | **19.76** | **301.06** | **265.06** | **(177.91)** |
| Taxes Paid | (40.19) | (73.28) | (58.94) | (68.13) | (23.03) | (5.47) |
| **Net Cash From /(Used In ) Operating Activities (A)** | **(60.66)** | **84.81** | **(39.19)** | **232.92** | **242.03** | **(183.38)** |
| **Cash Flow From Investing Activities** | | | | | | |
| (Purchase) Of Fixed Assets/ Capital Work In Progress | (30.36) | (148.49) | (144.57) | (27.32) | (138.13) | (316.26) |
| Sale Of Fixed Assets/ Capital Work In Progress | - | - | (2.60) | (12.56) | (3.66) | - |
| Decrease/(Increase) in Non Current investments | 91.47 | (100.00) | - | - | - | (1.00) |
| Interest/Dividend/Other Income | 0.67 | 2.00 | 13.93 | 1.29 | 2.22 | 1.43 |
| Decrease/(Increase) in long term loans & Advances | (6.18) | 24.99 | (31.86) | (0.12) | (0.07) | (0.75) |

| Particulars | For the period ended September 30, 2017 | For the period ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| **Net Cash From /(Used In ) Investing Activities (B)** | **55.60** | **(221.50)** | **(165.10)** | **(38.71)** | **(139.64)** | **(316.58)** |
| **Cash Flow From Financing Activities** | | | | | | |
| Proceeds from Issue of Shares | - | 794.80 | 107.40 | - | 65.00 | 25.50 |
| Security Premium | - | - | 322.20 | - | - | - |
| Bonus Issue | - | (794.80) | - | - | - | - |
| Interest and Finance Charges | (89.17) | (174.67) | (179.14) | (155.88) | (114.07) | (119.11) |
| Proceeds / (Repayments) of Share Application Money | - | - | - | - | - | (0.50) |
| **(Decrease)/Increase in Short Term Borrowing** | 19.96 | 101.28 | 409.71 | 112.67 | (70.18) | 196.01 |
| **(Decrease)/Increase in Long Term Borrowing** | 6.11 | 154.82 | (335.58) | (191.96) | 66.59 | 312.54 |
| Prelimanary Expense | - | - | (37.22) | - | - | - |
| **Net Cash From Financing Activities (c)** | **63.10** | **81.43** | **287.37** | **(235.17)** | **(52.66)** | **414.44** |
| **Net Increase / (Decrease) in Cash (A)+(B)+(C)** | (68.16) | (55.27) | 83.09 | (40.95) | 49.73 | (85.52) |
| **Cash and Cash equivalents at the beginning of the year** | 85.92 | 141.19 | 58.11 | (23.29) | (73.02) | 12.50 |
| **Cash and Cash equivalents at the end of the year** | **17.76** | **85.92** | **141.20** | **(64.24)** | **(23.29)** | **(73.02)** |

I. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Satements"

II. Figures in Brackets represent outflows

**III.** The above statement should be read with the Restated Statement of Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure I,II, IV(A) respectively.

## THE ISSUE

The following table summarizes the Issuer details:

| Particulars | Details of Equity Shares |
|---|---|
| Issue of Equity Shares by our Company | 30,00,000** Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 42 per Equity Share aggregating Rs. 1260.00 lakhs |
| **Of which:** | |
| Market Maker Reservation Portion | 1,56,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 42 per Equity Share aggregating Rs.65.52 lakhs |
| Net Issue to the Public* | 28,44,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 42- per Equity Share aggregating Rs. 1194.48 lakhs |
| | Of which: |
| | 14,22,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 42 per Equity Share aggregating Rs. 597.24 lakhs will be available for allocation to investors up to Rs. 2.00 Lakhs |
| | 14,22,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 42 per Equity Share aggregating Rs. 597.24 lakhs will be available for allocation to investors above Rs. 2.00 Lakhs |
| **Pre and Post Issue Equity Shares** | |
| Equity Shares outstanding prior to the Issue | 1,19,22,000 Equity Shares |
| Equity Shares outstanding after the Issue | 1,49,22,000 Equity Shares |
| Use of Proceeds | For further details please refer chapter titled "Objects of the Issue" beginning on page 90 of this Prospectus for information on use of Issue Proceeds |

**Notes:-**

The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on July 26, 2017 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on August 19, 2017.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

*The allocation in the net Issue to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and

b) Remaining to

i. Individual applicants other than retail individual investors; and

ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage*

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

For further details please refer to section titled *'Issue Information'* beginning on page 268 of this Prospectus.

## GENERAL INFORMATION

Our Company was incorporated as "Ambition Mica Private Limited" in Ahmedabad, Gujarat, as a private limited company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 19, 2010 bearing registration no. 059931 issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli, Ahmedabad. Our Company was converted in to public company *vide* fresh certificate of incorporation consequent upon conversion from private to public company dated March 25, 2015 issued by Registrar of Companies, Ahmedabad, Gujarat. The shares of our company got listed with the SME platform of BSE Ltd. through Initial Public offer on July 14, 2015. Our corporate identification number is L25202GJ2010PLC059931.

Veljibhai Patel and Govindbhai Patel are the promoters of the Company. Sureshbhai Patel, Ashvinbhai Patel, Govindbhai Patel, Veljibhai Patel and Prahladbhai Patel are the initial subscribers to the Memorandum of Association of our Company. They were allotted shares on March 19, 2010.The details in this regard have been disclosed in the chapter titled, " Capital Structure" beginning on page 69 of this Prospectus

Our company is engaged into manufacturing of mid segment decorative laminates and door skins.

For further details of Business, Incorporation, Change of Name and Registered Office of our Company, please refer to chapter titled " Our Business" and " Our History And Certain Other Corporate Matters beginning on page117 and 145 of this Prospectus.

### REGISTERED & CORPORATE OFFICE OF OUR COMPANY

**Ambition Mica Limited**
Shop No.10, Ground Floor, Raghav Residency
Opp. Naroda G.E.B., Dehgam Road, Naroda
Ahmedabad – 382330, Gujarat.
**Tel:** +91 7929292629
**Fax :** NA
**Email:** investors@ambitionmica.com
**Website:** www.ambitionmica.com
**Registration Number:** 059931
**Corporate Identification Number:** L25202GJ2010PLC059931

### MANUFACTURING UNIT OF OUR COMPANY

Plot No.309, Vehlal Road, Village-Zak,
Taluka-Dahegam, District-Gandhinagar,
Gujarat, India.
**Tel:** 9408654269/ 8734813969
**Fax :** NA
**Email:** investors@ambitionmica.com
**Website:** www.ambitionmica.com
**Registration Number:** 059931
**Corporate Identification Number:** L25202GJ2010PLC059931

### REGISTRAR OF COMPANIES

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

## DESIGNATED STOCK EXCHANGE

**SME Platform of BSE Ltd.**
25th Floor, P. J. Towers, Dalal Street
Mumbai, Maharashtra, 400001

## BOARD OF DIRECTORS OF OUR COMPANY

The following table sets out details regarding our Board as on the date of this Prospectus:

| Sr. No. | Name | Age | DIN | Address | Designation |
|---|---|---|---|---|---|
| 1. | Govindbhai Patel | 38 | 02927165 | 55/2, Mohan Nagar Society, Nr, Navyug School, Naroda, Ahmedabad – 382330 | Chairman and Managing Director |
| 2. | Rameshkumar Patel | 36 | 06393942 | 14/2, Mohannagar CHS Ltd. Part-2, Nr. Navyug School, Naroda, Ahmedabad - 382330, | Whole-time Director |
| 3. | Monghiben Patel | 60 | 07125342 | 54/2, Mohannagar Society- 2, Nr, Navyug School, Naroda, Ahmedabad – 382330 | Non Executive Director |
| 4. | Paresh Patel | 38 | 07128422 | D-202, Parth Avenue, Opp. Pushpakunj Society, Naroda, Ahmedabad - 382325, | Independent Director |
| 5. | Abhishek Patel | 26 | 06581734 | 9, Divyakiran Society - 1, Opp: Baliyakak Society, Naroda, Ahmedabad- 382330, | Independent Director |
| 6. | Vinod Patel | 32 | 07136584 | A/8, Sarthi Bunglows, Nr Uma Shikshan Tirth School, Naroda, Ahmedabad – 382325 | Independent Director |

For further details of our Directors, please refer to the chapter titled *"Our Management"* beginning on page 149 of this Prospectus.

## CHIEF FINANCIAL OFFICER

**Bhaveshkumar Patel**
Shop No.10, Ground Floor, Raghav Residency
Opp. Naroda G.E.B., Dehgam Road, Naroda
Ahmedabad – 382330, Gujarat.
**Tel:** +91 7929292629
**Fax : NA**
**Email:** cfo@ambitionmica.com
**Website:** www.ambitionmica.com

## COMPANY SECRETARY & COMPLIANCE OFFICER

**Gauravkumar Jani**
Shop No.10, Ground Floor, Raghav Residency
Opp. Naroda G.E.B., Dehgam Road, Naroda
Ahmedabad – 382330, Gujarat.
**Tel:** +91 7929292629
**Fax : NA**

**Email:** cs@ambitionmica.com
**Website:** www.ambitionmica.com

**Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or the Book Running Lead Managers, 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 Gohel & Co. Chartered Accountants**
307-Ashwamegh Elegance-2,
Besides Central Mall, Ambawadi Circle,
Ambawadi, Ahmedabad-380006, Gujarat.
**Tel:** 079-26461443
**Fax:** NA
**E-mail:** cahiteshgohel@gmail.com
**Contact Person:** Hitesh R Gohel
**Firm Registration No:** 129089W
**Membership No:** 129427

## PEER REVIEWED AUDITOR

**N. K. Aswani & Co.**
Chartered Accountants
701/A, Wall Street-II,
Opp. Orient Club,
Nr. Gujarat College Crossing,
Ellisbridge, Ahmedabad
380006 Gujarat, India
**Tel No.:** 079-26402552
**Fax No.:** 079-26402553
**Email:** narainkaswani@yahoo.co.in
**Contact Person:** Narian Aswani
**Firm Registration No.:** 100738W
**Membership No.:** 033278

M/s N.K. Aswani & Co., Chartered Accountant holds a peer reviewed certificate dated November 13, 2013 issued by the Institute of Chartered Accountants of India.

## BOOK RUNNING LEAD MANAGERS

| | |
|---|---|
| **Pantomath Capital Advisors Private Limited**<br>406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East)<br>Mumbai- 400051, Maharashtra, India<br>**Tel:** +91 22 6194 6725<br>**Fax:** + 91 22 2659 8690<br>**Email:** ipo@pantomathgroup.com | **Small Industries Development Bank of India**<br>SIDBI- MSME Development Centre, Plot No. C-11, 'G' Block Bandra Kurla Complex, Bandra (East), Mumbai- 400051<br>**Tel:** +91 22-67531100<br>**Fax:** + 91 22-67531236<br>**Email:**sureshrai@sidbi.in, |

| | |
|---|---|
| **Website**: www.pantomathgroup.com<br>**Contact Person:** Bharti Ranga<br>**SEBI Registration No:** INM000012110 | merchantbanking@sidbi.in<br>**Website**: www.sidbi.in<br>**Contact Person:** Suresh Kumar Rai<br>**SEBI Registration No:** INM000012086 |

## REGISTRAR TO THE ISSUE

**Karvy Computershare Private Limited.**
Karvy Selenium Tower B, Plot No. 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad-500 032, India.
**Tel:** +91 40 6716 2222
**Fax:** +91 40 2343 1551
**Email:** ambitionmica.fpo@karvy.com
**Contact Person:** M. Murali Krishna
**Website:** www.karisma.karvy.com
**SEBI Registration Number:** INR000000221

## LEGAL ADVISOR TO THE ISSUE

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

## BANKER TO THE COMPANY

**Bank of Baroda**
Shop No 4-11, Krishna Complex,
Near Memco Cross Road,
Ahmedabad – 380025, Gujarat.
**Tel:** +91 79 2220 3536
**Fax:** +91 79 2220 3536
**E-mail:** naroda@bankofbaroda.com
**Contact Person:** Ashish Patel
**Website:** www.bankofbaroda.co.in

**HDFC Bank Limited**
Shop No.3-4, Haash Business Centre,
Nr. Ankur School, Paldi Vasna Road,
Ahmedabad-380007, Gujarat.
**Tel:** 079 26660 3014
**Fax:** N.A.
**E-mail:** ankit.patel1@hdfcbank.com
**Contact Person:** Ankit Patel
**Website:** www.hdfcbank.com

## PUBLIC ISSUE BANK / BANKERS TO THE ISSUE AND REFUND BANKER

**ICICI Bank Limited**
Capital Market Division, 1st Floor,
122, Mistry Bhavan,
Dinshaw Vachha Road
Backbay Reclamation,
Churchgate, Mumbai-400020
**Tel:** 022-66818923/ 924/ 932
**Fax:** 022- 22611138
**Email:** shradha.salaria@icicibank.com
**Contact Person:** Shradha Salaria
**Website:** www.icicibank.com
**SEBI Registration Number:** INBI00000004

## SYNDICATE MEMBER

**Pantomath Stock Brokers Private Limited**
108, Madhava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
Maharashtra, India
**Tel:** +91 22 42577001
**Fax:** +91 22 2659 8690
**Email:** broking@pantomathgroup.com
**Contact Person:** Mahavir Toshniwal
**SEBI Registration Number**: INZ000068338

## DESIGNATED INTERMEDIARIES

### Self Certified Syndicate Banks

The list of SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or such other websites as updated from time to time. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders and Designated Intermediaries, please refer to the above-mentioned link.

### Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE Ltd., as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

### Registrar to Issue

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at Bombay Stock Exchange Limited, as updated from time to time.

### Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at BSE Ltd., as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to

receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

## CREDIT RATING

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

## FPO GRADING

Since the Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing an FPO 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. 10,000 Lakhs. Since the Issue size is only of Rs.1260.00 lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of companies act, 2013 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

Below mentioned table set forth the inter-se allocation of responsibilities for various activities among the BRLM's to this Issue; i.e. PCAPL and SIDBI.

| Sr. No. | Activities | Responsibility | Coordinator |
|---|---|---|---|
| 1. | Capital restructuring with the relative components and formalities such as type of instruments, etc. | PCAPL | PCAPL |
| 2. | Due diligence of the Company's operations/ management/ business plans/ legal, etc. Drafting and design of offer document and of statutory advertisement including memorandum containing salient features of the Prospectus. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock exchange(s), RoC and SEBI including finalization of the Prospectus and filing with the RoC. | PCAPL | PCAPL |
| 3. | Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc. | PCAPL | PCAPL |
| 4. | Appointment of registrar and other agencies to the Issue. | PCAPL | PCAPL |
| 5. | Appointment of all other intermediaries including bankers to the Issue, printers, advertising agency etc. | PCAPL | PCAPL |

| Sr. No. | Activities | Responsibility | Coordinator |
|---|---|---|---|
| 6. | • Developing marketing strategy which will cover, inter alia<br>• Formulating marketing strategies, preparation of publicity budget; *f*<br>• Finalising media, marketing and public relations strategy;<br>• Finalising bidding and collection centres; and *f*<br>• Follow-up on distribution of publicity and issue material including form, Prospectus and deciding on the quantum of the issue material. | PCAPL, SIDBI | PCAPL |
| 7. | Coordination with Stock Exchange for bidding terminals and mock trading. | PCAPL | PCAPL |
| 8. | Management of Public Issue Bank account and Refund Bank account and allocation. | PCAPL | PCAPL |
| 9. | Post bidding activities including coordination for non- institutional allocation, coordination with Registrar and Banks, intimation of allocation and dispatch of refund to Bidders, etc. The post issue activities of the issue will involve essential follow up steps, which include finalization of trading and dealing instruments and dispatch of certificates and demat delivery of shares, with the various agencies connected with the work such as Registrar to the Issue, Banker to the Issue and the bank handling refund business, unblocking of ASBA funds, etc. The Book Running Lead Managers shall be responsible for ensuring that these agencies fulfill their functions and enable them to discharge the responsibility through suitable agreements with the Issuer Company. | PCAPL | PCAPL |

## EXPERT OPINION

N. K. Aswani & Co, Chartered Accountants, Chartered Accountants, have provided their written consent for the inclusion of the report on the restated financial statements for the period ended September 30, 2017 and for the years ended March 31 2017, 2016, 2015, 2014 and 2013 in the form and context in which it will appear in the draft Red Herring Prospectus, Red Herring Prospectus and Prospectus and the statement of tax benefits, and to be named as an expert in relation hereto, and such consent has not been withdrawn at the time of delivery of this Prospectus to Stock Exchange. Except the report of the Peer Reviewed Auditor 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 Book Running Lead Managers to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated October 3, 2017 and 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 |
|---|---|---|---|
| **Pantomath Capital Advisors Private Limited**<br>406-408, Keshava Premises Bandra Kurla Complex, Bandra East<br>Mumbai 400051<br>**Tel:** 022-61946700/72<br>**Fax:** 022-26598690<br>**Email:** ipo@pantomathgroup.com<br>**Contact Person:** Madhu Lunawat<br>**SEBI Registration Number**: INM000012110 | 25,50,000 | 1260.00 | 85..00% |
| **SIDBI**<br>SIDBI, MSME Development Centre, Plot No. C-11, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra.<br>**Tel:** 022-67531100<br>**Fax:** 022-67531236<br>**Email:** sureshrai@sidbi.in<br>**Contact Person:** Suresh Kumar Rai<br>**SEBI Registration Number**: INM000012086 | 4,50,000 | 1260.00 | 15.00% |
| **Total** | 30,00,000 | 1260.00 | **100%** |

**Includes 1,56,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations, 2009, as amended.*

In the opinion of the Board of Directors of 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 Book Running Lead Managers have entered into an agreement dated October 3, 2017 with the following Market Maker, duly registered with BSE Limited to fulfil the obligations of Market Making.

**Pantomath Stock Brokers Private Limited**
108, Madhava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
Maharashtra, India

**Tel:** +91 22 42577001
**Fax:** +91 22 2659 8690
**Email:** broking@pantomathgroup.com
**Contact Person:** Mahavir Toshniwal
**SEBI Registration Number**: INZ000068338

Pantomath Stock Brokers Private Limited, registered with SME Platform of BSE Ltd. will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by BSE Ltd. and SEBI in this matter from time to time.

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to Issue 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 FPO price of 42/- the minimum lot size is 3000 Equity Shares thus minimum depth of the quote shall be Rs. 42/- until the same, would be revised by BSE Ltd.

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 1,56,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.

4. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Ltd. may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.

7. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Ltd. and market maker will remain present as per the guidelines mentioned under BSE Ltd. and SEBI circulars.

8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable

for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

9. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, 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 Book Running Lead Managers 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 Book Running Lead Managers 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 particulars 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.

10. 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 Ltd. can impose any other margins as deemed necessary from time-to-time.

11. 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 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.

12. 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 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 Ltd. from time to time.

## BOOK BUILDING PROCESS

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation

with the BRLMs in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper, all editions of a widely circulated Hindi Newspaper and a widely circulated Gujarati Newspaper, Gujarati being the regional language of Gujarat, where our registered office is situated at least five working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the BRLMs in accordance with the Book Building Process after the Bid/Issue Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Managers in this case being Pantomath Capital Advisors Private Limited, the Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLMs;
- The Registrar to the Issue and;
- The Designated Intermediaries
- This Issue is being made through the 100 per cent Book Building Process wherein 50 per cent of the Issue shall be available for allocation to Retail Individual Bidders and the balance shall be offered to QIBs and Non-Institutional Investors. Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange
- All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis We will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, we have appointed Pantomath Capital Advisors Private Limited as the Book Running Lead Manager, respectively to manage the Issue and procure subscriptions to the Issue
- The allocation in the net Issue to the public category shall be made as follows:
- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
- i. Individual applicants other than retail individual investors; and
- ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.
- If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.
- The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

  For further details on the method and procedure for Bidding, please see section entitled *"Issue Procedure"* on page 276 of this Prospectus.

**Illustration of Book Building and Price Discovery Process** (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue)

Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per equity share, Issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

| Bid Quantity | Bid Price (Rs.) | Cumulative Bid Quantity | Subscription |
|---|---|---|---|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to Issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The issuer, in consultation with the Book Running Lead Managers will finalize the Issue price at or below such cut-off price, i.e., at or below Rs. 22/-. All bids at or above this Issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

**Steps to be taken by the Bidders for Bidding:**

1. Check eligibility for making a Bid (see section titled *"Issue Procedure"* on page 276 of this Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Prospectus and in the Bid cum Application Form;

**BID / ISSUE PROGRAMME**

An indicative timetable in respect of the Issue is set out below:

| Event | Indicative Date |
|---|---|
| Bid/Issue Opening Date | November 16, 2017 |
| Bid/Issue Closing Date | November 21, 2017 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | November 24, 2017 |
| Initiation of Refunds | November 27, 2017 |
| Credit of Equity Shares to Demat Accounts of Allottees | November 27, 2017 |
| Commencement of trading of the Equity Shares on the Stock Exchange | November 29, 2017 |

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Managers. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Bids and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Managers to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Managers is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Non Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

## CAPITAL STRUCTURE

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

**Amount (in Rs. Lacs except share data)**

| No. | Particulars | Aggregate nominal value | Aggregate value at Issue Price |
|---|---|---|---|
| A. | **Authorised Share Capital** | | |
| | 1,60,00,000 Equity Shares of face value of Rs. 10/- each | 1600.00 | - |
| B. | **Issued, Subscribed and Paid-Up Share Capital before the Issue** | | |
| | 1,19,22,000 Equity Shares of face value of Rs. 10/- each | 1192.20 | - |
| C. | **Present Issue in terms of this Prospectus** | | |
| | Issue of 30,00,000 Equity Shares of face value Rs.10 each at a price of Rs. 42/- per Equity Share | 300.00 | 1260.00 |
| | **Consisting :** | | |
| | **Reservation for Market Maker** 1,56,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. 42/- per Equity Share | 15.60 | 65.52 |
| | **Net Issue to the Public** –28,44,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 42 per Equity Share | 284.40 | 1194.48 |
| | **Of the Net Issue to the Public** | | |
| | **Allocation to Retail Individual Investors**- 14,22,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 42 per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lacs | 142.20 | 597.24 |
| | **Allocation to Other than Retail Individual Investors**- 14,22,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 42 per Equity Share shall be available for allocation for Investors applying for a value above Rs. 2 lacs | 142.20 | 597.24 |
| D. | **Issued, Subscribed and Paid-Up Share Capital after the Issue** | | |
| | 1,49,22,000 Equity Shares of face value of Rs. 10 each | 1492.20 | - |
| E. | **Securities Premium Account** | | |
| | Before the Issue | | Nil |
| | After the Issue | | 960.00 |

The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on July 26, 2017 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on August 19, 2017

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 authorized Share Capital:

   Since the incorporation of our Company, the authorised 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. 5,00,000 consisting of 50,000 Equity shares of Rs. 10 each. | April 01, 2010 | EGM |
| Rs. 5,00,000 consisting of 50,000 Equity shares of Rs. 10 each. | Rs. 1,50,00,000 consisting of 15,00,000 Equity shares of Rs. 10 each | May 13, 2010 | EGM |
| Rs. 1,50,00,000 consisting of 15,00,000 Equity shares of Rs. 10 each | Rs. 2,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each | July 05, 2010 | EGM |
| Rs. 2,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each. | Rs. 2,25,00,000 consisting of 22,50,000 Equity shares of Rs. 10 each. | June 14, 2012 | EGM |
| Rs. 2,25,00,000 consisting of 22,50,000 Equity shares of Rs. 10 each. | Rs. 2,90,00,000 consisting of 29,00,000 Equity shares of Rs. 10 each. | July 25,2013 | EGM |
| Rs. 2,90,00,000 consisting of 29,00,000 Equity shares of Rs. 10 each. | Rs. 4,25,00,000 consisting of 42,50,000 Equity shares of Rs. 10 each. | March 17, 2015 | EGM |
| Rs. 4,25,00,000 consisting of 42,50,000 Equity shares of Rs. 10 each. | Rs. 12,00,00,000 consisting of 1,20,00,000 Equity shares of Rs. 10 each. | March 14, 2016 | EGM |
| Rs. 12,00,00,000 consisting of 1,20,00,000 Equity shares of Rs. 10 each. | Rs. 16,00,00,000 consisting of 1,60,00,000 Equity shares of Rs. 10/- each | August 19, 2017 | EGM |

2. History of Equity Share Capital of our Company

| Date of Allotment / Fully Paid-up | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Paid -up Capital (Rs.) |
|---|---|---|---|---|---|---|---|
| March 19,2010 | 10,000 | 10 | 10 | Cash | Subscription to Memorandum of Association(1) | 10,000 | 1,00,000 |
| March 15,2011 | 19,85,000 | 10 | 10 | Cash | Further Allotment(2) | 19,95,000 | 1,99,50,000 |
| June 15, 2012 | 5,000 | 10 | 10 | Cash | Further Allotment(3) | 20,00,000 | 2,00,00,000 |
| January 31, 2013 | 2,50,000 | 10 | 10 | Cash | Further Allotment(4) | 22,50,000 | 2,25,00,000 |
| August 03, 2013 | 6,50,000 | 10 | 10 | Cash | Further Allotment(5) | 29,00,000 | 2,90,00,000 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| July 10, 2015 | 10,74,000 | 10 | 40 | Cash | Initial Public Offer (6) | 39,74,000 | 3,97,40,000 |
| May 13, 2016 | 39,74,000 | 10 | Nil | Other than cash | Bonus Issue (7) | 79,48,000 | 7,94,48,000 |
| February 07, 2017 | 39,74,000 | 10 | Nil | Other than cash | Bonus Issue (8) | 1,19,22,000 | 11,92,20,000 |

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

| Sr. No. | Name of Person | No. of shares Allotted |
|---|---|---|
| 1. | Sureshbhai Patel | 2,000 |
| 2. | Ashvinbhai Patel | 2,000 |
| 3. | Govindbhai Patel | 2,000 |
| 4. | Veljibhai Patel | 2,000 |
| 5. | Prahladbhai Patel | 2,000 |
| | Total | 10,000 |

(2) Further Allotment of 19,85,000 Equity Shares of face value of Rs. 10 /-each fully paid at par on March 15, 2011as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Ashvinbhai Patel | 70,000 |
| 2. | Prahladbhai Patel | 3,72,100 |
| 3. | Sureshbhai Patel | 4,68,400 |
| 4. | Veljibhai Patel | 2,93,000 |
| 5. | Ushaben Patel | 10,000 |
| 6. | Hansaben Patel | 30,000 |
| 7. | Laxmiben Patel | 10,000 |
| 8. | Monghiben Patel | 91,500 |
| 9. | Nirav Patel | 20,000 |
| 10. | Pareshaben Patel | 40,000 |
| 11. | Rekhaben Patel | 40,000 |
| 12. | Kinjalben Patel | 40,000 |
| 13. | Govindbhai Patel | 5,00,000 |
| | Total | 1,98,50,000 |

(3) Further Allotment of 5,000 Equity Shares of face value of Rs. 10/ - each fully paid at par on June 15, 2012as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | . Sureshbhai Patel | 5,000 |
| | tal | 5,000 |

(4) Further Allotment of 2,50,000 Equity Shares of face value of Rs. 10/ - each fully paid at par on January 31, 2013as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Govindbhai Patel | 50,000 |
| 2. | Sureshbhai Patel | 50,000 |
| 3. | Ashwinbhai Patel | 50,000 |
| 4. | Prahladbhai Patel | 50,000 |
| 5. | Veljibhai Patel | 50,000 |
| | Total | 2,50,000 |

(5) Further Allotment of 6,50,000 Equity Shares of face value of Rs. 10 / - each fully paid at par on August 03, 2013as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Govindbhai Patel | 1,62,500 |
| 2. | Rameshbhai Patel | 1,62,500 |
| 3. | Prahladbhai Patel | 1,62,500 |
| 4. | Veljibhai Patel | 1,62,500 |
| | Total | 6,50,000 |

(6) Our Company has allotted 10,74,000 Equity shares of face value Rs. 10/- each at a premium of Rs. 30/- pursuant to Initial Public offer of our Company as on July 10, 2015.

(7) Bonus Issue of 39,74,000 Equity Shares of face value of Rs. 10 / - each fully paid at par were issued to shareholders in the ratio of 1:1 on May 13, 2016 considering May 12, 2016 as record date.

(8) Bonus Issue of 39,74,000 Equity Shares of face value of Rs. 10 / - each fully paid were issued to shareholders in the ratio of 1:2 on February 07, 2017 considering February 06, 2017 as record date.

3. We have not issued any equity shares for consideration other than cash except as mentioned below

| Date of Allotment / Date of Fully Paid up | No. of equity shares allotted | Face value (Rs.) | Issue Price (Rs.) | Consideration | Nature of Issue |
|---|---|---|---|---|---|
| May 13, 2016 | 39,74,000 | 10 | Nil | Other than cash | Bonus issue |
| February 07, 2017 | 39,74,000 | 10 | Nil | Other than cash | Bonus issue |

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 230 - 240 of the Companies Act, 2013.

5. We have not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

6. We have not issued any shares at price below Issue Price within last one year from the date of this Prospectus except as mentioned below:

| Date of Allotment / Date of Fully Paid up | No. of equity shares allotted | Face value (Rs.) | Issue Price (Rs.) | Consideration | Nature of Issue |
|---|---|---|---|---|---|
| May 13, 2016 | 39,74,000 | 10 | Nil | Other than cash | Bonus issue |
| February 07, 2017 | 39,74,000 | 10 | Nil | Other than cash | Bonus issue |

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

i. Build Up of Promoters' shareholdings

As on the date of this Prospectus, our Promoters Govindbhai Patel and Veljibhai Patel hold 40,18,200 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

**a.** Govindbhai Patel

| Date of Allotment and made fully paid up/ Transfer | No. of Equity Shares | Face value per Share (Rs.) | Issue / Acquisition/Transfer price (Rs.)* | Nature of Transactions | Pre-issue shareholding % | Post- issue shareholding % |
|---|---|---|---|---|---|---|
| March 19,2010 | 2,000 | 10 | 10 | Subscriber to MOA | 0.02% | 0.01% |
| March 15,2011 | 5,00,000 | 10 | 10 | Further Allotment | 4.19% | 3.35% |
| January 31, 2013 | 50,000 | 10 | 10 | Further Allotment | 0.42% | 0.34% |
| August 03,2013 | 1,62,500 | 10 | 10 | Further Allotment | 1.36% | 1.09% |
| May 13, 2016 | 7,14,500 | 10 | Nil | Bonus Issue | 5.99% | 4.79% |
| February 07, 2017 | 7,14,500 | 10 | Nil | Bonus Issue | 5.99% | 4.79% |
| **Total** | **21,43,500** | | | | **17.98%** | **14.36%** |

*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

**b.** Veljibhai Patel

| Date of Allotment and made fully paid up/ Transfer | No. of Equity Shares | Face value per Share (Rs.) | Issue / Acquisition/Transfer price (Rs.)* | Nature of Transactions | Pre-issue shareholding % | Post- issue shareholding % |
|---|---|---|---|---|---|---|
| March 19,2010 | 2,000 | 10 | 10 | Subscriber to MOA | 0.02% | 0.01% |
| March 15,2011 | 2,93,000 | 10 | 10 | Further Allotment | 2.46% | 1.96% |
| January 31, 2013 | 50,000 | 10 | 10 | Further Allotment | 0.42% | 0.34% |
| August 03,2013 | 1,62,500 | 10 | 10 | Further Allotment | 1.36% | 1.09% |
| August 25, 2013 | 1,17,400 | 10 | 10 | Transfer | 0.98% | 0.79% |
| May 13, 2016 | 6,24,900 | 10 | Nil | Bonus Issue | 5.24% | 4.19% |

| Date of Allotment and made fully paid up/ Transfer | No. of Equity Shares | Face value per Share (Rs.) | Issue / Acquisition/Transfer price (Rs.)* | Nature of Transactions | Pre-issue shareholding % | Post- issue shareholding % |
|---|---|---|---|---|---|---|
| February 07, 2017 | 6,24,900 | 10 | Nil | Bonus Issue | 5.24% | 4.19% |
| **Total** | **18,74,700** | | | | **15.72%** | **12.56%** |

*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.

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

Pursuant to Regulation 32 and 36 of SEBI ICDR Regulations, in case of a further public offer, either to the extent of twenty per cent of the proposed issue size or to the extent of twenty per cent. of the post issue capital (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 given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoter's Contribution constituting 20.20% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

| | **No. of Equity Shares Locked in** | **Face Value (in `)** | **Issue/ Acquisition Price** | **Date of Allotment/Acquisition and when made fully paid-up** | **Nature of Allotment/ Transfer** | **Consideration (Cash/other than cash)** | **Percentage of post-Issue paid-up capital** | **Source of Promoter's Contribution** |
|---|---|---|---|---|---|---|---|---|
| Govindbhai patel | 2,000 | 1 | 1 | March 19,2010 | Subscriber to MOA | cash | 0.01% | Income / Savings(1) |
| | 5,00,000 | 10 | 10 | March 15,2011 | Further Allotment | cash | 3.35% | Borrowed funds(2) |
| | 6,57,811 | 10 | NA | May 13, 2016 | Bonus Issue | other than cash | 4.41% | NA |
| | 6,57,811 | 10 | NA | February 07, 2017 | Bonus Issue | other than cash | 4.41% | NA |
| sub total (A) | 18,17,622 | | | | | | 12.18% | |
| Veljibhai Patel | 2,000 | 10 | 10 | March 19,2010 | Subscriber to MOA | cash | 0.01% | Income / Savings(1) |
| | 2,93,000 | 10 | 10 | March 15,2011 | Further Allotment | cash | 1.96% | Income / Savings(1)& Borrowed funds(2) |
| | 4,50,811 | 10 | NA | May 13, 2016 | Bonus Issue | Other than Cash | 3.02% | NA |
| | 4,50,811 | 10 | NA | February 07, 2017 | Bonus Issue | Other than Cash | 3.02% | NA |
| sub total (B) | 11,96,622 | | | | | | 8.02% | |
| grand total (A+B) | 30,14,244 | | | | | | 20.20% | |

*23,91,000 shares are already locked in for a period of 3 years till July 20, 2018 and thus these shares along with additional 6,23,244 shares will be locked in for a period of 3 years from the date of allotment or such other period as under SEBI Regulations.

1. Income/Savings includes salary income, proceeds from sale of land and profits from business.
2. Loan funds have been borrowed from M/s Vinus Ply Industries, Village Zak, Taluka Dehgam, District Gandhi Nagar -382010 as per details given below:-

| Sr. No. | Date of Borrowing | Amount (Rs in Lakhs) | Name of Borrower |
|---|---|---|---|
| 1. | June 18, 2010 | 7.00 | Veljibhai Patel |
| 2. | October 15, 2010 | 5.00 | Veljibhai Patel |
| 3. | July 10, 2010 | 5.00 | Govindbhai Patel |

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI (ICDR) Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 33 of the SEBI Regulations. In Connection, we confirm the following:

a) 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;
b) 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;
c) 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;
d) The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
e) All the Equity Shares of our Company held by the Promoters are in dematerialized mode; and
f) 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.

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

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

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

Further, pursuant to Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the Takeover Code, as applicable

We further confirm that our Promoter's Contribution of 20.20% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

8. None of the members of the Promoter Group, the Promoter and its directors, or our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Prospectus with the Stock Exchange.

9. Our Shareholding Pattern
   1. Our Shareholding Pattern

The table below presents the shareholding pattern of our Company as per Regulation 31, of the SEBI Listing Regulations, 2015

**Summary of Shareholding Pattern as on September 30, 2017 :-**

| Category | Category of Shareholder | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities* | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) | Number of Locked in shares* | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialized form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting Rights | Total as a % of (A+B+C) | | | No.(a) | As a % of total Shares held (b) | N (a) | As a % of total Shares held (b) | |
| I | II | III | IV | | VI | VII = IV + V+ VI | VIII | IX | | X | XI = VII + X | XII | | XIII | | XIV |
| A | Promoter and Promoter Group | 8 | 87,00,000 | - | - | 87,00,000 | 72.97 | 87,00,000 | 72.97 | - | 72.97 | 2391000 | | - | - | 87,00,000 |
| B | Public | 227 | 32,22,000 | | - | 32,22,000 | 27.03 | 32,22,000 | 27.03 | - | 27.03 | - | | | - | 32,22,000 |
| C | Non | - | - | | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Promoter- Non Public | | | | | | | | | | | | | | | |
| 1 | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | | - | | - |
| 2 | Shares held by Employee Trusts | - | - | | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 235 | 1,19,22,000 | | - | 1,19,22,000 | 100.00 | 1,19,22,000 | 100.00 | - | 100.00 | 2391000 | 20.05 | - | - | 1,19,22,000 |

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

I. Shareholding Pattern of Promoter and Promoter Group

| | **Category of Shareholder** | **PAN** | **Nos. of shareholders** | **No. of fully paid up equity shares held** | **No. of Partly paid-up equity shares held** | **No. of shares underlying Depository Receipts** | **Total nos. shares held** | **Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)** | **Number of Voting Rights held in each class of securities** | | **No. of Shares Underlying Outstanding convertible securities (including Warrants)** | **Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) As a %** | **Number of Locked in shares** | | **Number of Shares pledged or otherwise encumbered** | | **Number of equity shares held in dematerialized form*** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | **No of Voting Rights** | **Total as a % of (A+B+C)** | | | **No. (a)** | **As a % of total Shares held (b)** | **No. (a)** | **As a % of total Shares held (b)** | |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | **of (A+B+C 2)** | | | | | |
| | I | II | III | IV | V | VI | VII = IV+V +VI | VIII | IX | | X | XI = VII + X | XII | | XIII | | XIV |
| 1 | Indian | | | | | | | | | | | | | | | | |
| (a) | Individuals /Hindu undivided Family | - | 8 | 87,00,000 | - | - | 87,00,000 | 72.97 | 87,00,000 | 72.97 | - | 72.97 | 2391000 | 20.05 | - | - | 87,00,000 |
| (b) | Central Government/ State Government(s) | | | | | | | | | | | | | | | | - |
| (c) | Financial Institutions / Banks | | | | | | | | | | | | | | | | - |
| (d) | Any Other (Specify) Body Corporate | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-total (A) (1) | | 8 | 87,00,000 | - | - | 87,00,000 | 72.97 | 87,00,000 | 72.97 | - | 72.97 | 2391000 | 20.05 | - | - | 87,00,000 |
| (2) | Foreign | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) | Individuals (Non-Resident | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Individuals / Foreign Individuals) | | | | | | | | | | | | | | | | |
| (b) | Government | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (f) | Any Other (Specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-total (A) (2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | - | 8 | 87,00,000 | - | - | 87,00,000 | 72.97 | 87,00,000 | 72.97 | - | 72.97 | 2397000 | 20.05 | - | - | 87,00,000 |

II. Shareholding Pattern of the Public shareholder

| | Category of Shareholder | PAN | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) As a % of (A+B+C2) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialized form*** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total Shares held (b) | |
| | I | II | III | IV | V | VI | VII = IV+V+VI | VIII | IX | | X | XI = VII + X | XII | | XIII | | XIV |
| (1]) | Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) | Mutual Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) | Venture Capital Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c | Alternate | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ) | Investment Funds | | | | | | | | | | | | | | | | |
| (d) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (e) | Foreign Portfolio Investors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (f) | Financial Institutions / Banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (g) | Insurance Companies | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (h) | Provident Funds/ Pension Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (i) | Any Other (Specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-total (B) (1) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | - |
| (2) | Central Government/State Government(s)/ President of India | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (B) (2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (3) | Non-Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) | Individuals | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs | | 182 | 1528916 | - | - | 1528916 | 12.82 | 1528916 | 12.82 | - | - | - | - | - | - | 1528916 |
| | ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs | | 32 | 1226250 | | | 1226250 | 10.29 | 1226250 | 10.29 | | | | | | | 1226250 |
| (b) | NBFCs registered with RBI | | - | - | - | - | - | - | - | - | - | - | - | - | - | | - |
| (c) | Employee Trusts | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Overseas Depositories (holding DRs) (balancing figure) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (e) | Any Other (Specify) (Body corporate) | | 13 | 466834 | 3.92 | - | 4,66,834 | 3.92 | 4,66,834 | 3.92 | - | - | - | - | - | - | 4,66,834 |
| | Sub Total (B)(3) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total Shareholding of Public (B)= (B)(1)+(B)(2)+ (B)(3) | | 227 | 32,22,000 | 27.03 | - | 32,22,000 | 27.03 | 32,22,000 | 27.03 | - | - | - | - | - | - | 32,22,000 |

**III.** Shareholding pattern of the Non Promoter- Non Public shareholder

| **Sr No** | **Category of Shareholder** | **PAN** | **Nos. of shareholders** | **No. of fully paid up equity shares held** | **No. of Partly paid-up equity shares held** | **No. of shares underlying Depository Receipts** | **Total nos. shares held** | **Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)** | **Number of Voting Rights held in each class of securities** | | **No. of Shares Underlying Outstanding convertible securities (including Warrants)** | **Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) As a % of (A+B+C2)** | **Number of Locked in shares** | | **Number of Shares pledged or otherwise encumbered** | | **Number of equity shares held in dematerialized form***** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | **No of Voting Rights** | **Total as a % of (A+B+C)** | | | **No. (a)** | **As a % of total Shares held (b)** | **No. (a)** | **As a % of total Shares held (b)** | |
| | I | II | III | IV | V | VI | VII = IV+V+VI | VIII | IX | | X | XI = VII + X | XII | | XIII | | XIV |
| (1) | Custodian / DR Holder | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a | Name of | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ) | DR Holder (if applicable) | | | | | | | | | | | | | | | | |
| | Sub total (C)(1) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (2) | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub total (C)(2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total Non-Promoter Non-Public Shareholding (C) = (C)(1)+(C)(2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

10. Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group":

| 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 |
| (I) | (II) | (III) | (IV) | (V) | (VI) |
| | **Promoter** | | | | |
| 1 | Govindbhai Patel | 21,43,500 | 17.98% | 21,43,500 | 14.36% |
| 2 | Veljibhai Patel | 18,74,700 | 15.72% | 18,74,700 | 12.56% |
| | **Sub total (A)** | **40,18,200** | **33.07%** | **40,18,200** | **26.93%** |
| | **Promoter Group** | | | | |
| 1 | Prahladbhai Patel | 20,59,830 | 17.28% | 20,59,830 | 13.80% |
| 2 | Pareshaben Patel | 1,20,000 | 1.01% | 1,20,000 | 0.80% |
| 3 | Monghiben Patel | 2,74,500 | 2.30% | 2,74,500 | 1.84% |
| 4 | Rekhaben Ramesh Patel* | 1,20,000 | 1.01% | 1,20,000 | 0.80% |
| 5 | Kinjalben Patel* | 1,20,000 | 1.01% | 1,20,000 | 0.80% |
| 6 | Rameshbhai Patel | 19,87,470 | 16.67% | 19,87,470 | 13.32% |
| | **Sub total (B)** | **46,81,800** | **39.27%** | **46,81,800** | **31.38%** |
| | **Total (A+B)** | **87,00,000** | **72.97%** | **87,00,000** | **58.30%** |

*Rekhaben Ramesh Patel and Kinjalben Patel are not relatives within the meaning of regulation 2(1)(zb) of ICDR Regulations but are considered for the purposes of shareholding of the Promoter Group under Regulation 2(1)(zb)(v) of ICDR Regulations.

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 Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|---|---|---|
| Govindbhai Patel | 21,43,500 | 3.33 |
| Veljibhai Patel | 18,74,700 | 3.33 |

12. Except as mentioned below no persons belonging to the category "Public" holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.

| Name of the shareholder | No. of Shares held | % shareholding |
|---|---|---|
| Swing Infraspace Private Limited | 2,88,000 | 2.42% |

13. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Prospectus are set forth below:
    a. Particulars of the top ten shareholders as on the date of filing this Prospectus as per BENPOS dated October 27, 2017:

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of Total Paid-Up Capital |
|---|---|---|---|
| 1. | Govindbhai Patel | 21,43,500 | 17.98% |
| 2. | Prahladkumar Patel | 20,59,830 | 17.28% |
| 3. | Rameshkumar Patel | 19,87,470 | 16.67% |
| 4. | Veljibhai Patel | 18,74,700 | 15.72% |
| 5. | Swing Infraspace Private Limited | 2,88,000 | 2.42% |
| 6. | Monghiben Patel | 2,74,500 | 2.30% |
| 7. | Kinjalben Patel | 1,20,000 | 1.01% |
| 8. | Rekhaben Patel | 1,20,000 | 1.01% |

| | | | |
|---|---|---|---|
| 9. | Pareshaben Patel | 1,20,000 | 1.01% |
| 10. | Hitesh Lakhani | 99,000 | 0.83% |

b. Particulars of top ten shareholders ten days prior to the date of filing this Prospectus as per BENPOS dated October 20, 2017:

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of Total Paid-Up Capital |
|---|---|---|---|
| 1. | Govindbhai Patel | 21,43,500 | 17.98% |
| 2. | Prahlad Patel | 20,59,830 | 17.28% |
| 3. | Rameshkumar Patel | 19,87,470 | 16.67% |
| 4. | Veljibhai Patel | 18,74,700 | 15.72% |
| 5. | Swing Infraspace Private Limited | 2,88,000 | 2.42% |
| 6. | Monghiben Patel | 2,74,500 | 2.30% |
| 7. | Kinjalben Patel | 1,20,000 | 1.01% |
| 8. | Rekhaben Patel | 1,20,000 | 1.01% |
| 9. | Pareshaben Patel | 1,20,000 | 1.01% |
| 10. | Hitesh Lakhani | 99,000 | 0.83% |

c. Particulars of the top ten shareholders two years prior to the date of filing of this Prospectus as per BENPOS dated October 30, 2015:

| Sl. No | Name | Number of Equity Shares | % of then existing Paid-Up Capital |
|---|---|---|---|
| 1 | Govindbhai Patel | 7,14,500 | 17.98 |
| 2 | Prahlad Patel | 6,86,610 | 17.28 |
| 3 | Rameshkumar Patel | 6,62,490 | 16.67 |
| 4 | Veljibhai Patel | 6,24,900 | 15.72 |
| 5 | Monghiben Patel | 91,500 | 2.30 |
| 6 | BCB Brokerage Private Limited | 63,000 | 1.21 |
| 7 | Kinjalben Patel | 40,000 | 1.01 |
| 8 | Rekhaben Patel | 40,000 | 1.01 |
| 9 | Pareshaben Patel | 40,000 | 1.01 |
| 10 | Hitesh Lakhani | 33,000 | 0.83 |

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

15. Neither the Book Running Lead Managers viz. Pantomath Capital Advisors Private Limited, SIDBI nor their associates hold any Equity Shares of our Company as on the date of this Prospectus.

16. Under-subscription in the net issue, if any, in any category, except in the QIB portion would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Managers and the Emerge Platform of National Stock Exchange of India Limited.

17. The unsubscribed portion in any reserved category (if any) except in the OIB portion may be added to any other reserved category. The unsubscribed portion after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.

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

19. Other than the Equity Shares, there is no other class of securities issued by our Company.

20. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, 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.

21. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Prospectus.
22. Our Company, our Promoters, our Directors and the Book Running Lead Managers have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
23. There are no safety net arrangements for this public issue.
24. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. 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 our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
25. In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price
26. As on date of this Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
27. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
28. As per RBI regulations, OCBs are not allowed to participate in this Issue.
29. Our Company has not raised any bridge loans against the proceeds of the Issue.
30. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
31. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
32. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
33. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
34. Our Company has 235 shareholders as on September 30, 2017.
35. Our Promoters and the members of our Promoter Group will not participate in this Issue.
36. Our Company has not made any public issue since its incorporation.

37. 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.

38. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013, please refer to paragraph titled "Details of Related Parties Transactions as Restated" in the chapter titled "Financial Statements as restated" on page 172 of this Prospectus.

39. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "Our Management" beginning on page 149 of this Prospectus.

## OBJECTS OF THE ISSUE

**Requirement of Funds:**
The proceeds of the Issue, after deducting Issue related expenses, are estimated to be 1260.00 lakhs (the "Net Proceeds").
We intend to utilize the net proceeds from Issue towards the following objects:

1. Funding the working capital requirements of the Company
2. General Corporate Purpose

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

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

### ISSUE PROCEEDS

The details of the proceeds of the issue are set out in the following table:

| Particulars | Amount (Rs. in lakhs) |
|---|---|
| Gross Proceeds from the Issue | 1260.00 |
| (Less) Issue related expenses | 100.00 |
| **Net Proceeds** | 1160.00 |

**As on the date of Prospectus, our Company has incurred Rs. 24.51 lakhs towards Issue expenses.*

### UTILIZATION OF NET PROCEEDS

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

| Sr. No. | Particulars | Amount to be financed from Net Proceeds of the Issue (Rs. in lakhs) | Percentage of Gross Proceeds | Percentage of Net Proceeds |
|---|---|---|---|---|
| 1. | Working Capital Requirements | 900.00 | 71.43% | 77.59% |
| 2. | General Corporate Purposes(1) | 260.00 | 20.63% | 22.41% |

### SCHEDULE OF IMPLEMENTATION & DEPLOYMENT OF FUNDS:

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

(*In lakhs*)

| Sr. No | Particulars | Amount to be funded from the Net Proceeds | Estimated Utilization of Net Proceeds (Financial Year 2018) |
|---|---|---|---|
| 1. | Working Capital Requirements | 900.00 | 900.00 |
| 2. | General Corporate Purpose(1) | 260.00 | 260.00 |

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

## MEANS OF FINANCE

*(Amount Rs. in Lakhs)*

| Particulars | Total Requirement | Amount proposed to be financed from FPO Proceeds | Funds from Credit facility sanctioned by bank | Internal Accruals/Unsecured loan |
|---|---|---|---|---|
| Working Capital requirements | 2630.61 | 900.00 | 1000.00 | 730.61 |
| General Corporate Purpose | 260.00 | 260.00 | - | - |

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

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

**Details of Objects**

**1. Working Capital**

We finance our working capital requirements from bank funding and internal accruals . As on date our Company's fund based working capital sanction facilities consisted of an aggregate based limit of Rs. 1000.00 lakhs. For further information, see *"Financial Indebtedness"* on page 234 of this Prospectus.

As on March 31, 2016 and March 31, 2017 our Company's net working capital consisted of Rs. 1321.00 lakhs and Rs.1667.28lakhs based on the restated financial statements.

The total net working capital requirement for the year 2018 is estimated to be Rs. 2630.61 lakhs, which will be met through the Net Proceeds to the extent of Rs. 900.00 lakhs , bank funding to the extent of Rs. 1000.00 lakhs and the balance portion will be met through internal accruals and unsecured loan.

**Basis of estimation of working capital requirement**

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

*Amount* (*Rs. In Lakhs*)

| Particulars | As on March 31 | |
|---|---|---|
| | 2016 | 2017 |
| ***Current Assets*** | | |
| Trade Receivables | 1525.33 | 2352.23 |

| | | |
|---|---|---|
| Inventories | | |
| • Raw Material | 1186.53 | 1377.77 |
| • Stock in Progress | 27.48 | 26.99 |
| • Finished Goods | 169.29 | 212.54 |
| Other Current Assets | 16.56 | 5.53 |
| Cash and cash equivalents | 141.19 | 85.92 |
| Short term loans and Advances | 79.46 | 99.33 |
| **Total (A)** | **3145.84** | **4160.31** |
| **Current Liabilities** | | |
| Trade Payables | 1395.36 | 2028.75 |
| Advance from customers | - | - |
| Other Current Liabilities and Short Term Provisions | 429.48 | 464.28 |
| **Total (B)** | **1824.84** | **2493.03** |
| **Net Working Capital (A)-(B)** | **1321.00** | **1667.28** |

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

*Amount* (*Rs. In Lakhs*)

| **Particulars** | **2017-18 (Estimated)** |
|---|---|
| ***Current Assets*** | |
| Trade Receivables | 2429.17 |
| Inventories | |
| • Raw material | 1402.25 |
| • Stock in progress | 25.74 |
| • Finished Goods | 241.02 |
| Other Current Assets | 184.60 |
| Cash and cash equivalents | 242.91 |
| **Total (A)** | **4525.69** |
| **Current Liabilities** | |
| Trade Payables | 1474.08 |
| Other Current Liabilities and Short Term Provisions | 421.00 |
| **Total (B)** | **1895.08** |
| **Net Working Capital (A)-(B)** | **2630.61** |
| **Proposed funding pattern** | |
| Issue Proceeds | 900.00 |
| Bank Proceeds | 1000.00 |
| Internal Accruals/unsecured loan | 730.61 |
| **Total Source** | 2630.61 |

**Assumption for working capital requirements**

Assumptions for Holding Levels*

*(In months)*

| **Particulars** | **Holding Level as of March 31, 2016** | **Holding Level as of March 31, 2017** | **Holding Level as of March 31, 2018 (Estimated)** |
|---|---|---|---|
| ***Current Assets*** | | | |
| Trade Receivables | 3.75 | 5.68 | 5.50 |

| Particulars | Holding Level as of March 31, 2016 | Holding Level as of March 31, 2017 | Holding Level as of March 31, 2018 (Estimated) |
|---|---|---|---|
| Inventories | | | |
| • Raw material | 3.90 | 4.60 | 4.50 |
| • Stock in progress | 0.08 | 0.07 | 0.07 |
| • Finished Goods | 0.47 | 0.56 | 0.60 |
| ***Current Liabilities*** | | | |
| Trade Payables | 3.40 | 6.25 | 4.50 |

Our Company proposes to utilize Rs. 900.00 lakhs of Net Proceeds towards working capital requirements for meeting our business requirements.

The working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2017-18 considering the growth in activities of our Company.

Our Trade receivables cycle was of about 3.75 months and 5.68 months in Financial Year 2015-16 and 2016-17 respectively. Further, we expect our Trade receivables cycle to decrease to 5.50 months in Financial Year 2017-18.

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

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

| Assets - Current Assets | Justification |
|---|---|
| **Trade receivables** | We plan to keep our debtors policy in line with previous year. Our trade receivables period was around 5.68 months in the financial year 2016-17 and 5.50 for the financial year 2017-18 |
| **Inventories** | We plan to keep our inventory levels of raw material, stock in progress and finished goods to be in lines with previous years. Our raw material period was around 4.60 months in the financial year 2016-17 and 4.50 for the financial year 2017-18 |
| **Liabilities - Current Liabilities** | |
| **Trade Payables** | Our creditors are both importers and domestic manufacturers and because of change in tax structure in India and introduction of GST, our suppliers have high working capital requirements and thus have decreased the credit period on their supplies |

Pursuant to the certificate dated September 29, 2017, M/s. N. K. Aswani & Co., Chartered Accountants, have compiled the working capital estimates from the Restated Financial Statements and the working capital projections as approved by the Board by the resolution dated September 08, 2017.

**2. General Corporate Purpose**

Our Company proposes to deploy the balance Net Proceeds aggregating Rs. 260.00 lakhs towards general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited to strategic initiatives, partnerships and joint ventures, meeting exigencies which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board, will have flexibility in utilizing any surplus amounts

## ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and

listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 100.00 Lakhs.

| Expenses | Expenses (Rs. in Lakhs)* | Expenses (% of total Issue expenses) | Expenses (% of Gross Issue Proceeds) |
|---|---|---|---|
| Payment to Merchant Bankers including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc. | 68.00 | 68.00% | 5.40% |
| Regulatory fees | 10.00 | 10.00% | 0.79% |
| Marketing and Other Expenses | 22.00 | 22.00% | 1.75% |
| **Total estimated Issue expenses** | 100.00 | 100.00% | 7.94% |

***As on date of the Prospectus, our Company has incurred Rs. 24.51 Lakhs towards Issue Expenses out of internal accruals.***

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

*Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.01% on the Allotment Amount# or Rs 100//- whichever is less on the Applications wherein shares are allotted.*

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

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

## BRIDGE FINANCING

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

## APPRAISAL BY APPRAISING AGENCY

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

## INTERIM USE OF FUNDS

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

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

## MONITORING UTILIZATION OF FUNDS

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

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

## VARIATION IN OBJECTS

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

## OTHER CONFIRMATIONS

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

## BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is Rs. 10 each and the Issue Price is 4.00 times the face value at the lower end of the Price Band and 4.2 times the face value at the higher end of the Price Band. Investors should also refer to the sections *"Our Business"*, *"Risk Factors"* and *"Financial Statements"* on pages 117, 17, and 172 respectively, to have an informed view before making an investment decision

### QUALITATIVE FACTORS

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

- Our manufacturing facility
- Wide brand portfolio and product range
- Distribution & Marketing Network
- Experienced promoters and management team

For further details, refer to heading *"Our Competitive Strengths"* under chapter titled *"Our Business"* beginning on page 117 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 2017, 2016, 2015 and the period ended September 30, 2017 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis or computing the price, are as follows:

1. **Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20 as adjusted for changes in capital**

| Year Ended | EPS(Rs.) | Weight |
|---|---|---|
| **March 31, 2015** | 1.60 | 1 |
| **March 31, 2016** | 1.54 | 2 |
| **March 31, 2017** | 1.67 | 3 |
| **Weighted Average** | | **1.62** |
| **For the period ended September 30, 2017*** | | **0.70** |

***Not Annualised***

**Note:**

The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period / year. Restated weighted average number of equity shares has been computed as per AS20. The face value of each Equity Share is Rs. 10/-.

2. **Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 40 to Rs. 42 per Equity Share of Rs. 10 each fully paid up**

| Particulars | P/E Ratio on Cap Price | P/E on Floor Price |
|---|---|---|
| P/E ratio based on Basic EPS for FY 2016-17 | 25.11 | 23.91 |
| P/E ratio based on Weighted Average EPS | 26.00 | 24.76 |
| ***Industry P/E** | | |
| Highest | | 60.31 |
| Lowest | | 7.47 |
| Average | | 30.45 |

**Industry Composite comprises of Rushil Decor Ltd., Deco Mica Ltd. Archidply industries Ltd., Alfa Ica (India) Limited, Stylam Laminates Ltd. EPS of Bloom Dékor Ltd. is negative and thus calculation of P/E is not applicable.*

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

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

| Year Ended | RoNW (%) | Weight |
|---|---|---|
| March 31, 2015 | 26.20 | 1 |
| March 31, 2016 | 14.49 | 2 |
| March 31, 2017 | 13.92 | 3 |
| **Weighted average** | | **16.15%** |
| **For the period ended September 30, 2017*** | | **5.53%** |

**Not annualised*

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

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

**To maintain pre-issue basic & diluted EPS**

a. At the floor price –9.48]%

b. At the cap price – 9.27%

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

| NAV per Equity Share | Restated Financial Statements |
|---|---|
| Net Asset Value per Equity Share as of March 31, 2017 | 12.02 |
| Net Asset Value per Equity Share as of September 30, 2017 | 12.73 |
| Net Asset Value per Equity Share after the Issue | 17.65 |
| Issue Price per equity share | 18.05 |

Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares at the end of the year.

**6. Comparison with other listed companies**

**Rs in Lakhs**

| Companies | CMP | EPS (Basic and Diluted) | PE Ratio | RONW % | NAV (Per Share) | Face Value | Total Income (Rs. in lakhs) |
|---|---|---|---|---|---|---|---|
| Ambition mica limited | 51.00 | 1.67 | 30.54 | 13.92% | 12.02 | 10 | 5154.26 |
| **Peer Groups*** | | | | | | | |
| Rushil Décor Ltd.** | 1027.75 | 17.04 | 60.31 | 23.37% | 72.90 | 10 | 33194.00 |
| Archidply Industries Ltd. | 95.85 | 3.03 | 31.63 | 5.14% | 58.95 | 10 | 27302.43 |
| Deco Mica Ltd. | 18 | 2.41 | 7.47 | 7.63% | 31.61 | 10 | 3231.14 |
| Stylam Laminates Ltd. | 695.10 | 25.08 | 27.72 | 24.60% | 101.92 | 10 | 29471.45 |
| Alfa Ica (India)Ltd. | 66.50 | 2.39 | 27.82 | 7.50% | 31.84 | 10 | 507.00 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Bloom Dekor Ltd. | 59.00 | -3.56 | -16.57 | -19.30% | 18.46 | 10 | 6870.49 |
| Airolam | 47.75 | 1.72 | 27.76 | 11.02 | 15.59 | 10 | 7146.57 |

***Source: www.nseindia.com & www.bseindia.com*

***Money received against share warrants has not been considered for calculating Net worth of Rushil Decor Limited.

**Notes:**

- Considering the nature of business of the Company the peer are not strictly comparable. However same have been included for broad comparison.
- The figures for Ambition Mica Limited are based on the restated results for the year ended March 31, 2017
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2017
- Current Market Price (CMP) is the closing prices of respective scripts as on November 8, 2017.No trading took place in the shares of Ambition Mica Limited on November 8, 2017 and hence closing price of last trading day prior to November 8, 2017 has been considered.

For further details see section titled *"Risk Factors"* beginning on page 17 and the financials of the Company including profitability and return ratios, as set out in the section titled *"Financial Statements"* beginning on page 172 of this Prospectus for a more informed view.

## STATEMENT OF POSSIBLE TAX BENEFIT

To,
The Board of Directors,
**Ambition MICA Limited,**
**Shop No. 10,Ground Floor,**
**Raghav Residency**
**Dehgham Road, Naroda,**
**Ahmedabad 382330**

Dear Sirs,

**Subject: Statement of Possible Special Tax Benefits available to Ambition MICA Limited (the Company) and its shareholders prepared in accordance with the requirements under Schedule VIII – Clause (VII) (L) of the SEBI (ICDR) Regulations, 2009 as amended (the 'Regulations')**

We hereby report that the enclosed annexure prepared by to **Ambition MICA Limited**, states the possible special tax benefits available to Ambition MICA Limited and the shareholders of the Company under the Income Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil. The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company Further , the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed further public offering of equity shares ("the Offer") by the Company.

We do not express any opinion or provide any assurance as to whether: The Company or its Equity Shareholders will continue to obtain these benefits in future; or the conditions prescribed for availing the benefits have been / would be met with.

The contents of the enclosed statement 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. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus /Prospectus or any other offer related material in connection with the proposed further public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For N. K. Aswani& Co.**
**Chartered Accountants**
**Firm Registration No.100738W**

**N.K. Aswani, Proprietor**
**Membership No: 033278**
**Date: 04/10/2017**
**Place: Ahmedabad**

## ANNEXURE TO THE STATEMENT OF TAX BENEFITS

*The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.*

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

### A. SPECIAL TAX BENEFITS TO THE COMPANY

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

### B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

**Note:**

1. 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.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees agreed for this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement

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

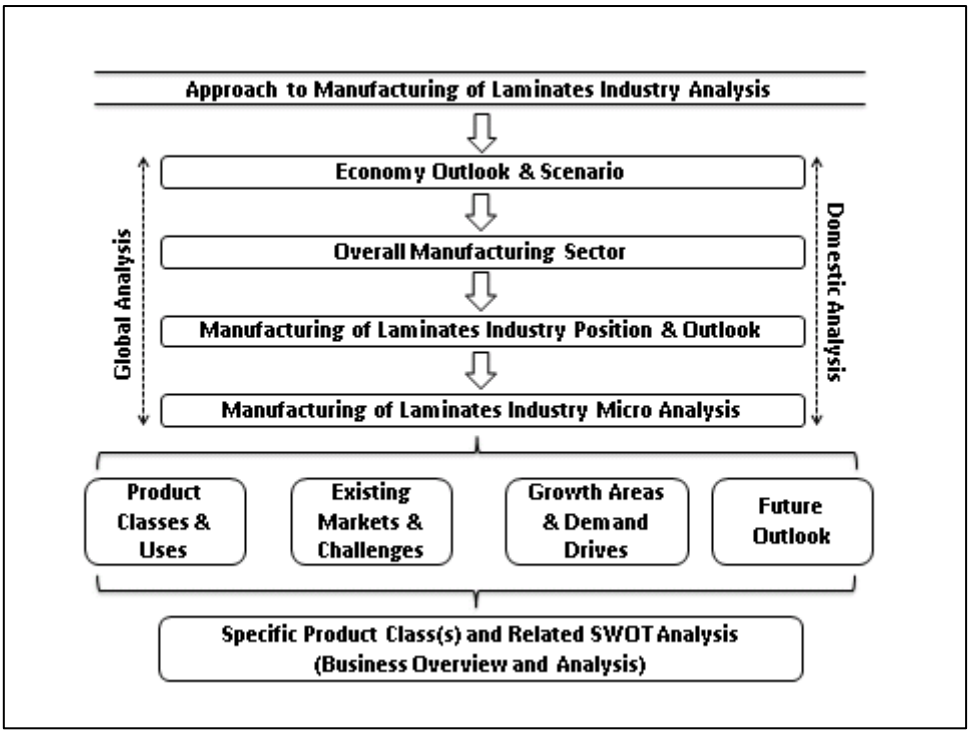
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Red Herring Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on page 17 and 172 of this Prospectus.

### APPROACH TO MANUFACTURING OF LAMINATES INDUSTRY ANALYSIS

Analysis of Manufacturing of Laminates Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Manufacturing of Laminates Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Manufacturing of Laminates Industry.

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall manufacturing sector is 'manufacturing of Laminates Industry'.

Thus, Manufacturing of Laminates segment should be analysed in the light of 'Laminates Industry' at large. An appropriate view on Laminate Industry, then, calls for the overall economy outlook and scenario, performance and expectations of Manufacturing Sector, position and outlook of Laminate Industry and micro analysis.




This Approach Note is developed by Pantomath Capital Advisors (P) Ltd (Pantomath) and any unauthorized reference or use of this Note whether in the context of Manufacturing of Laminates Industry and / or any other industry, may entail legal consequences.

## GLOBAL ECONOMIC OVERVIEW

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

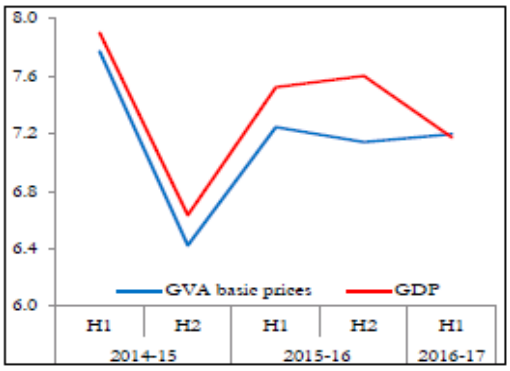
Third, developments in the US, especially the rise of the dollar, will have implications for China's currency and currency policy. If China is able to successfully re-balance its economy, the spill over effects on India and the rest of the world will be positive. On, the other hand, further declines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

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

## REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

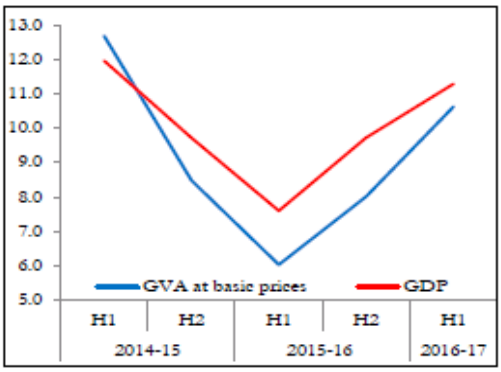
The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. Real GDP growth in the first half of the year was 7.2 percent, on the weaker side of the 7.0-7.75 per cent projection in the Economic Survey 2015-16 and somewhat lower than the 7.6 percent rate recorded in the second half of 2015-16 (Figure 1a). The main problem was fixed investment, which declined sharply as stressed balance sheets in the corporate sector continued to take a toll on firms' spending plans. On the positive side, the economy was buoyed by government consumption, as the 7th Pay Commission salary recommendations were implemented, and by the long-awaited start of an export recovery as demand in advanced countries began to accelerate. Nominal GDP growth recovered to respectable levels, reversing the sharp and worrisome dip that had occurred in the first half of 2015-16 (Figure 1b).

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




*Source:* CSO

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




*Source:* CSO

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

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

**External Sector**

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

The trade deficit declined by 23.5 per cent in April-December 2016 over corresponding period of previous year. During the first half of the fiscal year, the main factor was the contraction in imports, which was far steeper than the fall in exports. But during October- December, both exports and imports started a long-awaited recovery, growing at an average rate of more than 5 per cent. The improvement in exports appears to be linked to improvements in the world economy, led by better growth in the US and Germany. On the import side, the advantage on account of benign international oil prices has receded and is likely to exercise upward pressure on the import bill in the short to medium term. Meanwhile, the net services surplus declined in the first half, as software service exports slowed and financial service exports declined. Net private remittances declined by $4.5 bn in the first half of 2016-17 compared to the same period of 2015-16, weighed down by the lagged effects of the oil price decline, which affected inflows from the Gulf region.

**Fiscal Position**

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

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

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

## OUTLOOK FOR 2016-17

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

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

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

There is yet another dimension of demonetisation that must be kept in mind. By definition, all these quantity and price impacts will self-correct by amounts that will depend on the pace at which the economy is remonetized and policy restrictions eased. As this occurs, consumers will run down their bank deposits and increase their cash holdings. Of course, it is possible, even likely that the self-correction will not be complete because in the new equilibrium, aggregate cash holdings (as a share of banking deposits and GDP) are likely to be lower than before.

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

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

Finally, demonetisation will afford an interesting natural experiment on the substitutability between cash and other forms of money. Demonetisation has driven a sharp and dramatic wedge in the supply

of these two: if cash and other forms are substitutable, the impact will be relatively muted; if, on the other hand, cash is not substitutable the impact will be greater.

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

## OUTLOOK FOR 2017-18

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

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

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

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

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

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

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

### Fiscal outlook

The fiscal outlook for the central government for next year will be marked by three factors. First, the increase in the tax to GDP ratio of about 0.5 percentage points in each of the last two years, owing to

the oil windfall will disappear. In fact, excise-related taxes will decline by about 0.1 percentage point of GDP, a swing of about 0.6 percentage points relative to FY2017.

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

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

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

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

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

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

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

Another area of reform relates to labour. Given the difficulty of reforming labor laws per se, the thrust could be to move towards affording greater choice to workers which would foster competition amongst service providers. Choices would relate to: whether they want to make their own contribution to the Employees' Provident Fund Organisation (EPFO); whether the employers' contribution should go to the EPFO or the National Pension Scheme; and whether to contribute to the Employee State Insurance (ESI) or an alternative medical insurance program. At the same time, there could be a gradual move to ensure that at least compliance with the central labour laws is made paperless,

presence less, and cashless. One radical idea to consider is the provision of a universal basic income. But another more modest proposal worth embracing is procedural: a standstill on new government programs, a commitment to assess every new program only if it can be shown to demonstrably address the limitations of an existing one that is similar to the proposed one; and a commitment to evaluate and phase down existing programs that are not serving their purpose.

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

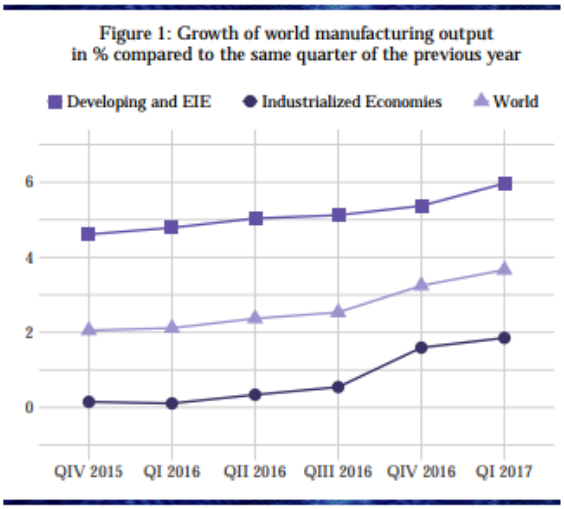
## GLOBAL MANUFACTURING SECTOR

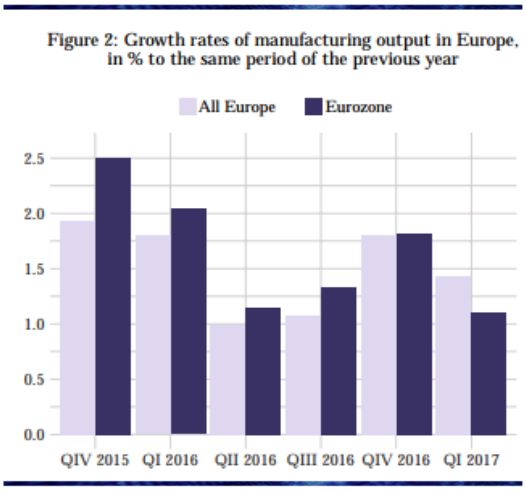
### World Manufacturing Growth

World manufacturing gained further strength in the first quarter of 2017, building on a sluggish, but already improving performance throughout 2016. Both industrialized economies and developing and emerging industrial economies indicated the onset of healthy dynamics in manufacturing production and entered the new production year 2017 with upward growth trends.

Although the degree of uncertainty has largely remained the same, recent figures presented in this report suggest that the prospects of sustained global industrial growth in the coming period both in industrialized and in developing and emerging industrial economies are improving. Risks of a downturn in the new context are associated with the changes in global trade arrangements, high geopolitical uncertainty and the implications of Brexit. In the case of developing economies, favourable investment conditions for the manufacturing industry are yet to be established.

Global manufacturing output rose by 3.7 per cent in the first quarter of 2017 compared to the same period of the previous year, visibly above the 2.6 per cent average increase observed in 2016. Positive trends with some improvement in growth figures were observed across all country groups, steadily progressing over several consecutive quarters, as depicted in Figure 1. The recent upturn in the growth performance of developing countries reflects the stronger than expected growth in China, the world's largest manufacturer, as well as a healthy pace of growth of the other countries within the country group. The major industrialized economies with a significant share in global manufacturing output, namely the United States, Japan, Germany and the Republic of Korea, thrived during the first quarter of 2017, and pushed the average growth of industrialized economies upward.




Manufacturing production data from the first quarter of 2017 support the view that the positive development in industrialized economies at the end of 2016 was not short-lived: manufacturing output increased to 1.9 per cent in the first quarter of 2017 compared to the same period of 2016.

The pace of growth remained rather moderate in the North American and European regions, where a 1.1 and 1.4 per cent expansion was recorded, respectively, in a year-by-year comparison. Production in East Asia, which experienced a significant reversal in growth in the second half of 2016 following several consecutive slumps that have lasted for nearly two years, witnessed a healthy 4.2 per cent year-by-year upturn, and had a positive im- pact on the manufacturing growth of industrialized countries as a whole.

The manufacturing output of developing and emerging industrial economies rose by 6.0 per cent. Increased manufacturing production was observed across all developing regions com- pared to the first quarter of 2016. Asian developing economies achieved a relatively higher growth rate at nearly 7.0 per cent, showing that strong global demand and investment at the beginning of 2017 strengthened the growth momentum and broke the 2-year stagnation at the same growth performance level. Other regions' production also increased compared to the same period of 2016: by a tenuous 0.4 per cent in Latin America, signalling a recovery from a long- lasting recession, and by a more passable but less stable 5.7 per cent in Africa.

Even though the level of growth in developing countries has been continuously higher than in industrialized countries, the threat of a slow- down remains looming over developing economies as long as economic and political instability persists in industrialized countries.

*(Source: World Manufacturing Production- Statistics for Quarter I, 2017; United Nations Industrial Development Organisation - www.unido.org)*

**Industrialized Economies**

The manufacturing output growth of industrialized economies experienced some improvement over previous quarters, however, growth is still advancing in slow motion. Examining the first quarter results, the 1.9 per cent growth rate was attributable to moderate growth in Europe and North America, which was compensated by a notable pick-up in manufacturing activity in East-Asian industrialized economies.

Among the industrialized country group, Europe's manufacturing output grew by 1.4 per cent in the first quarter of 2017, while the eurozone registered a growth rate of only 1.1 per cent. Even though the growth trends for these two groups nearly merged at the end of 2016, the onset of 2017 brought a change, with European countries beyond the eurozone displaying stronger resistance to adverse impacts. The available data point to a more moderate growth rate, when comparing year-to-year developments among the leading eurozone economies, at 0.9 per cent in Germany, nearly 1.0 per cent in Italy and 0.6 per cent in France. The growth figures for the majority of eurozone countries were positive, with a strong growth of 7.6 per cent observed in Slovakia, which remains one of the fastest-growing manufacturers in the single- currency bloc. A fairly robust growth rate of 3.5 per cent was recorded in the Netherlands, 2.7 per cent in Belgium, 2.6 per cent in Fin- land, 1.8 per cent in Spain and 1.7 per cent in Austria. A small recession was averted in Portugal in the first quarter of 2017, where a 1.6 per cent growth was registered. On the flip side, Ireland and Luxembourg lagged behind, their growth rate falling sharply by 6.4 per cent and 3.8 per cent, respectively.

Taking a closer look at individual countries beyond the eurozone, the United Kingdom recorded a 2.7 per cent growth in manufacturing output on a year-to-year basis, supported by the favourable tailwind of a weaker sterling. De- spite an expected slowdown in the aftermath of Brexit, it was the fastest manufacturing output growth in the UK in the last three years. Due to increased EU fund inflows, the pace of growth strengthened in Czechia and Hungary, where a 5.4 per cent and 6.5 per cent rise was recorded, respectively. Other positive results were visible in Switzerland with a 0.7 per cent growth rate as well as in Nordic countries - Sweden and Den- mark expanded their manufacturing production by roughly 3.5 per cent, while Norway significantly moderated its contraction rate to only 2.0 per cent loss. Despite the positive change in oil prices and stronger export performance, Russian manufacturing experienced a slight drop by less than 1.0 per cent in the first quarter of 2017. The overall manufacturing production in North America grew by 1.1 per cent compared to the same period of 2016. The rate of expansion picked up slightly in the United States, but remained relatively modest with a 0.9 per cent improvement in total manufacturing out put over

the same period of the previous year. Manufacturing output in Canada rose by 2.7 per cent in the first quarter of 2017, benefitting from the strong performance of machinery and equipment.

The disruption of a long period of consecutive contraction in the industrialized East-Asian economies was confirmed by another positive result - a nearly 4.2 per cent improvement was observed in the first quarter of 2017 compared to the same period of the previous year. The relatively weak yen and strong global demand fuelled Japan's manufacturing sector, a major force behind the entire region's upturn, recording a positive growth rate of 3.9 per cent. This upswing was primarily attributable to the boost in all of Japan's three key industries - the auto- motive industry, computers, electronic and optical products and machinery and equipment. The manufacturing production in the Republic of Korea picked up pace at the onset of 2017, and amounted to 3.9 per cent on a year-to-year basis, its multi-year high. Malaysia's total manufacturing output recorded a 6.8 per cent rise in the first quarter of 2017, and a very strong growth rate of 8.5 per cent was observed in Singapore.

In the first quarter of 2017, the overall accelerated growth of manufacturing output in developing and emerging industrial economies was affected by positive signals coming from different parts of the country group - Latin America broke the long-lasting period of recession, Asian economies (including China) prospered more than expected and increased China-Africa trade boosted production in Africa. Strong in- vestments among private companies and healthy external demand were translated into the fastest acceleration in manufacturing output in China since the last quarter of 2014, at 7.6 per cent over the same period of the previous year. China's ongoing economic transition, which entails a weaker but more stable and sustainable pace, is upgrading the manufacturing industry by optimizing investment in the environment and sup- porting the development of advanced manufacturing industries.

Latin American economies, which have recently faced a severe decline due to a series of domestic and external shocks, is recovering from last year's dismal performance and recorded mi- nor, but finally positive growth of 0.4 per cent in the first quarter of 2017 in a year-to-year comparison. Argentina and Brazil have softened the fall of their manufacturing activities and are slowly emerging from recession, however, given the severity of the recession, these economies are likely to take a longer time for full recovery. Manufacturing production in Brazil has been contracting uninterruptedly since the beginning of 2014, dropped by merely 0.4 per cent in the first quarter of 2017. Production continued to fall in Argentina, albeit at a slower pace - by 3.1 per cent compared to the same period of the previous year, likely softened by a strengthening peso. Looking at the other countries in the region, Mexico recorded a positive growth of 3.4 per cent, whereas manufacturing output fell in Colombia and Chile by 2.6 and 1.2 per cent, respectively.

Improved growth performance was also ob- served in Asia and the Pacific region, where manufacturing output rose by nearly 7.0 per cent at the onset of 2017. Viet Nam, one of Asia's fast-growing economies, strayed from the long- term trajectory of double-digit growth in manufacturing and achieved only 7.5 per cent in the first quarter of 2017 in a year-by-year comparison. Abruptly weakened exports slowed Viet Nam's manufacturing output growth, but the country largely maintained its attractiveness for foreign direct investment. On the other hand, surging exports in Indonesia led the country's manufacturing sector to expand by 4.3 per cent, accelerating from the 2.2 per cent growth rate recorded at the end of 2016. Higher global demand prompted manufacturing growth in India, which gained traction in the first quarter of 2017 and recorded 1.5 per cent increase compared to the same period of the previous year, after a dis- appointing performance in 2016. Together with Bangladesh, India is expected to be the region's fastest-growing economy in 2017. According to UNIDO estimates, very positive developments in growth were also observed in Saudi Arabia, the Philippines and Pakistan.

According to UNIDO estimates, manufacturing output in Africa increased to 5.7 per cent in the first quarter of 2017. It should be noted, however, that estimates for Africa are based on limited data. Egypt and Senegal registered a positive two-digit growth rate, Morocco and Cˆote d'Ivoire expanded by 1.4 per cent and 4.5 per cent, respectively, while Tunisia's manufacturing output dropped slightly by 0.7 per cent compared to the same period of the previous year. South Africa, the

region's most industrialized economy, observed the lowest growth with a contraction rate of 1.7 per cent and dim prospects for 2017.

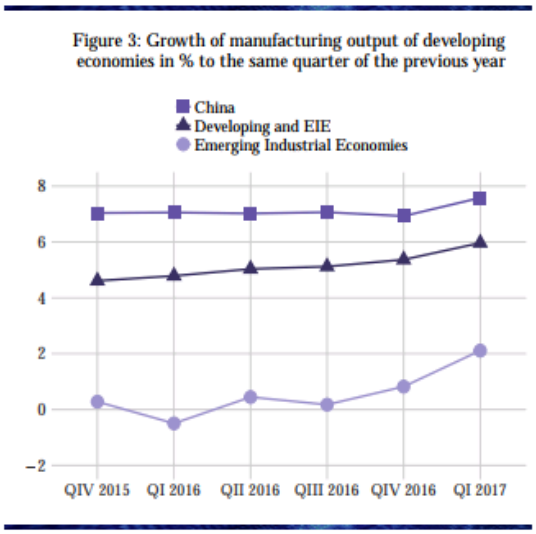
Among other developing economies, the manufacturing output of Eastern European countries achieved relatively higher growth rates. Manufacturing output rose by 6.6 per cent in Poland, 6.7 per cent in Romania, 3.5 per cent in Bulgaria, 7.0 per cent in Serbia and 2.2 per cent in Croatia. Turkey also performed well in the manufacturing sector, which grew by 1.7 per cent.

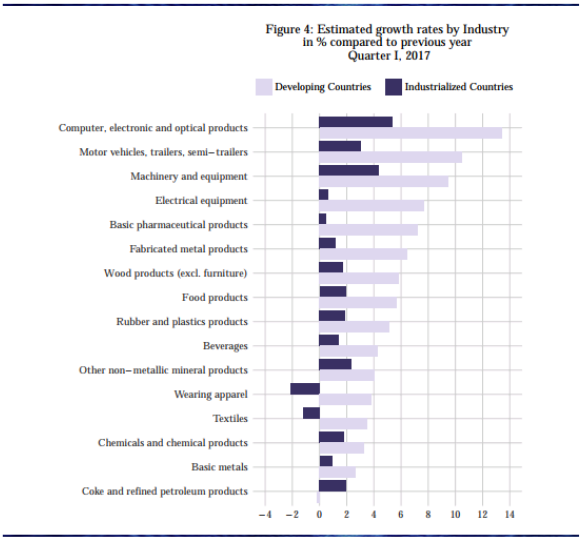
*(Source: World Manufacturing Production- Statistics for Quarter I, 2017; United Nations Industrial Development Organisation - www.unido.org)*

**Developing and Emerging Industrial Economies**

In the first quarter of 2017, the overall accelerated growth of manufacturing output in developing and emerging industrial economies was affected by positive signals coming from different parts of the country group - Latin America broke the long-lasting period of recession, Asian economies (including China) prospered more than expected and increased China-Africa trade boosted production in Africa. Strong in- vestments among private companies and healthy external demand were translated into the fastest acceleration in manufacturing output in China since the last quarter of 2014, at 7.6 per cent over the same period of the previous year. China's ongoing economic transition, which entails a weaker but more stable and sustainable pace, is upgrading the manufacturing industry by optimizing investment in the environment and supporting the development of advanced manufacturing industries.

Latin American economies, which have recently faced a severe decline due to a series of domestic and external shocks, is recovering from last year's dismal performance and recorded minor, but finally positive growth of 0.4 per cent in the first quarter of 2017 in a year-to-year comparison. Argentina and Brazil have softened the fall of their manufacturing activities and are slowly emerging from recession, however, given the severity of the recession, these economies are likely to take a longer time for full recovery. Manufacturing production in Brazil has been contracting uninterruptedly since the beginning of 2014, dropped by merely 0.4 per cent in the first quarter of 2017. Production continued to fall in Argentina, albeit at a slower pace - by 3.1 per cent compared to the same period of the previous year, likely softened by a strengthening peso. Looking at the other countries in the region, Mexico recorded a positive growth of 3.4 per cent, whereas manufacturing output fell in Colombia and Chile by 2.6 and 1.2 per cent, respectively.




Improved growth performance was also observed in Asia and the Pacific region, where manufacturing output rose by nearly 7.0 per cent at the onset of 2017. Viet Nam, one of Asia's fast-

growing economies, strayed from the long- term trajectory of double-digit growth in manufacturing and achieved only 7.5 per cent in the first quarter of 20172017 in a year-by-year compar- ison. Abruptly weakened exports slowed Viet Nam's manufacturing output growth, but the country largely maintained its attractiveness for foreign direct investment. On the other hand, surging exports in Indonesia led the country's manufacturing sector to expand by 4.3 per cent, accelerating from the 2.2 per cent growth rate recorded at the end of 2016. Higher global de- mand prompted manufacturing growth in India, which gained traction in the first quarter of 2017 and recorded 1.5 per cent increase compared to the same period of the previous year, after a dis- appointing performance in 2016. Together with Bangladesh, India is expected to be the region's fastest-growing economy in 2017. According to UNIDO estimates, very positive developments in growth were also observed in Saudi Arabia, the Philippines and Pakistan.

According to UNIDO estimates, manufac- turing output in Africa increased to 5.7 per cent in the first quarter of 2017. It should be noted, however, that estimates for Africa are based on limited data. Egypt and Senegal registered a positive two-digit growth rate, Morocco and Cˆote d'Ivoire expanded by 1.4 per cent and 4.5 per cent, respectively, while Tunisia's manufacturing output dropped slightly by 0.7 per cent compared to the same period of the previous year. South Africa, the region's most industrialized economy, observed the lowest growth with a contraction rate of 1.7 per cent and dim prospects for 2017.

Among other developing economies, the manufacturing output of Eastern European countries achieved relatively higher growth rates. Manufacturing output rose by 6.6 per cent in Poland, 6.7 per cent in Romania, 3.5 per cent in Bulgaria, 7.0 per cent in Serbia and 2.2 per cent in Croatia. Turkey also performed well in the manufacturing sector, which grew by 1.7 per cent. in the first quarter of 2017. It should be noted, however, that estimates for Africa are based on limited data. Egypt and Senegal registered a positive two-digit growth rate, Morocco and Cˆote d'Ivoire expanded by 1.4 per cent and 4.5 per cent, respectively, while Tunisia's manufacturing output dropped slightly by 0.7 per cent compared to the same period of the previous year. South Africa, the region's most industrialized economy, observed the lowest growth with a contraction rate of 1.7 per cent and dim prospects for 2017.

*(Source: World Manufacturing Production- Statistics for Quarter I, 2017; United Nations Industrial Development Organisation - www.unido.org)*

**Key Findings - Global manufacturing**

Economists are predicting that despite the increased risks, the world is set for a slightly better year in 20175. UNIDO data largely supports these predictions. Production of motor vehicles, one of the leading sectors in manufacturing, is once again experiencing a steady expansion at the global level, however, disruption of free trade could hurt automobile and component makers. Nearly every major automotive producer is intensifying investments in electric vehicles despite low oil prices. Future cars will increasingly be electric, connected and self-driving, and 2017 will bring progress on all three fronts. A greater source of concern is the world's larger automobile market, China, which is forecast to slow in 2017.

Global manufacturing production maintained a positive growth in nearly all industries in the first quarter of 2017. High- and medium-high-technology manufacturing industries repeatedly held top positions, when looking at year-by-year developments - the manufacture of computers, electronics and optical products grew by 8.5 per cent, the production of machinery and equipment rose by 6.1 per cent and the manufacture of motor vehicles by 5.6 per cent.

Among other high-technology sectors, the manufacture of pharmaceutical products increased by 3.2 per cent, while almost no change was recorded in the production of other transport equipment over the same period of the previous year.

Relatively high growth rates in the production of basic consumer goods were maintained worldwide. The global manufacture of food products rose by 3.5 per cent, beverages by 2.8 per cent and the global manufacture of wearing apparel increased by 2.6 per cent.

As regards durable and capital goods, the production of machinery and equipment experienced an exceptionally high growth rate and overtook the automotive industry in the first quarter of 2017. The manufacture of non- metallic mineral products, which essentially sup- ply construction materials, registered a growth figure of 3.3 per cent while the manufacture of fabricated metal products rose by 2.9 per cent worldwide. The global manufacturing of basic metals and furniture both rose at a moderate pace of 2.1 per cent.

In low-technology manufacturing sectors, the global production of wood products rose by 3.2 per cent, while the growth pace of manufacturing of paper products, textiles and leather products remained below 2.5 per cent.

The growth performance of developing and emerging industrial economies outperformed industrialized economies in nearly all manufacturing industries, including a number of high-technology industries, with only one exception - the manufacture of coke and refined petroleum products, as illustrated in Figure 4. The fastest growing industry in both country groups was the manufacture of computer, electronic and optical products with Asian economies as the largest contributors.

The growth rates for selected industries are presented below. Additional statistics on the growth rates in the first quarter of 2017 are avail- able in the Statistical Tables.

*(Source: World Manufacturing Production- Statistics for Quarter IV, 2016; United Nations Industrial Development Organisation - www.unido.org)*

## MANUFACTURING SECTOR IN INDIA

### Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020*.

The Government of India has set an ambitious target of increasing the contribution of manufacturing output to 25 per cent of Gross Domestic Product (GDP) by 2025, from 16 per cent currently.

### Market Size

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

### Investments

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

Foreign Direct Investment (FDI) inflows in India's manufacturing sector grew by 82 per cent year-on-year to US$ 16.13 billion during April-November 2016.

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

- Apple plans to produce iPhone SE at an upcoming facility in Bengaluru, owned by its partner Wistron, which has upgraded the plant to assemble Apple iPhones.

- Coca-Cola, the US-based beverage giant, plans to invest around Rs 750 crore (US$ 112.5 million) to set up a food processing unit and a bottling plant at the newly developed Mohasa-Babai industrial estate in Hoshangabad, Madhya Pradesh.
- Panasonic Corporation, the Japan-based electronics company, plans to set up a new plant at Jhajjar, Haryana, to manufacture refrigerators for the Indian market, and a Research and Development (R&D) center for appliances consisting of two technical divisions to strengthen its product development in the country.
- BSH Home Appliances Group, the leading home appliances manufacturer in Europe, inaugurated its first technology centre in India at Adugodi, Bengaluru, which will enable the company to further develop localised technologies for the Indian market.
- China based LCD and touchscreen panel manufacturer, Holitech Technology, has announced plans to investing up to US$ 1 billion in India by the end of 2017.
- Ashok Leyland Ltd has launched its circuit series electric bus, the first ever electric bus designed and engineered entirely in India specifically for Indian road conditions, with a capacity to travel over 150 km on a single charge.
- Huawei, the China-based smartphone manufacturer, has entered into an agreement with solutions provider Flextronics Technologies (India) Private Limited, to manufacture its smartphones in India. Flextronics would start by making 3 million smart phones at its facility in Chennai and is expected to generate additional 1,500 jobs.
- Tristone Flowtech Group, the Germany-based flow technology systems specialist, has set up a new facility in Pune, which will manufacture surge tank as well as engine cooling and aircharge hose for the Indian market. The company plans to start the production at the plant in the fourth quarter of 2017.
- Tata Power has partnered with US-based Javelin Joint Venture, which is a partnership between Raytheon Company and Lockheed Martin, for its Strategic Engineering Division (SED), in order to create a strategy to co-develop and produce the Javelin missile system and integrate platform mounts to meet Indian requirements.
- LeEco, a Chinese technology company, has entered into a partnership with Compal Technologies and invested US$ 7 million to set up manufacturing facility at Greater Noida in order to start manufacturing Le2 smartphones in India.
- Zopo Mobile, a China-based smartphone manufacturer, plans to invest Rs 100 crore (US$ 15 million) to set up a manufacturing plant in Noida by the end of 2016, which will have a monthly production capacity of 100,000 units.
- Honda Motorcycle & Scooter India plans to invest around Rs 600 crore (US$ 90 million) to add a new line at its Narsapura facility at Karnataka, and launch at least 10-15 products during FY 2016-17 in the country.
- Force Motors, a utility and commercial vehicles manufacturer, inaugurated its Rs 100 crore (US$ 15 million) manufacturing facility in Pune, which will supply engines and axles to the Germany-based automobile manufacturer Mercedes-Benz.
- Boeing Company, an American plane maker, and Tata Advanced Systems Ltd (TASL), a fully owned subsidiary of Tata Sons, have entered into a joint venture to set up a new facility in Hyderabad to manufacture Boeing AH-64 Apache helicopter fuselages.
- Panasonic Corporation plans to set up a new manufacturing plant for refrigerators in India with an investment of Rs 250 crore (US$ 37.5 million), and also invest around Rs 20 crore (US$ 3 million) on an assembly unit for lithium ion batteries at its existing facility in Jhajjar in the next 8-10 months.
- Vital Paper Products, one of the major supply chain players in the paper and paper products industry, plans to set up a packaging product unit in the Special Economic Zone (SEZ) of Sri City,

Andhra Pradesh, at an investment of Rs 60 crore (US$ 9 million), which will be operational from April 2017.

- Isuzu Motors, the Japan-based utility vehicle manufacturer, has inaugurated its greenfield manufacturing unit in Sri City, Andhra Pradesh, which was set up for Rs 3,000 crore (US$ 450 million), with an annual production capacity of 50,000 units and is estimated to generate around 2,000-3,000 jobs.
- Airbus has procured more than US$ 500 million worth of supplies from India in 2015, registering a growth of 15 per cent annually and has targeted a cumulative procurement of more than US$ 2 billion over a period of five years up to 2020.
- Havells India Limited, one of the top Indian consumer electrical equipment producer, plans to set up a new manufacturing unit near Bengaluru by making an investment of Rs 1,059 crore (US$ 158.85 million), which would be its twelfth plant in India and its first outside north India.
- Global beverage company Pepsi plans to invest Rs 500 crore (US$ 75 million) to set up another unit in Maharashtra to make mango, pomegranate and orange-based citrus juices, while biotechnology giant Monsanto plans to set up a seed plant in Buldhana district of Maharashtra.
- Hindustan Coca-Cola Beverages plans to set up a bottling plant with an investment of Rs 750 crore (US$ 112.5 million) in phases at the first industrial area being developed by Government of Madhya Pradesh under the public private partnership in Babai village of Hoshangabad, Bhopal.
- Canada's Magna International Incorporated has started production at two facilities in Gujarat's Sanand, which will supply auto parts to Ford Motor Co in India and will employ around 600 people at both units.

**Government Initiatives**

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

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

- The Government of India has introduced several policy measures in the Union Budget 2017-18 to provide impetus to the manufacturing sector. Some of which include reduction of income tax rate to 25 per cent for MSME companies having turnover up to Rs 50 crore (US$ 7.5 million), MAT credit carry forward extended to 15 years from 10 years and abolishment of Foreign Investment Promotion Board (FIPB) by 2017-18.
- The Union Cabinet has approved the Modified Special Incentive Package Scheme (M-SIPS) in which, proposals will be accepted till December 2018 or up to an incentive commitment limit of Rs 10,000 crore (US$ 1.5 billion).
- The Government of India has removed the 12.5 per cent excise duty and 4 per cent special additional duty (SAD) on the manufacturing of point-of-sale (PoS) machines till March 31, 2017, which is expected to give a boost to the cashless economy as more PoS machines will be deployed in the future.
- The National Institution for Transforming India (NITI Aayog), after its recent push for Rs 6,000 crore (US$ 900 million) textile sector package, aims to persuade the Government for similar support in the manufacturing sectors with large-scale employment generation opportunities, such as electrical and electronics engineering, footwear and light manufacturing segments, which also have export potential.
- The Ministry of Labour and Employment plans to relax compliance measures for MSMEs by exempting them from inspections related to key labour laws in order to encourage entrepreneurs to help promote manufacturing in India.

- The Government of India plans to give a big boost to local manufacturing by introducing the new 'Make in India green channel', which will reduce the time taken for cargo clearance at ports from about a week to a few hours without any upfront payment of duties.
- Gujarat government is planning to set up an electronics products manufacturing hub in the state, through its newly announced Electronics Policy 2016, which will generate about 500,000 jobs in the electronics sector in the next five years.
- The Ministry of Heavy industries and Public Enterprises, in partnership with industry associations, has announced creation of a start-up centre and a technology fund for the capital goods sector to provide technical, business and financial resources and services to start-ups in the field of manufacturing and services.
- NITI Aayog plans to release a blueprint for various technological interventions which need to be incorporated by the Indian manufacturing economy, with a view to have a sustainable edge over competing neighbours like Bangladesh and Vietnam over the long term.
- Ms Nirmala Sitharaman, Minister of State (Independent Charge) for Commerce and Industry, has launched the Technology Acquisition and Development Fund (TADF) under the National Manufacturing Policy (NMP) to facilitate acquisition of Clean, Green and Energy Efficient Technologies, by Micro, Small & Medium Enterprises (MSMEs).
- The Government of India has asked New Delhi's envoys in over 160 countries to focus on economic diplomacy to help government attract investment and transform the 'Make in India' campaign a success to boost growth during the annual heads of mission's conference. Prime Minister, Mr Modi has also utilised the opportunity to brief New Delhi's envoys about the Government's Foreign Policy priority and immediate focus on restoring confidence of foreign investors and augmenting foreign capital inflow to increase growth in manufacturing sector.
- The Government of Uttar Pradesh has secured investment deals valued at Rs 5,000 crore (US$ 741.2 million) for setting up mobile manufacturing units in the state.
- Government of India has planned to invest US$ 10 billion in two semiconductor plants in order to facilitate electronics manufacturing in the country.
- Entrepreneurs of small-scale businesses in India will soon be able to avail loans under Pradhan Mantri MUDRA Yojana (PMMY). The three products available under the PMMY include: Shishu - covering loans up to Rs 50,000 (US$ 735), Kishor - covering loans between Rs 50,000 (US$ 750) to Rs 0.5 million (US$ 7,500), and Tarun - covering loans between Rs 0.5 million (US$ 7,500) and Rs 1 million (US$ 15,000).

**Road Ahead**

The Government of India has an ambitious plan to locally manufacture as many as 181 products. The move could help infrastructure sectors such as power, oil and gas, and automobile manufacturing that require large capital expenditure and revive the Rs 1,85,000 crore (US$ 27.75 billion) Indian capital goods business.

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

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

Exchange Rate Used: INR 1 = US$ 0.015 as on February 9, 2017

*According to the Global Manufacturing Competitiveness Index published by Deloitte

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

## INDIAN LAMINATE INDUSTRY

Decorative laminates are laminated products primarily used as furniture surface materials or wall paneling. It can be manufactured as either high-or low pressure laminate, with the two processes not much different from each other except for the pressure applied in the pressing process. Decorative plastic laminate is a durable flat sheeting material used in home and industrial furnishings. Decorative laminate is commonly used to surface kitchen counters, table tops, and cabinetry because of its resistance to stains, scratches, and heat.

Sunmica is one of the foremost brands in the Indian Laminate Industry that has become a household name and has the highest brand recall amongst Indian customers. Infact when most Indians say 'Sunmica' what they mean to say is' Laminates'. The two words have become so synonymous with eachother in India.

In India three types of decorative and industrial laminated sheets are being manufactured usually being phenol formaldehyde or melamine formaldehyde or other phenolic resins as binding materials for the core and the surface papers. The decorative paper for lamination is imported.

Today, laminated sheets are becoming very popular particularly plastics and paper laminated sheets. Glass laminated sheets are used by and large in aircraft and certain scientific plans. Plastic laminates are highly popular

Laminations are used for industrial purposes as well as decorative purposes. Industrial lamination is used mainly for packaging materials. To looking its uses we can say that there is a good scope for any new entrants

Indian market for laminates is mainly driven by increasing demand from housing market. The demand has increased due to growing significance of new construction industry. Laminates have be come an in dispensable part of big and evolving markets like real estate market, furniture market, modular kitchen market as well as the flooring market. The increased demand in these market striggers the demand in the laminates market**.**

Apart from this, increasing urban population, rising per capita income and a gradual shift towards non-food industry are other key factors driving the growth of laminates industry in India. The combined worth of the plywood and laminates industry is believed to be to the tune of Rs.21000 crore per year, with laminates accounting for a share of approximately Rs.3300 crore, and the industry is expected to keep on growing further in the years to come. Global demand for decorative laminates is expected to rise 5.6 percent per year to 10.7 billion square meters In 2018, valued at $ 40.8 billion. Demand will benefit from expected increases in the manufacture of products such as cabinets, ready-to-assemble (RTA) furniture, and flooring, which are of ten made from laminated engineered wood. Gains will also be driven by increased market penetration at the expense of other surfacing materials (wood veneer and paint) due to cost and performance benefits. Laminates will benefit from the continued improvement in textures and in printing techniques that create advanced graphics rivalling the aesthetics of alternative materials.Global demand for decorative laminates is expected to rise 5.6 percent per year to 10.7 billion square meters In 2018, valued at $ 40.8 billion. Demand will benefit from expected increases in the manufacture of products such as cabinets, ready-to-assemble (RTA) furniture, and flooring, which are of ten made from laminated engineered wood. Gains will also be driven by increased market penetration at the expense of other surfacing materials (wood veneer and paint) due to cost and performance benefits. Laminates will benefit from the continued improvement in textures and in printing techniques that create advanced graphics rivalling the aesthetics of alternative materials (Source : Decorative Laminated Sheets (Sunmica) Niir Project Consultancy Services (NPCS) www.entrepreneurindia.co )

# OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled ―Forward-Looking Statements beginning on page 16 of this Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section ―Risk Factors for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, prepared in accordance with Indian GAAP and Companies Act and restated in accordance with the SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Information" as restated beginning on pages 17 and 172 respectively.

Unless otherwise stated, references in this section to AML", "the Company" or "our Company" are to Ambition Mica Limited, and references to "we", "our" or "us" are to the Company.

## OVERVIEW

Incorporated in Ahmedabad, in the year 2010, our Company is an ISI certified Company primarily engaged in manufacturing of mid segment decorative laminates and door skins. Within a short period of our existence, we have garnered significant market share in 1 MM mid segment brands. We market laminates under brands like Velson, Antique, Art Lam, Antique Aurum, Antique colour core and Antique Natural Wood. We also market door skin under brands like Beautique, Texas, Micro Touch, Antique Natural Wood and Door Touch. We got listed on SME platform of BSE Ltd. through Initial public offer on July 14, 2015.

With approximately 1,571 designs in laminates and 452 designs in door skins, we have very diverse design portfolio in the Industry with specialisation in textured laminates.

Our Promoters Veljibhai Patel and Govindbhai Patel have rich experience in marketing of laminates, plywood etc. which has enabled us to grow at high pace in diminutive period of time. Before entering into manufacturing of laminates our promoters acquired extensive experience in marketing of laminates by operating under M/s. Anand Timber Mart. With the help of experience of our promoters and a strong network of about 26 distributors and 4799 dealers, we serve both industrial and consumer industry and have been able to establish a presence in west and south India.

Our manufacturing process involves Phenol and Formaldehyde as raw material. These chemicals are heated to form Polymeric resin of Phenol Formaldehyde. We use Methanol as solvent and layers of these resins are applied on Decorative Paper. These papers are cut and several layers of such papers are joined according to the required thickness. BOOP film is placed for separating the layers of two adjoining sheets and pressure is applied thereafter to form proper structure. Hydraulic pressure is also applied through multi opening hydraulic press at high temperature to create proper mould. Such laminated sheets are trimmed from all four sides and each sheet is sanded from the back for proper bonding. These laminated sheets are packed and then dispatched. For detailed process please refer to manufacturing process explained in this chapter as mentioned below.

Our Company believes in emerging technologically. In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online. Also in order to enable our dealers and distributors help their customers conveniently choose from our wide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and IOS platform which is available for download for free in Google Play Store and Apple Store.

With the initiative of going online, launching of mobile application, experience of promoters, strong network of dealers and distributors, presence in the different parts of the country, varied design portfolio, our company aims to focus on adopting innovative manufacturing approaches to meet our client's expectations, quality and become leaders laminate industry.

We have expanded our business and operations significantly during the past three years. In financial years 2017, 2016, 2015, 2014 and 2013 our turnovers (net) were Rs. 5154.26 lakhs, Rs. 4931.75 lakhs, Rs. 3817.64 lakhs, Rs. 3557.06 lakhs, and Rs. 2048.54 lakhs respectively. Our restated profits were Rs. 199.31 lakhs, Rs. 171.50 lakhs, Rs. 173.66 lakhs, Rs. 91.00 lakhs, and Rs. 82.98 lakhs respectively.

For information on our Company's incorporation and history and financial details, please refer to chapters titled "Our history and certain other Corporate matters", and "Financial Statements as Restated", "beginning on page 145 and 172 respectively of this Prospectus

## OUR PRODUCTS

**Decorative Laminates:** Decorative Laminates are laminated products primarily used as furniture surface materials or wall paneling. They are usually used for furniture tops especially on flat surfaces, including cabinets and tables.

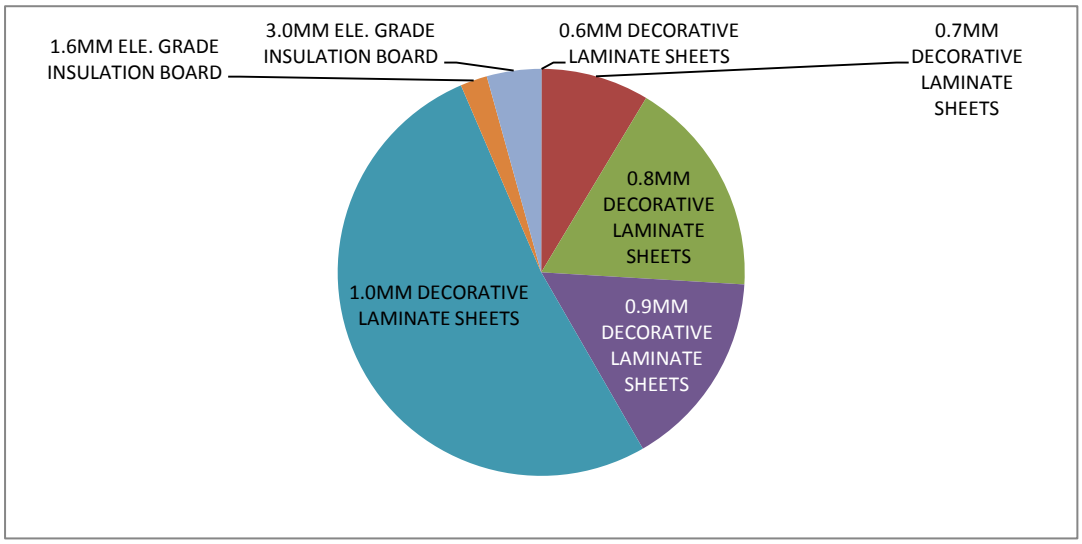
**Door Skin:** Door skin is a cost effective alternative for artistically covering the doors while minimizing wastage. It is primarily a laminate which comes in standard door sizes and vide variety of designs which can be easily used to cover doors

**Colour Core Laminate:** Colour Core Laminates, with its solid colour throughout are ideal for use in high visibility areas like sales counters, reception desks and furniture and offer enormous possibilities for innovative and trendy interiors.

**Electrical Insulation Board:** Electrical Insulation Board is basically laminate sheet which is used for manufacture of switch boards.

Our products have both industrial and consumer application and end users of our products are consumers.

Product-wise Revenue break-up of our Business in 2016-17:




***Source: Management Representation***

**Total turnover predict wise for fy. 2016-17:**

| Sr. No. | Product | Sales (INR in Lacs) |
|---|---|---|
| 8. | 0.6MM DECORATIVE LAMINATE SHEETS | 1.90 |
| 9. | 0.7MM DECORATIVE LAMINATE SHEETS | 427.37 |

| | | |
|---|---|---|
| 10. | 0.8MM DECORATIVE LAMINATE SHEETS | 861.99 |
| 11. | 0.9MM DECORATIVE LAMINATE SHEETS | 782.54 |
| 12. | 1.0MM DECORATIVE LAMINATE SHEETS | 2580.86 |
| 13. | 1.6MM ELE. GRADE INSULATION BOARD | 106.47 |
| 14. | 3.0MM ELE. GRADE INSULATION BOARD | 214.74 |
| | **Total** | **4975.88** |

## OUR BRANDS

| Laminates | |
|---|---|
| **Brand** | **Description** |
| Antique® 24 Carat Laminates | "ANTIQUE" is very popular brand in retail segment of decorative laminates, because of wide range of designs, and good quality. European decorative paper is used which help us to maintain the quality.<br><br>Available Sizes: 8' X 4' |
| ART LAM® Art of Laminates | ART LAM is developed for economic segment which is most preferable and affordable for Indian market. The decorative paper is procured from China. With a view to cater to economy segment have introduced the economic laminate under ART LAM brand.<br><br>Available Sizes: 8' X 4' |
| Antique aurum Exclusive Laminates | This is our premium product in which we use exclusive design papers. World's biggest decorative paper suppliers exclusively offer these designs to us. These laminates are priced at a premium to regular Antique Laminates<br><br>Available Sizes: 8' X 4' |
| LamArt Artistic Laminates 0.8mm laminates | LAM ART is the commercial segment laminate which is widely used because of its very economic pricing. Indian decorative base paper is used to manufacture this laminate.<br><br>Available Sizes: 8' X 4' |
| Antique natural wood LAMINATES | Natural wood series of ANTIQUE is new concept introduce us. We select designs from natural veneer and develop the decorative paper. Its cost is very less than veneer and life is higher. This is our popular catalogue in interior and architecture.<br><br>Available Sizes: 8' X 4' |

| Door Skin | |
|---|---|
| **Brand** | **Description** |

| Door Skin | |
|---|---|
| **Brand** | **Description** |
| Beautique Premium Metal Door Skins & Wardrobe | Beautique premium metal door skin is manufactured by selectively chosen imported design paper and perforated aluminium foil. It is the only range which contains 100% imported paper that improves longevity.<br><br>Available Sizes: 7' X 3' & 8' X 4' |
| TEXAS TRENDY DOOR DESIGN | Texas range is specifically designed and highly recommended for main door applications. The range consists of traditional metal door skins, emboss door skins, metal door skins, paper cut door skins, higher resolution digital door skins, and eco door skins.<br><br>Available Sizes: 7' X 3.25' |
| MICRO TOUCH Designer Door Skin | This ready-to-use concept for décor benefits the customer by easing installation, reducing wastage, and minimising costs. Microtouch designer range offers metal door skins, paper cut door skins, high resolution digital door skins and emboss door skins.<br><br>Available Sizes: 7' X 3' & 8' X 4' |
| DOOR TOUCH ECO DOOR SKIN | Door touch eco door skins offer a multitude of cylinder printed designs that can be pasted on flush doors. Its widely spread applications are found in various commercial and residential sectors.<br><br>Available Sizes: 7' X 3' |
| Antique naturalwood doorskin every main door deserve the best | "Antique" Naturalwood Doorskin presents the perfect replacement for veneer doorskin with contemporary design. It is developed by 100% imported paper that improves longevity.<br><br>Available Sizes: 7' X 3.25' |

## OUR COMPETITIVE STRENGTHS

**We believe that the following are our Primary competitive strengths:**

*(f) Wide Brand Portfolio*

The laminate industry is a fragmented and an unorganized industry. We believe that our brands have created a niche for themselves in the Industry. We have been able to grow and sustain the demand for our brands by offering a constant flow of new and unique designs and finishes.

*(g) Wide Product Range*

| Brand | No of Designs |
|---|---|
| ***LAMINATES*** | |
| Lamart | 308 |
| Artlam | 390 |
| Antique | 466 |
| Honest | 215 |
| Beautique | 192 |
| **Total** | **1571** |

| ***DOORSKIN*** | |
|---|---|
| Microtouch | 89 |
| Artlam | 122 |
| Doortouch | 138 |
| Beautique | 103 |
| **Total** | **452** |

With approximately 1571 designs in laminated and 452 designs in Door Skins we have one of the largest design portfolio in the Industry. This gives us unmatched competitive edge over our competitors.

*(h) Proficient Management Team*

Our Promoters have rich experience in the industry in which we are currently enagaed. Our senior management team has experience in sourcing of raw materials, product designing, operating manufacturing facilities and marketing of laminates. The vision, prudence and dynamism of our management enables us to discover and capitalize on new opportunities and accordingly position ourselves to become leaders in Our industry.

*(i) Our Sales Distribution and Marketing Network*

We have presence in west and south India through our network of 26 distributors and 4799 dealers. In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online. Also in order to enable our dealers and distributors help their customers conveniently choose from our vide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and IOS platform which is available for download for free in Google Play Store and Apple Store. We participate in number of exhibitions across India to create awareness about our products

*(j) Quality Product*

We focus on the quality of the raw materials and finished products at our manufacturing unit to ensure that the desired quality is attained. We have BIS Certification Marks License No CM/L 3792377 and all our products are IS 2046:1995 complaint in terms of quality.

## OUR BUSINESS STRATEGY

1. *Adding new designs to our Portfolio*

Our wide product range provides us competitive edge over our competitors. We will in order to maintain our competitive edge keep on adding newer designs and textures to our product portfolio.

2. *Brand building*

The economy and industry in general is seeing a shift in market share towards branded products. We will continue to invest in our brands maintain and grow our market share.

3. *Strengthening our distributor network*

Strength of distribution and sales network is key to success in our industry. We will focus on expanding on our distributorship network by appointing new distributors in states where we have limited presence or no presence.

4. *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.

## OUR MANUFACTURING FACILITY

Our plant is located at Plot No. 309, Vehlal Road, Zak, Ta. Dahegam Dist. Gandhinagar in the state of Gujarat. The following are the details of Plant and Machineries

| Sr. No | Name of Machinery | Quantity |
|---|---|---|
| **1.** | Air Compressor | 5 |
| **2.** | Bag Filter | 2 |
| **3.** | Chemical Tank | 2 |
| **4.** | Chimney | 1 |
| **5.** | Chemical Plant (Resin) | 1 |
| **6.** | Cooling Tower | 3 |
| **7.** | Crane | 3 |
| **8.** | Cutting Machine | 2 |
| **9.** | D G Set | 1 |
| **10.** | Dryer Machine | 5 |
| **11.** | Dust Collection | 2 |
| **12.** | Hydraulic Press | 3 |
| **13.** | Load Cell | 3 |
| **14.** | Loading-Unloading System | 3 |
| **15.** | Power Press | 1 |
| **16.** | PP Film Stocking Machine | 2 |
| **17.** | Sanding Machine | 2 |
| **18.** | Scissor Lift | 2 |
| **19.** | Steam Boiler | 2 |
| **20.** | Submersible Pump | 1 |
| **21.** | Vacuum Panel | 3 |
| **22.** | STP | 1 |
| **23.** | Scrubing System For Boiler | 1 |

## EXISTING CAPACITY & UTILISATION

In Sheets

| Year | Installed Capacity | Actual Production | Utilization % |
|---|---|---|---|
| Financial Year 2014-2015 | 17,69,472 | 8,54,088 | 48% |
| Financial Year 2015-2016 | 17,69,472 | 12,44,580 | 70% |
| Financial Year 2016-2017 | 17,69,472 | 12,06,484 | 68% |

**Note: The installed capacities mentioned above is on the basis of standard size of laminated sheets. However the actual production is of different size of laminated sheets. The Percentage calculation of utilization does not give the actual capacity utilization as capacity is estimated in terms of 1 mm laminates and actual production is of laminates of different thickness.**

**Projected capacity and capacity utilization of Decorative Laminate Sheets for the next 3 years is given as under:**

In Sheets

| Year | Installed Capacity | Projected Production | Utilization % |
|---|---|---|---|
| Financial Year 2017-2018 | 1769472 | 1238630 | 70% |
| Financial Year 2018-2019 | 1769472 | 1291714.6 | 73% |
| Financial Year 2019-2020 | 1769472 | 1344798.7 | 76% |

## UTILITIES & INFRASTRUCTURE FACILITIES

Our registered office at Naroda and manufacturing facility at Zak 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 facility at Zak is equipped with requisite utilities and infrastructure facilities including the following:

**Power**

In our unit in Zak the sanctioned load is 350 KVA from Uttar Gujarat Vij Company Limited. We also have DG set (generator), which is used as standby arrangement for power.

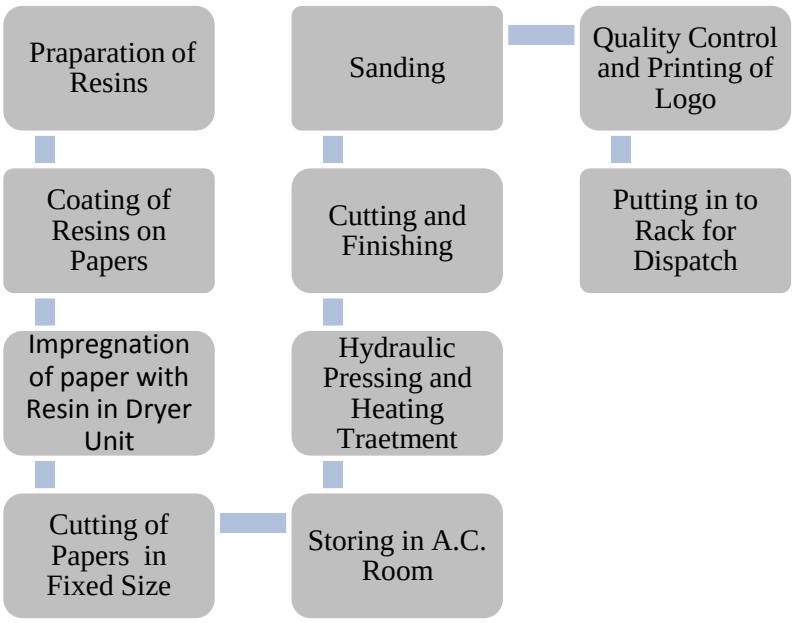
**Water**

The water requirement for manufacturing facilities is met through our own bore well.

**Fuel**

At our manufacturing facility at Zak, we use coal and fire wood for boiler. At present we have 2 boilers with capacity of 4 tons and 6 tons respectively. The present usage of coal is approx.533 tons and firewood is 9000 tons approximately p.a. for the boilers.

## PRODUCTION PROCESS




**Preparation of Resins**

Preparation of Resins in an important part of the process. Phenol and Formaldehyde are taken in MS jacketed vessel and blended at 100 degree Celsius to form polymeric resin of Phenol Formaldehyde. Similarly, Melamine and Formaldehyde are blended in reaction chamber to form Melamine Formaldehyde. Since these resins are very viscous they are diluted by adding solvent (Methanol). The resins are prepared as per required mix of chemicals as per below details.

**Melamine – Formaldehyde (M-F) Resin**:- It is manufactured by reacting melamine with formaldehyde unjacketed reactor.

**Phenol- Formaldehyde (P-F) Resin:** - Phenol-Formaldehyde (P-F) resin is manufactured by the condensation polymerization of phenol with formaldehyde under controlled conditions.

**Coating of Resins on Papers**

After preparation of resins in vessel, the layer of these resins are applied on decorative and kraft papers through impregnation in impregnation unit where resins are filled in resin tray and paper roll is set in squeeze rolls which passes through resins tray to the dryer press.

**Impregnation of paper with Resin in Dryer Unit**

Coated papers than passes to the impregnation unit and dryer press machine where it is automatically processed through drying treatment by heating oil which is supplied from boilers and in that process after drying it finally an impregnation of papers is done.

Melamine resin is coated on tissue and design paper, whereas phenolic resin is coated on kraft paper. Two impregnation processes will be carried out in a single impregnation unit alternatively to cope up with prepared capacity of the unit.

The melamine formaldehyde resin solution is kept in a tray and paper which is to be coated through guide roll passes via drying chamber. The sheets impregnated with M.F. resin and P.F. resin, after drying, are cut automatically at the other and of dryers in required set size. These are then stored usually in air conditioned room.

**Pressing**

Decorative Paper and Kraft Paper are cut and several layers of these papers are put together according to the thickness desired. The stainless steel moulds are placed for desired finish and BOOP film is placed for separating the various layers of two adjoining sheets, before applying pressure. Thereafter hydraulic pressure at a very high temperature is applied through multi opening hydraulic press.

**Cutting of Papers**

It is then cut into the fixed size sheets. A cutting machine is used to cut paper roll. This machine helps in neat cutting with low, noise and high efficiency. It provides desired productivity with minimal fatigue.

**Storing in A.C. Room**

After impregnation and cutting of paper in fixed size, they are stored in air conditioned room for certain period as per requirements.

**Hydraulic Pressing and Heating Treatment**

Design paper coated with melamine resin and Kraft paper coated with phenolic resin are put together on separating paper between two stainless steel plates with different finish.

All together are put into hydraulic press. Pressure and heat is applied by pressing steam through the plates. Subsequently, the supply heat is continuing and gradually released.

**Cutting and Finishing**

After papers sheets passes through the hydraulic press and heating treatment the sheets are again sized and proper finishing is done as per size so as to give proper shape to the final sheet by cutting machine.

**Sanding**

After cutting and finishing of all sheets, it passes through the process of sanding where sheets are sanded and thereafter sent to Quality Control.

**Quality Control and Logo Printing**

All sanded sheets are now forwarded to quality control department where all products are checked by quality department for grading of the sheets. After quality check and grading of product is done all sheets are move wrapping and logo printing machine where at the backside of the sheet Company's logo is printed.

**Dispatch**

The finished products after labelling are packed put in to rack for further dispatch to the customers/distributors. The work is given to our dispatch team, to ensure that products flow directly to the customers/dealers/distributors in a timely and cost efficient manner. The responsibility of the dispatch team includes inventory management and supply chain management. We use third party carrier services to deliver our products to customers.

## RAW MATERIALS

The principal raw material used in the manufacture of laminates comprises of kraft and decorative paper, phenol, formaldehyde and melamine. Kraft paper is sourced domestically and we source high-end and premium decorative papers from aboard domestically through domestic importers. The principal chemicals required for the manufacture of laminates are phenol, formaldehyde, melamine and methanol from domestic suppliers.

## HUMAN RESOURCE

As on date of this Prospectus our Company has 36 Employees on Payroll. Our manpower is a prudent mix of the experienced and the 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. We have not entered into any collective bargaining agreements with our employees. Our Company has given labour contract for the supply of labour for all the four plants. We have not experienced any material strikes, work stoppages, labour disputes or actions by or with our employees, and we have good relationship with our employees. We seek to adopt an open culture and a participative management style, to enable us to maximize the benefits from the knowledge and skills of our management.

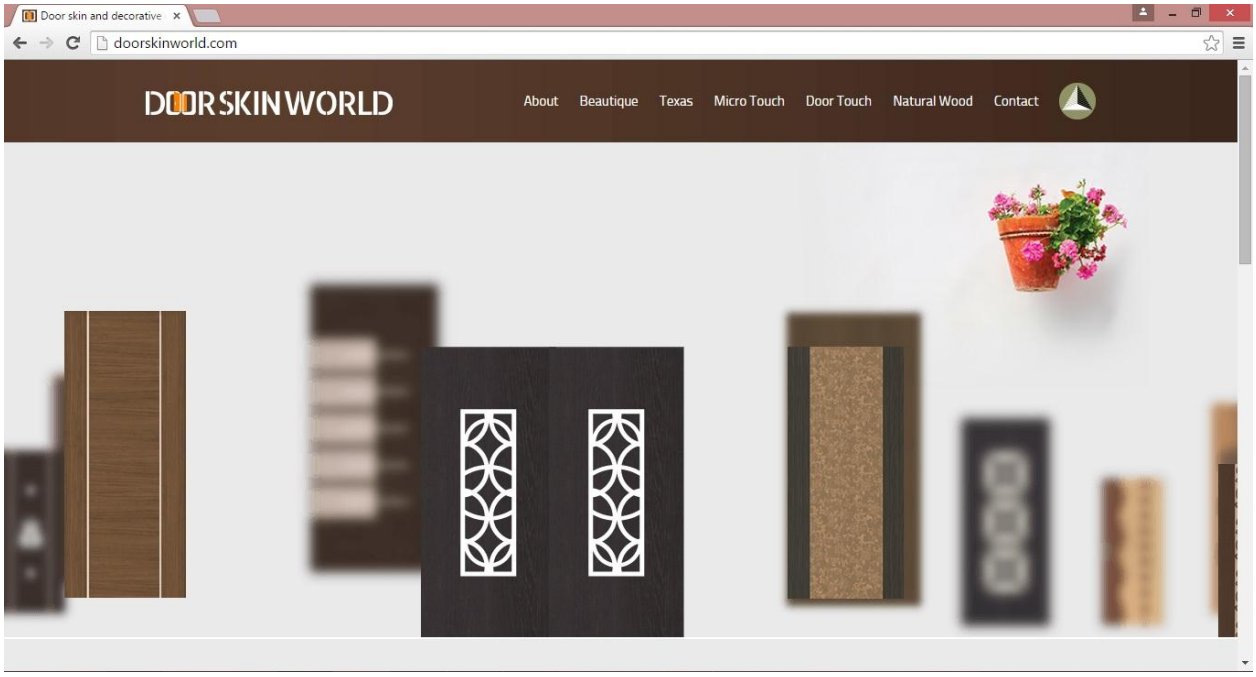
## OUR MARKETING STRATEGY

Our robust brand promotion strategy has helped us to emerge as one of the leading Decorative Laminated Sheet manufacturer. Within a short period of our existence we have garnered good market share in 1MM Mid segment brands. We have presence in west and south India through our network of 26 distributors and 4799 dealers. Following are the details of the nationwide distributors and dealer network covering all important towns and cities:

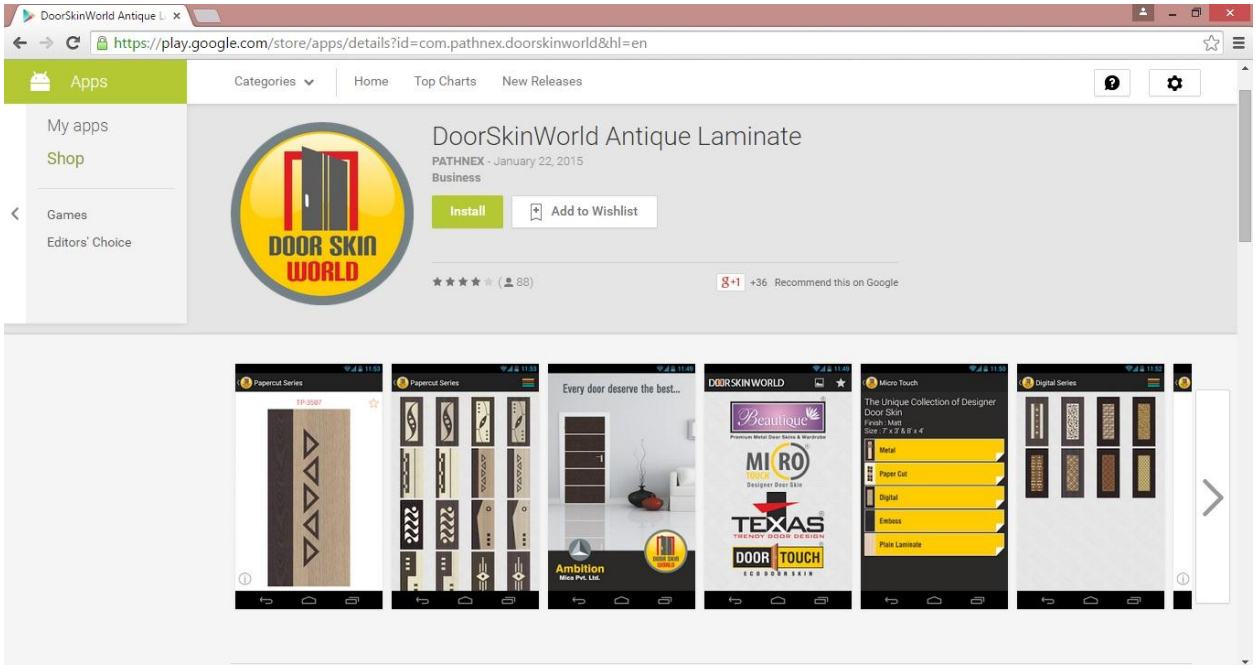
| State | No of Distributors | No of Dealers |
|---|---|---|
| Chhattisgarh | 2 | 174 |
| Delhi | 1 | 51 |
| Gujarat | 6 | 597 |
| Haryana | - | 15 |
| Karnataka | 2 | 588 |
| Kerala | 1 | 50 |
| Madhya Pradesh | 1 | 97 |
| Maharashtra | 4 | 952 |
| Odisha | 1 | 40 |
| Rajasthan | 4 | 370 |

| State | No of Distributors | No of Dealers |
|---|---|---|
| Telangana / Andhra Pradesh | 3 | 395 |
| Uttar Pradesh | - | 1 |
| West Bengal | 1 | 1404 |
| Jharkhand | - | 65 |
| **Total** | **26** | **4799** |

In order to leverage the power of technology in effectively reaching out to our consumers we have developed website www.doorskinworld.com where customers can see our range of designs online.




Also in order to enable our dealers and distributors help their customers conveniently choose from our vide variety of designs for door skins we have developed a mobile app by the name Doorskin World on Android and Ios platform which is available for download for free in Google Play Store and Apple Store.




We participate in number of exhibitions across India to create awareness about our products. Details of some of exhibitions where we have participated are given below:

| Sr. No | Name | Year | Location |
|---|---|---|---|
| **1.** | Economic Times Acetech | 2013 | Mumbai |
| **2.** | Delhi Wood | 2013 | Delhi |
| **3.** | Economic Times Acetech | 2014 | Mumbai |
| **4.** | India Wood | 2014 | Bangalore |
| **5.** | Institute of Indian Interior Designers Show | 2015 | Indore |
| **6.** | India wood | 2016 | Bangalore |
| **7.** | Big5 saudi | 2016 | Jeddah |
| **8.** | Nepal wood | 2016 | Kathmandu |
| **9.** | Gulf interiors | 2016 | Bahrain |
| **10.** | Sri lanka wood | 2016 | Sri Lanka |
| **11.** | Big5 costruct Indonesia | 2016 | Indonesia |
| **12.** | Big5 dubai | 2016 | Dubai |
| **13.** | Big show oman | 2017 | Oman |
| **14.** | Big5 saudi | 2017 | Jeddah |

We also regularly organize meets with selected distributors and dealers to inform them about new designs and products developed by us and of the introduction of new products. This enables to win assurance of the distributors and dealers to promote our products product. The communication with the distributors and dealers is enables us to assess the performance of our products in the market and enables us to tweak our products to suit customer's requirement.

## COMPETITION

Our Company and the laminate industry in general continue to face competition from the unorganized sector. Our Company intend to face this competition through product differentiation. Our major competitors are Rushil Décor Limited, Archidply Industries Limited, Greenply Industries Limited, Alfa Ica (India) Limited and Bloom Dekor limited .

## EXPORT OBLIGATIONS

Currently we do not have any export obligations.

## EXPORT AND EXPORT OBLIGATION

As on date of this Prospectus, our Company does not have any export obligation.

## COUNTRYWISE WISE REVENUE

| Name of Country | Amount (Rs. in lakhs) |
|---|---|
| Dubai | 0.43 |
| UK | 1.55 |
| Bahrain | 3.93 |
| Nepal | 64.56 |
| Saudi Arabia | 106.47 |
| **Total** | **176.94** |

## COLLABORATION

We have not entered into technical, marketing or financial collaboration.

## END USERS

Decorative high-pressure laminates are usually used for furniture especially on flat surfaces, including cabinets and tables. Decorative compact laminates are sometimes constructed as toilet cubicle systems, laboratory tables and kitchen tops. Some new usage models include wall panels with conceptual designs and custom prints. So according to usage of our product end users are the ultimate consumers.

## INSURANCE

We maintain insurance policies in respect of our business, operations and products. We have taken insurance policy to insure our stock, plant & machinery, furniture and shock and marine policy for Cargo. Our insurance policies are subject to customary exclusions and deductibles. We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage is maintained.

## LAND AND PROPERTY

**Properties Owned by the Company**

| Sr. No. | Property Kind | Description of Property | Area | Vendors Details | Purchase Consideration (In Lakhs) | Date of Purchase | Title |
|---|---|---|---|---|---|---|---|
| 1 | Free Hold Property | Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330 | 454 Sq.Ft | Raghav Infrastructure | Rs. 22.70/- | February 13, 2013 | Clear |

**Properties Taken on Lease/leave and license by the Company**

| Sr. No | Location of the property | Document and Date | Licensor/Lessor | Lease Rent/ License Fee | Lease/License period | | Purpose |
|---|---|---|---|---|---|---|---|
| | | | | | From | To | |
| 1 | Plot No. 309, Vehlal Road, Village Zak, Ta. Dahegam Dist. Gandhinagar | Rent Agreement dated October 10, 2010 | Monghiben Veljibhai Patel | Rs. 50,000 per month | April 1, 2010 | March 31, 2040 | Manufacturing Facility |
| 2 | 306, Village Zak, Ta. Dahegam Dist. Gandhinagar | Leave and License agreement dated May 25, 2012 | Anilkumar Vithalbhai Makwana | Rs. 3,25,000 per annum | May 1, 2012 | April 30, 2021 | Admin Office and Warehouse |
| 3 | Plot No. 311, Village Zak, Ta. Dahegam Dist. Gandhinagar | Lease Agreement dated June 27, 2013 | Monghiben Veljibhai Patel | Rs. 6,000 per month | June 1, 2013 | May 1, 2024 | Labour Quarters |

## INTELLECTUAL PROPERTY RIGHTS

In order to protect our intellectual property rights, we have registered trademarks for our various products and have also applied for Trademark registration for various products. We have registered following Trademarks with Trademarks Registry, Government of India and as on date of this Prospectus they are legally held by the Company :

| Sr. No. | Trademark | Trademark Type | Class | Applicant | Application No. | Date of Application | Validity/ Renewal | Registration status |
|---|---|---|---|---|---|---|---|---|
| 1. | Luxury LUXURY | DEVICE | 19 | Ambition Mica Private Limited | 1972126 | May 28, 2010 | OBJECTED | OBJECTED |
| 2. | BEAUTIQUE BEAUTIQUE | WORD | 19 | Ambition Mica Private Limited | 2154294 | June 03, 2011 | June 03, 2021 | REGISTERED |
| 3. | SPEAK LAM SPEAK LAM | WORD | 19 | Ambition Mica Private Limited | 2154293 | June 03, 2011 | June 03, 2021 | REGISTERED |
| 4. | BELEZA BELEZA | WORD | 19 | Ambition Mica Private Limited | 2305889 | March 26, 2012 | March 26, 2022 | REGISTERED |
| 5. | DOOR NATION | WORD | 19 | Ambition Mica Private Limited | 2926850 | March 21, 2015 | - | OBJECTED |
| 6. | VISUAL | WORD | 19 | Ambition Mica Private Limited | 2926848 | March 21, 2015 | - | OBJECTED |
| 7. | VELSON* VELSON | DEVICE | 19 | M/S. Venus Ply Industries | 1739426 | October 01, 2008 | October 01, 2018 | REGISTERED |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 8. | DOOR TOUCH* DOOR TOUCH | DEVICE | 19 | M/S. Venus Ply Industries | 1739932 | October 03, 2008 | October 01, 2018 | REGISTERED |
| 9. | ANTIQUE* ANTIQUE | DEVICE | 19 | M/S. Venus Ply Industries | 1731636 | September 12, 2008 | September 12, 2018 | REGISTERED |
| 10. | MICRO TOUCH* MICRO TOUCH | DEVICE | 19 | M/S. Venus Ply Industries | 1731637 | September 12, 2008 | September 12, 2018 | REGISTERED |
| 11. | ARTLAM* Artlam | DEVICE | 19 | M/S. Venus Ply Industries | 1972125 | May 28, 2010 | May 28, 2020 | REGISTERED |

## KEY INDUSTRY REGULATIONS AND POLICIES

*Except as otherwise specified in this Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye–laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the manufacturers of mid segment decorative laminates and door skins. Taxation statutes such as the Income Tax Act, 1961 and applicable labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled "Government and Other Statutory Approvals" beginning on page number 248 of this Prospectus.

### APPLICABLE LAWS AND REGULATIONS

### BUSINESS/TRADE RELATED LAWS/REGULATIONS

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

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

***Gujarat Industrial Policy 2015***

Gujarat has witnessed strong growth in Micro, Small & Medium Enterprises (MSMEs) sector which covers the medium sector of Gujarat. MSME sector has a special importance as this is the sector which belongs to common man. Gujarat Government wishes to strengthen the sector by making it more technology-driven. This type of support will come by bay of interest subsidy for manufacturing and service sector, venture capital assistance, quality certification, technology acquisition fund, patent assistance for national and international, energy and water conservation audit, market development assistance and support, MSMEs for credit rating, raising capital through MSE exchange, reimbursement of CGTSME scheme for collateral free loan, state awards under MSMEs and skill development etc. Support would also be extended for development of ancillary and auxiliary enterprises for labour intensive industries.

The Government of Gujarat will constitute separate awards for MSMEs. The awards will be for achieving excellence through growth and production profit, quality improvement measures,

Environment improvement measures and Innovation and new product/process/technology development. The policy encourages adoption of new and innovative technologies by providing financial support will be provided to each cluster for every innovative technology, setting up R&D Institutions, setting new laboratories, financial support through partial reimbursement of cost for filing domestic patents and international patents.

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

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

***Legal Metrology Act, 2009***

An act to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The part of metrology in relation to weighing and measuring units as well as methods of weighing and measuring instruments with the object of ensuring public guarantee and from the point of view of security and accuracy of weighing and measurement. Any weight or measure which conforms to the standard of such weight or measure and also conforms to such of the provisions of Sec. 7 as are applicable to it shall be the standard of weight or measure. Any numeral which conforms to the provisions of Sec. 6 shall be the standard numeral. It further provides that no weight, measure or numeral, other than the standard weight, measure or numeral shall be used as a standard weight, measure or numeral.

Every reference standard, secondary standard and working standard shall be verified and stamped in such manner and after payment of such fee as may be prescribed. Every reference standard, secondary standard and working standard which is not verified and stamped in accordance with the provisions shall not be deemed to be a valid standard. The provision relating to Use and Prohibition provides that no person shall, in relation to any goods, things or service quote, or make announcement of, whether by word of mouth or otherwise, any price or charge, or issue or exhibit any price list, invoice, cash memo or other document, or prepare or publish any advertisement, poster or other document, or indicate the net quantity of a pre-packaged commodity, or express in relation to any transaction or protection, any quantity or dimension, otherwise than in accordance with the standard unit of weight, measure or numeration.

No person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a license issued by the Controller. No license to repair shall be required by a manufacturer for repair of his own weight or measure in a State other than the State of manufacture of the same. The Controller shall issue a license in such form and manner, on such conditions, for such period and such area of jurisdiction and on payment of such fee as may be prescribed.

**The Bombay Prohibition Act, 1949**

The Bombay Prohibition Act prohibits the sale of alcohol without obtaining a license in terms of its provisions. Also, sale of foreign liquor has to be made in terms of the Bombay Foreign Liquor Rules, 1953. The licenses provided under the Bombay Prohibition Act can be suspended or cancelled in terms of the provisions of Section 54 or 56 of the Bombay Prohibition Act.

**The Bureau of Indian Standards Act, 1986 ("BIS Act")**

The BIS Act provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, inter-alia, (a) recognizing as an Indian

standard, any standard established by any other institution in India or elsewhere, in relation by any other institution in India or elsewhere, in relation to any article or process; (b) specifying a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) make an inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

**Anti-Trust Laws**

***Competition Act, 2002***

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

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

**GENERAL CORPORATE COMPLIANCE**

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

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

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

**EMPLOYMENT AND LABOUR LAWS**

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

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the

provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

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

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

***The Employees Pension Scheme, 1995***

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

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

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

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

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

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

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

or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

***Minimum Wages Act, 1948***

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

***Maternity Benefit Act, 1961***

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

***Equal Remuneration Act, 1976***

The 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. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

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

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour is prohibited in Building and Construction Industries and as per Part A of the Schedule it is applicable to the Port and the vicinity of the port area.

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

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

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

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of

female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

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

The ID Act and the Rules made there under provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

**TAX RELATED LEGISLATIONS**

***Value Added Tax ("VAT")***

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons Liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

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

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

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

It is applicable on all goods except for alcohol for human consumption and five petroleum products. Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an

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

- 2.5% in case of restaurants etc.
- 1% of the turnover in state/UT in case of manufacturer
- 0.5% of the turnover in state/ UT in case of other supplier

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

***Gujarat Value Added Tax Act, 2003 ("GVAT")***

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

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

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

***Gujarat State Tax on Profession, Trades, Callings and Employment Act, 1976 and The Gujarat State Tax On Professions Traders, Callings and Employments Rules, 1976***

This Act is applicable to any person who is engaged in any profession, trade, callings and employment in the State of Gujarat and includes Hindu Undivided Family, firm, company, corporation or other corporate body, any society, club or association, so engaged but does not include any person who earns wages on a casual basis. It came into force on April 1, 1976. The tax shall be levied and collected on professions, trades, callings and employment by designated authority for the benefit of the Panchayats, Municipalities, Municipal Corporations or, as the case may be, the State. Every person engaged in any Profession, Trade, Calling or Employment and falling under one or the other of the classes mentioned in column 2 of Schedule I shall be liable to pay the tax to the Designated Authority at such rate fixed by it but not exceeding the amount mentioned against the class of such person in the said Schedule. Provided that the rates of tax for the class of persons mentioned in entry 1 of the said Schedule shall be fixed by the State Government by notification in the Official Gazette. Provided further that the tax so payable in respect of any one person shall not exceed two thousand and five hundred rupees in any year. Provided also that the State Government may, by notification in the Official Gazette, specify the minimum rate of tax for each of such class mentioned in column 2 of Schedule I, below which tax shall not be levied by the Designated Authority and different limits may be fixed for different Designated Authorities and the minimum rate so notified shall be levied till the Designated Authority fixes some other rate under the provisions of this Act. Provided also that the State Government may, by notification in the Official Gazette, specify the class of persons other than those mentioned in entries 1 to 9 in Schedule I, to whom entry 10 in

that Schedule shall apply. Provided also that the tax shall not be levied from the persons mentioned below Schedule I

Every employer not being an officer of Government liable to pay tax under Section-4 shall obtain a certificate of registration from the prescribed authority in the prescribed manner. Every person liable to pay tax under this act shall obtain Certificate of enrollment from the prescribed authority in the prescribed manner.

***Service Tax***

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services, as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

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

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

***Customs Act, 1962***

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

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

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

**OTHER LAWS**

***The Factories Act, 1948***

The Factories Act, 1948 ("Factories Act") aims at regulating labour employed in factories. A "factory" is defined as "any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being

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

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules there under rests on the "occupier", being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

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

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

***The Indian Boilers Act, 1923***

The Indian Boilers Act, 1923 (the "Boilers Act") states that the owner of any boiler (as defined therein), which is wholly or partly under pressure when is shut off, shall under the provisions of the Boilers Act, apply to the Inspector appointed thereunder to have the boiler registered which shall be accompanied by prescribed fee. The certificate for use of a registered boiler is issued pursuant to such application, for a period not exceeding twelve months, provided that a certificate in respect of an economiser or of an unfired boiler which forms an integral part of a processing plant in which steam is generated solely by the use of oil, asphalt or bitumen as a heating medium may be issued for a period not exceeding twenty-four months in accordance with the regulations made under Boilers Act. On the expiry of the term or due to any structural alteration, addition or renewal to the boiler, the owner of the boiler shall renew the certificate by providing the Inspector all reasonable facilities for the examination and all such information as may reasonably be required of him to have the boiler properly prepared and ready for examination in the prescribed manner.

**ENVIRONMENTAL LEGISLATIONS**

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

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed.

Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

***Air (Prevention and Control of Pollution) Act, 1981***

Air (Prevention and Control of Pollution) Act 1981("the Act") was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

***Water (Prevention and Control of Pollution) Act, 1974***

The Water (Prevention and Control of Pollution) Act 1974 ("the Act") was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

***Hazardous Waste (Management and Handling) Rules, 1989***

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

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

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

***National Environmental Policy, 2006***

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

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor

- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

## INTELLECTUAL PROPERTY LEGISLATIONS

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

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

### *Indian Patents Act, 1970*

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

### *The Copyright Act, 1957*

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

### *Trade Marks Act, 1999*

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

## GENERAL LAWS

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

## OTHER LAWS:

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

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exportsin a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure

of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

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

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

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999("FEMA") and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertain a bleat the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

***FEMA Regulations***

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India)Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

***The Foreign Direct Investment***

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP"),** has issued consolidated FDI Policy Circular of 2017 **("FDI Policy 2017")**, which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India **("RBI")** also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July

01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

# OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

## CORPORATE PROFILE AND BRIEF HISTORY

Our Company was incorporated as "Ambition Mica Private Limited" in Ahmedabad, Gujarat, as a private limited company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 19, 2010 bearing registration no. 059931 issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli, Ahmedabad. Our Company was converted in to public company *vide* fresh certificate of incorporation consequent upon conversion from private to public company dated March 25, 2015 issued by Registrar of Companies, Ahmedabad, Gujarat. The shares of our company got listed with the SME platform of BSE Ltd. through Initial Public offer on July 14, 2015. Our corporate identification number is L25202GJ2010PLC059931.

Veljibhai Patel and Govindbhai Patel are the promoters of the Company. Sureshbhai Patel, Ashvinbhai Patel, Govindbhai Patel, Veljibhai Patel and Prahladbhai Patel are the initial subscribers to the Memorandum of Association of our Company. They were allotted shares on March 19, 2010.The details in this regard have been disclosed in the chapter titled, " Capital Structure" beginning on page 69 of this Prospectus

Our company is engaged into manufacturing of mid segment decorative laminates and door skins.

For information on our Company's profile, activities, products, market, growth, managerial competence, standing with reference to prominent competitors, major suppliers and customers, see the sections "*Our Management*", "*Our Business*" and "*Our Industry*" beginning on pages 149, 117 and 101 respectively.

## CHANGE OF REGISTERED OFFICE

Registered office of our company is currently situated at Shop No: 10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330, Gujarat, India.

The details of changes in the address of our Registered Office since incorporation are set forth below:

| Effective Date | From | To | Reasons |
|---|---|---|---|
| September 02, 2013 | C/O. M/S Laxmi Eng Co., 3, Janta Estate, Opp. Bhagat Petrol Pump, Krishnanagar Naroda Road, Ahmedabad - 382346, Gujarat, India | Shop No: 10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330, Gujarat, India. | Administrative convenience |

The change was approved by the Board of Directors by passing Board resolution dated September 02, 2013, effective from same day, since the change of Registered office was within the local limits of city/town/village but and within the jurisdiction of the same Registrar of Companies.

## OUR MAIN OBJECTS

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

*To carry on the business as manufacturers, dealers, traders, exporters, importers, agents, factors, brokers, wholesalers, retailers of all kinds, types, sizes of laminated skin, laminated sheets including laminated door skin, mica for industrial, commercial and domestic purpose/ uses.*

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

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

| Date of Shareholder's Approval | Amendment |
|---|---|
| April 01, 2010 | The initial authorised share capital of Rs. 1,00,000 consisting of 10,000 Equity Shares of Rs. 10/- each was increased to Rs. 5,00,000 consisting of 50,000 Equity Shares of Rs. 10/- each |
| May 13, 2010 | The authorised share capital of Rs. 5,00,000 consisting of 50,000 Equity Shares of Rs. 10/- each was increased to Rs. 1,50,00,000 consisting of 15,00,000 Equity Shares of Rs. 10/- each |

| | |
|---|---|
| July 05, 2010 | The authorised share capital of Rs. 1,50,00,000 consisting of 15,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs. 10/- each |
| June 14, 2012 | The authorised share capital of Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 2,25,00,000 consisting of 22,50,000 Equity Shares of Rs. 10/- each |
| July 25,2013 | The authorised share capital of Rs. 2,25,00,000 consisting of 22,50,000 Equity Shares of Rs. 10/- each was increased to Rs. 2,90,00,000 consisting of 29,00,000 Equity Shares of Rs. 10/- each |
| March 17, 2015 | The authorised share capital of Rs. 2,90,00,000 consisting of 29,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 4,25,00,000 consisting of 42,50,000 Equity Shares of Rs. 10/- each.<br>Change in name clause pursuant to Conversion from private limited to public limited. |
| March 14, 2016 | The authorised share capital of Rs. 4,25,00,000 consisting of 42,50,000 Equity Shares of Rs. 10/- each was increased to Rs. 12,00,00,000 consisting of 1,20,00,000 Equity Shares of Rs. 10/- each |
| August 19, 2017 | The authorised share capital of Rs. 12,00,00,000 consisting of 1,20,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 16,00,00,000 consisting of 1,60,00,000 Equity Shares of Rs. 10/- each |

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

| Period | Event |
|---|---|
| 2010 | Incorporation of the Company |
| 2012 | Bureau of Indian Standard granted ISI certificate to our Company |
| | Commencement of Commercial production of high pressure laminates |
| | Installation of new machinery to double then existing installed capacity |
| 2013 | Launch of door skin world mobile application in google play store and apple store |
| 2014 | Installation of new machinery to increase existing installed capacity |
| 2015 | Conversion from Private Company in to Pubic Company |
| | Listing of Shares on SME Platform of BSE through Initial Public Offer |
| 2016 | ISO 9001:2015 certification by World Registrar Group |

## LISTING

The equity shares of our Company got listed on the SME Exchange of BSE on July 14, 2015 pursuant to the Initial Public Issue (IPO) .Total capital of Rs 429.60 Lakhs comprised of fresh issue of 10,74,000 Equity Shares of face value of Rs 10/- each for cash at a premium of Rs 30/- Per Share.

Application for further issue of capital 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.

## HOLDING/SUBSIDIARY COMPANY OF OUR COMPANY

Our Company has neither holding nor subsidiary company as on date of filing 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 69 of this Prospectus.

## INJUNCTIONS OR RESTRAINING ORDERS

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

## MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Our Company has neither merged/amalgamated itself nor has acquired any business/undertaking, since incorporation.

## 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 agreements/arrangement except under normal course of business of the Company, 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

Our Company has not delayed in repayment of dues to Financial Institutions or Banks.

## CONVERSION OF LOANS INTO EQUITY SHARES

There have been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Prospectus.

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

There has been no change in the activities of our Company during the last five years.

## 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 235shareholders as on September 30, 2017.

## DETAILS OF PAST PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled "Financial Statements" beginning on page 172 of this Prospectus.

## BUSINESS INTEREST BETWEEN OUR COMPANY AND OUR SUBSIDIARIES

Except as disclosed in "Related Party Transactions" on page 170 we do not have any Subsidiary, Holding Company which has any business interest in our Company.

## SIGNIFICANT SALE\PURCHASE BETWEEN OUR SUBSIDIARY/ASSOCIATE/HOLDING/JV AND OUR COMPANY

We do not have any Subsidiary, Holding, Joint Venture and Associate Company as on date of filing this Prospectus, however we have entered into related party transactions with entities belonging to promoter group.

## DEFUNCT/STRUCK-OFF COMPANY

The Company has not made any application for striking off or defunct status as on the date of filing of this Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. We currently have six directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Prospectus:

| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment as Director | Other Directorship |
|---|---|---|---|
| 1. | **Name**: Govindbhai Patel<br>**Age**: 38 years<br>**Father's Name**: Veljibhai Patel<br>**Designation**: Chairman and Managing Director<br>**Address**: 55/2, Mohan Nagar Society, Nr. Navyug School, Naroda, Ahmedabad - 382330<br>**Occupation**: Business<br>**Nationality:** Indian<br>**Term:** Appointed for a period of 3 years from March 26, 2015<br>Liable to retire by rotation<br>**DIN**: 02927165 | **Initial Appointment:** March 19, 2010<br>**Appointment as Managing Director:**<br>March 26, 2015 | **Public Limited Company**<br>NIL<br>**Private Limited Company**<br>1. Velsons Laminate Private Limited<br>2. Velsons Resin Private Limited |
| 2. | **Name**: Rameshkumar Patel<br>**Age**: 36 years<br>**Father's Name**: Veljibhai Patel<br>**Designation**: Whole- time Director<br>**Address**: 14/2, Mohannagar CHS Ltd. Part-2, Nr. Navyug School, Naroda, Ahmedabad, 382330, Gujarat, India.<br>**Occupation**: Business<br>**Nationality**: Indian<br>**Term**: Appointed for a period of 3 years from March 26, 2015<br>Liable to retire by rotation<br>**DIN**: 06393942 | **Initial Appointment:** May 01, 2013<br>**Appoint as Whole-time Director:**<br>March 26, 2015 | **Public Limited Company**<br>NIL<br>**Private Limited Company**<br>1. Velsons Laminate Private Limited<br>2. Velsons Resin Private Limited |
| 3. | **Name**: Monghiben Patel<br>**Age**: 60 years<br>**Father's Name**: Karshan Patel<br>**Designation**: Non Executive Director<br>**Address**: 54/2, Mohannagar Society- 2, | **Date of Appointment:** March 27, 2015 | **Public Limited Company**<br>NIL<br>**Private Limited Company** |

| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment as Director | Other Directorship |
|---|---|---|---|
| | Nr. Navyug School, Naroda, Ahmedabad – 382345, Gujarat, India.<br>**Occupation**: Business<br>**Nationality**: Indian<br>**Term**: Liable to retire by rotation<br>**DIN**: 07125342 | | Nil |
| 4. | **Name**: Pareshkumar Patel<br>**Age**: 38 years<br>**Father's Name**: Babubhai Patel<br>**Designation**: Independent Director<br>**Address**: D/202 Parth Avenue , Opp. Pushpakunj Bungalows, Naroda Ahmedabad - 382325<br>**Occupation**: Business<br>**Nationality**: Indian<br>**Term**: Term of 5 years upto March 26,2020<br>**DIN**: 07128422 | **Date of Appointment:** March 27, 2015 | **Public Limited Company**<br>Nil<br>**Private Limited Company**<br>Nil |
| 5. | **Name**: Abhishek Patel<br>**Age**: 26 years<br>**Father's Name**: Harjibhai Patel<br>**Designation**: Independent Director<br>**Address**: 9, Divyakiran Soc. – 1, Opp. Baliyakak Society Naroda Ahmedabad 382330<br>**Occupation**: Professional<br>**Nationality**: Indian<br>**Term**: Term of 5 years upto March 26, 2020<br>**DIN**: 06581734 | **Date of Appointment:** March 27, 2015 | **Public Limited Company**<br>Nil<br>**Private Limited Company**<br>Nil<br>**Limited Liability Partnership:**<br>Paperwork E-Accounting Services LLP |
| 6. | **Name**: Vinod Patel<br>**Age**: 32 years<br>**Father's Name**: Bhagwandas Patel<br>**Designation**: Independent Director<br>**Address:** A/8, Sarthi Bunglows, Nr Uma Shikshan Tirth School, Naroda, Ahmedabad, 382325<br>**Occupation:** Business | **Date of Appointment:** March 27, 2015 | **Public Limited Company**<br>Nil<br>**Private Limited Company**<br>Nil |

| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment as Director | Other Directorship |
|---|---|---|---|
| | **Nationality:** Indian<br>**Term:** Term of 5 years upto March 26, 2020<br>**DIN:** 07136584 | | |

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

1. **Govindbhai Patel, Chairman and Managing Director**

   Govindbhai Patel, aged 38 years is the Managing Director of our Company with effect from March 26, 2015. He has been Director of our Company since incorporation. He has more than 12 years of experience in the plywood and laminate industry. He looks after overall operations of our Company.

2. **Rameshkumar, Whole-time Director**

   Rameshkumar Patel, aged 36 years is the Whole-time Director of our Company with effect from March 26, 2015. He has been Director of our Company since May 01, 2013. He has completed Bachelor of Engineering (Chemical) from Sadar Patel University. He has more than 12 years of experience in the field of plywood and laminate industry. He looks after production and product development of our Company.

3. **Monghiben Patel, Non Executive Director**

   Monghiben Patel aged 60 years, is a Non Executive Director of our Company. She was appointed as Non Executive Director of our Company on March 27, 2015. She is a mentor and guiding figure to the management and staff of our Company.

4. **Paresh Patel, Independent Director**

   Paresh Patel, aged 38 years, is an Independent Director of our Company. He has completed Bachelor of Commerce from Gujarat University. He has more than 13 years of experience in the field of trading of plywood and laminate industry. He was appointed as an Independent Director of our Company on March 27, 2015.

5. **Abhishek Patel, Independent Director**

   Abhishek Patel, aged 26 years, is an Independent Director of our Company. He is a Chartered Account by profession and has been in practice since September 2012. He was appointed as an Independent Director of our Company on March 27, 2015.

6. **Vinod Patel, Independent Director**

   Vinod Patel, aged 32 years, is an Independent Director of our Company. He has completed Bachelor of Commerce from Gujarat University. He has an aggregate experience of over 4 years in the field of Secretarial (Legal) and Insurance work. He was appointed as an Independent Director of our Company on March 27, 2015.

## CONFIRMATIONS

As on the date of this Prospectus:

1. Except as mentioned below, none of the Directors of our Company are related to each other within the meaning of section 2(77) of the Companies Act, 2013.

| Director | Other Director | Family Relation |
|---|---|---|
| Govindbhai Patel | Rameshkumar Patel | Brother |
| | Monghiben Patel | Son-Mother |
| Rameshkumar Patel | Monghiben Patel | Son-Mother |

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are on the RBI List of wilful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
6. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

## REMUNERATION/COMPENSATION OF DIRECTORS

During the last financial year ended on March 31, 2017, the directors have been paid gross remuneration as follows

| Name of Director | Remuneration received in year 2016-2017 (Rs. In Lakhs.) |
|---|---|
| Govindbhai Patel | 18.00 |
| Rameshkumar Patel | 18.00 |

None of the existing Directors except above have received any remuneration during the Financial Year 2016-2017.

Our Company has paid sitting fees of Rs. 8000 each to all the Independent Directors during the Financial Year 2016-2017.

**Terms and conditions of employment of our Managing Director:**

**A. Govindbhai Patel**

Govindbhai Patel is appointed as Chairman and Managing Director of the Company *vide* shareholders resolution in Extra-ordinary General Meeting dated March 26, 2015. He is paid remuneration as per the terms and conditions mentioned in the said Board resolution.

| | |
|---|---|
| **Remuneration** | Maximum upto Rs. 60,00,000 /- p.a. |
| **Term of Appointment** | 3 years commencing from March 25, 2015 and shall be liable to retire by rotation. |
| **Other terms** | • In any financial year if the Company has no profits or inadequate profits then remuneration as decided above be paid with the prior approval of the Central Government<br>• The Board of Directors of the Company or any committee thereof are authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Govindbhai Patel, Managing Director, including the components of the above mentioned remuneration payable to him subject to the overall cap of Rs. 60,00,000/- (Rupees Sixty Lacs) per annum |

**B. Rameshkumar Patel**

Rameshkumar Patel is appointed as Whole- time Director of the Company *vide* shareholders resolution to March in Extra-Ordinary General Meeting dated March 26, 2015. He is paid remuneration as per the terms and conditions mentioned in the said Board resolution.

| | |
|---|---|
| **Remuneration** | Maximum upto Rs. 60,00,000 /- p.a. |
| **Terms of Appointment** | 3 years commencing from March 25, 2015 and shall be liable to retire by rotation |
| **Other terms** | • In any financial year if the Company has no profits or inadequate profits then remuneration as decided above be paid with the prior approval of the Central Government<br>• The Board of Directors of the Company or any committee thereof are authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Govindbhai Patel, Chairman and Managing Director, including the components of the above mentioned remuneration payable to him subject to the overall cap of Rs. 60,00,000/- (Rupees Sixty Lacs) per annum |

**Terms and conditions of employment of our Independent Directors and Non Executive Directors**

Independent Directors and Non Executive Directors of our 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 their appointment letters and other applicable laws and regulations.

## 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.

The following table details the shareholding of our Directors as on the date of this Prospectus:

| Sr. No. | Name of the Director | No. of Equity Shares | % of Pre Issue Equity Share Capital | % of Post Issue Equity Share Capital |
|---|---|---|---|---|
| 1. | Govindbhai Patel | 21,43,500 | 17.98 | 14.36% |
| 2. | Rameshkumar Patel | 19,87,470 | 16.67 | 13.32% |
| 3. | Monghiben Patel | 2,74,500 | 2.30 | 1.84% |

## INTERESTS OF DIRECTORS

**Interest in Promotion of the Company**

Some of our Director Govindbhai Patel may deemed to be interested to the extent of being Promoter of our Company. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them. For further details, refer to chapters titled *"Our Promoter and Promoter Group"* and *"Related Party Transaction* beginning on page 163 and 170 of this Prospectus.

**Interest in the property of our Company**

Except as stated/referred to in the heading titled *"Land and Property"* under the chapter titled *"Our Business"* beginning on page 117 and chapter titled *"Related Party Transaction"* on page 170 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements 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. Further our

Directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled *"Land and Property"* under the chapter titled *"Our Business"* beginning on page 117 of the Prospectus. However, Our Company has executed Rent agreement with our Non Executive Director Monghiben Patel, for use of land owned by her for manufacturing plant located at Village - Zak, District - Gandhinagar. For details see "Financial Statements – Annexure XXIV - Statement of Related Parties Transactions, as Restated" on page 172 and paragraph titled 'Land and Property' in chapter titled 'Our Business' beginning on page 117 of this Prospectus.

**Interest as member of our Company**

As on date of this Prospectus, our Directors together hold 44,05,470 Equity Shares in our Company i.e. 36.95% of the pre Issue paid up Equity Share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding, dividend declared and other distributions, if any, by our Company.

**Interest as a creditor of our Company**

As on the date of this Prospectus, our Company has availed loans from the Directors of our Company. For further details, refer to chapter titled *"Financial Indebtedness"* and section titled *"Related Party Transactions"* beginning on page 234 and 170 of this Prospectus.

**Interest of Directors as Key Managerial Personnel of our Company**

Govindbhai Patel, Managing Director & Rameshkumar Patel, Whole Time Director of our Company are the Key Managerial Personnel of the Company and may deemed to be interested to the extent of remuneration, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreement entered into with our Company, if any and AOA of our Company. For further details, please refer details mentioned in *"Related Party Transactions"* beginning on page 170 of this Prospectus.

**Interest in transactions involving acquisition of land**

Our Directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated/referred to in the heading titled "*Land and Property"* in the chapter "*Our Business*" beginning on page 117 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, 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.

**Other Indirect Interest**

Except as stated in "*Financial Statements as Restated*" beginning on page 172 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

**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 172 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 Company.

Following is the shareholding of our directors in our Associate Company "Velsons Lmainate private Limited':

| Sr. No. | Name of the Director | No. of Equity Shares | % of Shareholding |
|---|---|---|---|
| 1. | Govindbhai Patel | 4,33,834 | 15.31 |
| 2. | Rameshkumar Patel | 4,34,805 | 15.35 |

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Prospectus.

| Name | Date of event | Nature of event | Reason |
|---|---|---|---|
| Govindbhai Patel | March 26, 2015 | Change in designation | Appointment as Managing Director |
| Veljibhai Patel | March 28, 2015 | Resignation | Resignation as Director |
| Prahladbhai Patel | March 28, 2015 | Resignation | Resignation as Director |
| Rameshkumar Patel | March 26, 2015 | Change in Designation | Appointment as Whole-time Director |
| Monghiben Patel | March 27, 2015 | Appointment | Appointment as Non Executive Director |
| Abhishek Patel | March 27, 2015 | Appointment | Appointed of as Independent Director |
| Paresh Patel | March 27, 2015 | Appointment | Appointed of as Independent Director |
| Vinod Patel | March 27, 2015 | Appointment | Appointed of as Independent Director |

## BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at Extra Ordinary General Meeting of our Company held on July 24, 2014consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money at its discretion on such terms and conditions as the Board may deem fit and appropriate, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), from the financial institutions, Company's banker's, firms, bodies corporate and/or from any other person or persons whether by way of loan, advances, deposits, bill discounting, issue of debentures, bonds or any financial instruments or otherwise and whether secured or unsecured, borrowed by our Company and outstanding at any one time may exceed the aggregate of the paid-up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 25.00 Crores

## CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations will be applicable to our Company immediately upon the listing of our Equity Shares with Bombay Stock Exchange of India Limited SME Platform. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Chapter IV of the SEBI Listing Regulations as may be applicable.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Currently our Board has 6 (Six) directors out of which three are Independent Directors. The constitution of our Board is in compliance with section 149 of the Companies Act, 2013.

**The following committees have been formed in compliance with the corporate governance norms:**

***A)*** Audit Committee

***B)*** Stakeholders Relationship Committee

***C)*** Nomination and Remuneration Committee

**A. *Audit Committee***

Our Company has constituted an audit committee ("Audit Committee"), as per section 177 of the Companies Act 2013 vide resolution passed in the meeting of the Board of Directors dated March 28, 2015. The constituted Audit Committee comprises following members:

| Name of the Director | Status | Nature of Directorship |
|---|---|---|

| | | |
|---|---|---|
| Abhishek Patel | Chairman | Independent Director |
| Paresh Patel | Member | Independent Director |
| Vinod Patel | Member | Independent Director |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

a. To investigate any activity within its terms of reference,

b. To seek information from any employee

c. To obtain outside legal or other professional advice, and

d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

a. Management discussion and analysis of financial condition and results of operations;

b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses; and

e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are 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. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Approving initial or any subsequent modification of transactions of the Company with related parties;
5. Scrutinizing inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
    a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms section 134 of the Companies Act, 2013;
    b) Changes, if any, in accounting policies and practices along with 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.

10. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
11. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with the internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
19. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
20. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

**Meeting of Audit Committee and relevant Quorum**

The committee shall meet at least four times in a year and not more than four months shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. Meeting of the Audit Committee shall be called by at least seven day's notice in advance.

**Tenure**

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

***B. Stakeholder's Relationship Committee***

Our Company has constituted a shareholder / investors grievance committee *(" Stakeholders relationship Committee")* to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on March 28, 2015.

The **Stakeholder's Relationship Committee** comprises the following Directors:

| Name of the Director | Status | Nature of Directorship |
|---|---|---|
| Vinod Patel | Chairman | Independent Director |
| Paresh Patel | Member | Independent Director |
| Abhishek Patel | Member | Independent Director |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder's Relationship Committee.

The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

**Quorum:** The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher.

**Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of security holders's/investor's complaints Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
3. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5. Allotment and listing of shares;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company
   **Decision of the Committtee:** Decisions at the committee meetings shall be a majority of the votes of members present at the meeting and in the event of quality of votes, the chairman shall have a second or casting vote.

***C. Nomination and Remuneration Committee***

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on March 28, 2015. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

| Name of Director | Designation in Committee | Nature of Directorship |
|---|---|---|
| Vinod Patel | Chairman | Independent Director |
| Paresh Patel | Member | Independent Director |
| Abhishek Patel | Member | Independent Director |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee.

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

**Quorum**: The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

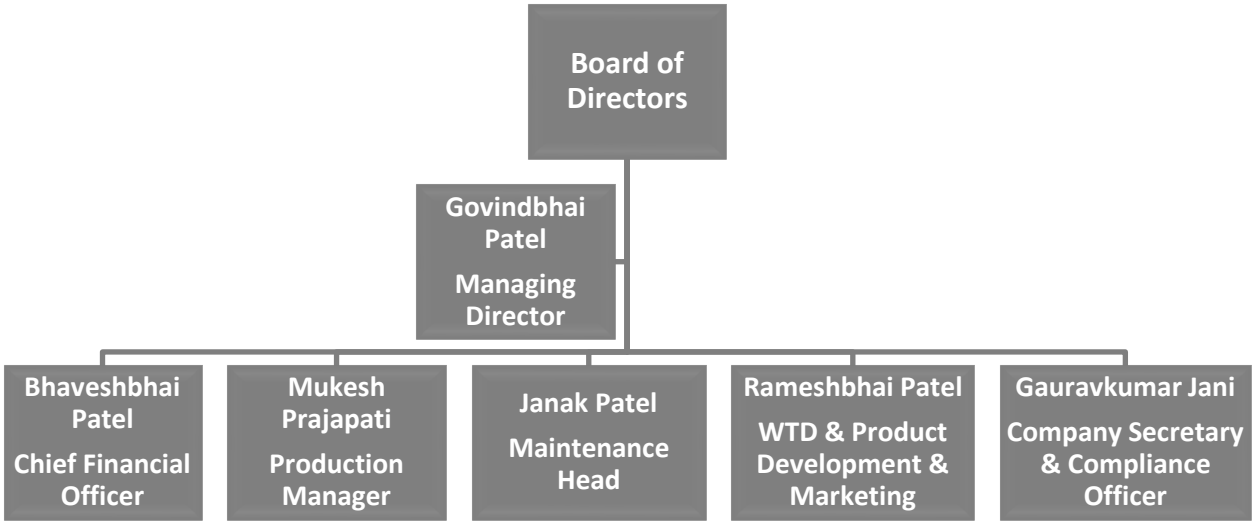
**Terms of Reference:**

- Identify persons who are qualified to become Directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment ad removal and shall carry out evaluations of every director's performance;
- to decide and approve the terms and conditions for appointment of executive directors and/ or whole time directors and remuneration payable to other directors and matters related thereto.
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Devising a policy on Board diversity.

**Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on August 27, 2015 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

## ORGANIZATIONAL STRUCTURE




## KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

**The details of our Key Managerial Personnel are set out below:**

1. **Govindbhai Patel, Chairman and Managing Director**

   Govindbhai Patel, aged 38 years is the Managing Director of our Company with effect from March 26, 2015. He has been Director of our Company since incorporation. He has more than 12 years of experience in the plywood and laminate industry. He looks after overall operations of our Company.

2. **Rameshkumar, Whole-time Director**

   Rameshkumar Patel, aged 36 years is the Whole-time Director of our Company with effect from March 26, 2015. He has been Director of our Company since May 01, 2013. He has completed Bachelor of Engineering (Chemical) from Sadar Patel University. He has more than 12 years of experience in the field of plywood and laminate industry. He looks after production and product development of our Company.

3. **Bhaveshkumar Patel, Chief Financial Officer**

   Bhaveshkumar Patel aged 34, is the Chief Financial Officer of our Company with effect from March 26, 2015. He holds a Bachelors' Degree in Commerce from Hemchandra North Gujarat University. He has more than 9 years in accounting and finance function. Prior joining to our company he was associated with Promens India Private Limited as account manager.

4. **Gauravkumar Jani, Company Secretary & Compliance Officer**

   Gauravkumar Jani aged 32**,** 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. He is entrusted with the responsibility of handling corporate secretarial functions of our Company.

5. **Mukesh Prajapati, Production Manager**

   Mukesh Prajapati aged 37 is the Production manager of our Company. He holds B.Sc from North Gujarat University. He has more than 8 years experience in plywood and Laminate industry. He joined our company on March 01, 2013 and prior joining to our company he was associated with Rushil Décor Limited and was working in Lab Chemist Laboratory / Quality Control Department. He has been paid remuneration of Rs 66,000 for the financial year 2013-2014 including all benefits and perquisites.

6. **Janak Patel, Maintenance Head**

   Janak Patel aged 27 years**,** is the Maintenance Head of our Company. He holds a Diploma in Mechanical Engineering from Technical Examinations Board, Gujarat State, Gandhinagar. He has more than 5 years experience in maintenance of machinery.

   * Individuals at serial no 5 & 6 are not KMP within the meaning of the Companies Act, 2013.

## RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except as mentioned below none of the key managerial personnel are related to the each other within the meaning of Section 2 (77) of the Companies Act, 2013.

| Name of KMP | Name of other KMP | Family Relation |
|---|---|---|
| Govindbhai Patel | Rameshkumar Patel | Brothers |

## RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

Except as mentioned below none of the Promoters/ Directors are related to the KMPs within the meaning of Section 2 (77) of the Companies Act, 2013.

| Name of Director/ Promoter | Name of KMP | Family Relation |
|---|---|---|
| Veljibhai Patel | Govindbhai Patel | Father-Son |
| | Rameshkumar Patel | Father-Son |
| Monghiben Patel | Govindbhai Patel | Mother-Son |
| | Rameshkumar Patel | Mother-Son |

## 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 as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Prospectus.

| Sr. No. | Name of Shareholder | No. of Shares held |
|---|---|---|
| 1. | Govindbhai Patel | 21,43,500 |
| 2. | Rameshkumar Patel | 19,87,470 |

## BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

## REMUNERATION/COMPENSATION TO KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of our Key Managerial Personnel is paid any remuneration as on the date of this Prospectus.

| No. | Name of the Key Managerial Personnel | Remuneration paid during FY 2016-17 (Rupees in Lakhs) |
|---|---|---|
| 1. | Govindbhai Patel | 18.00 |
| 2. | Rameshkumar Patel | 18.00 |
| 3. | Bhaveshkumar Patel | 9.60 |
| 4. | Gauravkumar Jani | 1.78 |

## 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

The 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 except Govindbhai Patel and Rameshkumar Patel 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. Govindbhai Patel and Rameshkumar Patel are also interested to the extent of their shareholding in Company and any loans provided by them to the Company.

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 IN THE LAST THREE YEARS

The changes in the Key Managerial Personnel in the last three years are as follows:

| Name of Managerial Personnel | Designation | Date of Event | Reason |
|---|---|---|---|
| Bhaveshkumar Patel | Chief Financial Officer | March 26, 2015 | Appointment as Chief Financial Officer |
| bhai Patel | Managing Director | March 26, 2015 | Appointment as Managing Director |
| Rameshkumar Patel | Whole-time Director | March 26, 2015 | Appointment as Whole-time Director |
| Nisha Jha | Company Secretary and Compliance Officer | March 26, 2015 | Appointment as company Secretary |
| Nisha Jha | Company Secretary and Compliance Officer | August 01, 2015 | Resignation from the post of Company Secretary |
| Gauravkumar Jani | Company Secretary and | August 27, 2015 | Appointment |

| | | | |
|---|---|---|---|
| | Compliance Officer | | |

Other than the above changes, there have been no changes to the KMP of our company that are not in the normal cause of employment.

## ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

## PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled "*Related Party Transactions*" in the section titled "*Financial Statements*" beginning on page 172 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 Veljibhai Patel and Govindbhai Patel. As on date of this Prospectus, our promoter holds, in aggregate 40,18,200 Equity Shares representing 33.07% of the pre-issue paid up Capital of our Company.

**Brief profile of our individual Promoters is as under:**

| | |
|---|---|
| | **Veljibhai Patel, Promoter**<br><br>Veljibhai Patel, aged 62 years, is the Promoter of our Company. He has acted as the Director in our Company since incorporation and resigned with effect from March 28, 2015. He has more than 20 years of experience in the plywood and laminate industry. His experience and dedication has contributed in the development of the Company. He has been the key person in formulating and implementing of business strategy for growth & expansion.<br><br>**Passport No:** G6880127<br><br>**Driving License:** GJ01 20060202925<br><br>**Voters ID:** GJ/10/078/135735<br><br>**Address**: 54/2 Mohanagar Society-2, Nr. Navyug School, Naroda Ahmedabad – 382345, Gujarat, India. |
| | **Govindbhai Patel, Promoter, Chairman & Managing Director**<br><br>Govindbhai Patel, aged 38 years is the Chairman and Managing Director of our Company with effect from March 26, 2015. He has been Director of our Company since incorporation. He has more than 12 years of experience in the plywood and laminate industry. He looks after overall operations of our Company.<br><br>**Passport No**: G4952959<br><br>**Driving License**: N/A<br><br>**Voters ID**: MCS2976355<br><br>**Address**: 55/2, Mohan Nagar Society, Nr. Navyug School, Naroda, Ahmedabad – 382330, Gujarat, India.<br><br>For further details relating to Govindbhai Patel, including terms of appointment as our Managing Director and other directorships, please refer to the chapter titled "*Our Management*" beginning on page 149 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.

## INTEREST OF PROMOTERS

Our Promoters are interested in our Company to the extent that they promoted and formed our Company and are interested to the extent of their shareholding and the dividend receivable, if any and

other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our promoters in our Company, please refer *"Capital Structure"* on page 69 of this Prospectus.

Our Promoters may also be deem to be interested in our Company to the extent of their shareholding/ interest in our group company /or ventures promoted by them with which our Company transacts during the course of its operations.

Govindbhai Patel is the KMP of our Company, and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to him for services rendered to us in accordance with the provisions of the Companies Act, 2013 and in terms of the agreements entered into with our company, if any and AoA of our Company. For details please see *"Our Management", "Financial Statements"* and *"Capital Structure"* beginning on pages 149, 172 and 69 respectively of this Prospectus.

Except as mentioned in the chapter titled "Our Business", our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of two years before filing of this Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as stated in this section and *"Related Party Transactions"* on page 170 of this Prospectus respectively, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group.

## COMMON PURSUITS

Our Promoters viz. Veljibhai Patel, Govindbhai Patel and our Director Rameshkumar Patel are also interested in our Group entity in Velsons Laminate Private Limited which is involved in activities similar to those conducted by our Company. As these entities do not have any non–compete agreements in place amongst themselves, there is a conflict of interest between our Company and the said Group Entities. For associated risk factor, please refer to the section titled *"Risk Factors"* beginning on page 17 of the Prospectus. We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

## RELATED PARTY TRANSACTIONS

For details on our related party transactions please refer to the paragraph titled *"Land and Property"* in chapter titled "*Our Business*" beginning on page 117 of this Prospectus, paragraph titled *"Interest of Directors"* in the chapter titled "*Our Management*" beginning on page 149 of this Prospectus and "*Annexure XXIV - Related Party Transactions*" in chapter titled "*Financial Statements"* beginning on page 172 of this Prospectus and paragraph titled *"Interest of Promoters"* under this chapter Prospectus.

## PAYMENT OR BENEFITS TO PROMOTERS

Except as stated otherwise in the chapter titled "*Related Party Transactions*" on page 170 of this Prospectus, there have been no payments or benefits to the Promoters during the two years prior to filing of this Prospectus.

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations is as under:

**A. Individuals related to our Promoter:**

| Relationship with Promoters | Veljibhai Patel | Govindbhai Patel |
|---|---|---|
| Father | Lt. Khetshibhai Patel | Veljibhai Patel |
| Mother | Lt. Jethiben Patel | Monghiben Patel |
| Brother | Pravinbhai Patel | Rameshbhai Patel |
| | | Prahladbhai Patel |
| Sister | Shakuntalaben Patel | Kavita Patel |
| Spouse | Monghiben Patel | Paresha Patel |
| Son | Rameshbhai Patel, & | Kishan Patel |
| | Prahaladbhai Patel | Vedant Patel |
| | Govindbhai Patel | |
| Daughter | Kavita Patel | - |
| Spouse's Father | Lt. Karsanbhai Patel | Vitthalbhai Patel |
| Spouse's Mother | Lt. Laxmiben Patel | Chandrikaben Patel |
| Spouse's Brother | Somjibhai Patel | Jayeshbhai Patel |
| Spouse's Sister | Lt. Kesarben Patel | Hiral Patel |

**B. Corporates and Entities forming part of our Promoter Group:**

1.Velsons Laminate Private Limited
2.Velsons Resin Private Limited
3.Anand Timber Mart
4.Mother Ply Indutsries
5.Panchvati Timber Mart-Proprietary Concern of Pravinbhai Patel
6.Jayesh Wood Works-Proprietary Concern of Jayeshbhai Patel
7.Parmeshwar Timber Part-Proprietary Concern of Vitthalbhai Patel

Rekhaben Ramesh Patel and Kinjalben Patel are not relatives within the meaning of regulation 2(1)(zb) of ICDR Regulations but are considered for the purposes of shareholding of the Promoter Group under Regulation 2(1)(zb)(v) of ICDR Regulations

## RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Except as disclosed herein, 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.

| Name of Promoter | Name of Director | Family Relation |
|---|---|---|
| Veljibhai Patel | Monghiben Patel | Husband-Wife |
| | Govindbhai Patel | Father-Son |
| | Rameshkumar Patel | Father-Son |
| Govindbhai Patel | Rameshkumar Patel | Brothers |
| | Monghiben Patel | Son-Mother |

## CHANGES IN OUR PROMOTERS

Our Promoters are the original promoters of our Company and there has not been any change in the management or control of our Company.

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 240 of this Prospectus. Our Promoters have not been declared a wilful 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.

## DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEAR

Our promoters have disassociated themselves from Venus Ply Industries by transferring their capital.

## CHANGES IN CONTROL

There has been no change in the management and control of our Company.

## LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, please refer *"Outstanding Litigation and Material Developments"* on page 240 of this Prospectus.

## CONFIRMATIONS

Our Company, our Promoters and members of promoter group are not Wilful Defaulters 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 them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters and members of the Promoter Group 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.

Our Promoters are not and has never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in *"Related Party Transactions"* on page 170 of this Prospectus, our Promoters are not related to any of the sundry debtors nor are the beneficiaries of Loans and Advances given by/to our Company.

## OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in this chapter above and in the chapter titled "Our Group Companies" beginning on page 167 of this Prospectus, there are no ventures promoted by our Promoter in which they have any business interests / other interests.

## OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of "Group Companies", our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board. Pursuant to a resolution dated July 26, 2017 our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature.

No equity shares of our Group Companies are listed on any stock exchange and none of them have made any public or rights issue of securities in the preceding three years.

### Our Group Companies

**1. Velsons Resin Private Limited**

Velsons Resin Private Limited is a private limited company incorporated on October 28, 2013 under the provisions of Companies Act, 1956. It's Registered Office is located at 10, Raghav Residency, Opp. Naroda G.E.B. Dahegam Road, Naroda, Ahmedabad, Gujarat 382330, India. In terms of it's Memorandum of Association, it is incorporated to carry on the business, in India or abroad, as manufacturers, processors, develop, dealers, contractors, agents, suppliers, stockiest, representatives, import, export, Consultants for all type of resins, formaldehyde alkyd resins, formaldehyde resin, amino resin, ion exchange resin, melamine resins, polyamide resin and phenolic resins, corrosion resistant epoxy resins, industrial epoxy resins, resin plants, resin casting plants, high speed resin casting plants, used in decorative effects, pipe lines transports, corrosion resistance polyester used in building chemical containment and transport. Its Corporate Identification Number is U24132GJ2013PTC077350. It's paid up share capital is Rs. 30,00,000/-

Our Promoters Veljibhai Patel and Govindbhai Patel hold 25% each respectively in the equity share capital of the company.

**Board of Directors**

| Sr. No. | Name of the Directors |
|---|---|
| 1. | Prahaladkumar Patel |
| 2. | Govindbhai Patel |
| 3. | Veljibhai Patel |
| 4. | Rameshkumar Patel |

**Financial Information**

The audited financial statements of the company for the last three Financial Years are as follows:

*(Rs. In Lakhs except NAV)*

| Particulars | 2014 | 2015 | 2016 |
|---|---|---|---|
| Paid up Equity Share Capital | 1.00 | 1.00 | 30.00 |
| Reserve (Excluding Revaluation Reserve) | 0.00 | 0.00 | 0.00 |
| Net Asset Value (Rs.) | 1.00 | 1.00 | 1.00 |

∗ Company is yet to file financials for the Financial Year 2017.

**2. Velsons Laminate Private Limited**

Velsons Laminate Private Limited is a private limited company incorporated on September 18, 2013 under the provisions of Companies Act, 1956. It's Registered Office is located at 10, Raghav Residency, Opp. Naroda G.E.B. Dehegam Road, Naroda, Ahmedabad, Gujarat 382330, India. In terms of it's Me morandum of Association, it is incorporated to carry on the business, as manufacturers, dealers, traders, exporters, importers, agents, factors, brokers, wholesalers, retailers, of all kinds, types, sizes of laminated skin, laminated sheets including laminated door skin, mica for industrial, commercial and domestic purposes/uses. Its Corporate Identification Number is U21097GJ2013PTC076876. It's paid up share capital is Rs. 28,334,590/-.

Our Promoters Veljibhai Patel and Govindbhai Patel hold 18.74 % and 15.31% respectively in the equity share capital of the company.

**Board of Directors**

| Sr. No. | Name of the Directors |
|---|---|
| 1. | Prahaladkumar Patel |
| 2. | Govindbhai Patel |
| 3. | Veljibhai Patel |
| 4. | Rameshkumar Patel |

**Financial Information;**
The audited financial statements of the company for the last three Financial Years are as follows:

*(Rs. In Lakhs except NAV)*

| Particulars | 2014 | 2015 | 2016 |
|---|---|---|---|
| Paid up Equity Share Capital | 1.00 | 100 | 100 |
| Reserve (Excluding Revaluation Reserve) | 0.00 | 0.22 | (34.78) |
| Net Asset Value (Rs.) | 1.00 | 10.02 | 7.52 |

*Company is yet to file financials for the Financial Year 2017

## CONFIRMATION

None of the securities of our Group Companies are listed on any stock exchange and none of our Group Companies have made any public or rights issue of securities in the preceding three years.

Our Group Company has not been declared as wilful 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.

Our Group Companies have not been declared sick companies under the SICA. Additionally, Group Company has not been restrained from accessing the capital markets for any reasons by SEBI or any other authorities

## LITIGATION

For details on litigations and disputes pending against the Promoter and Group entities and defaults made by them, please refer to the chapter titled, '*Outstanding Litigations and Material Developments*' on page 240 of this Prospectus.

## DISSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

None of our Promoters has disassociated themself from any of the companies, firms or other entities during the last three years preceding the date of the Prospectus.

## NEGATIVE NET WORTH

None of our Group Entities have negative net worth as on the date of the Prospectus.

## DEFUNCT / STRUCK-OFF COMPANY

None of our Promoters or Promoter Group or Group Company has become defunct or strike – off in the five years preceding the filing of this Prospectus.

## SALES/PURCHASES BETWEEN OUR COMPANY AND PROMOTER COMPANY & GROUP ENTITIES

Other than as disclosed in the chapter titled "Related Party Transactions" on page 170, there are no sales/purchases between the Company and the Group Companies where such sales or purchases exceed in value in the aggregate 10 per cent of the total sales or purchases of the Company.

## PAYMENT OR BENEFIT TO OUR GROUP ENTITIES

Except as stated in chapter titled "Related Party Transactions" beginning on page 170, there has been no payment of benefits to our Group Entities in financial years 2015, 2016 and 2017, nor is any benefit proposed to be paid to them as on the date of this Prospectus

## INTEREST OF OUR PROMOTER AND GROUP COMPANIES

**In the promotion of our Company**

None of our Group Companies have any interest in the promotion or any business interest or other interest in our Company.

**In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Prospectus**

None of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the two years preceding the date of filing of this Prospectus or proposed to be acquired by it.

**In transactions involving acquisition of land, construction of building and supply of machinery**

None of our Group Companies is interested in any transactions involving acquisition of land, construction of building or supply of machinery.

## COMMON PURSUITS

Our Promoters are interested as Directors and/or Member in our Group Company which are involved in activities similar to those conducted by our Company. Our Group Company Velsons Laminate Private Limited is authorised under their constitutional documents to engage in a similar line of business as we do. Further, we have not entered into any non compete or similar arrangement with this Group Company or otherwise with our Promoters. Accordingly, there can be no assurance that this Group Company will not in future engage in any competing business activity or acquire interests in competing ventures. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises.

## RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XXIV of restated financial statement under the section titled, '*Financial Statements*' beginning on page 172 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 five years and till March 31, 2017.

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 RE-STATED

### Independent Auditor's Report for the Restated Financial Statements of Ambition Mica Limited

**Report of Auditors on the Restated Financial Information of Ambition MICA Limited for each of the period ended on September 30, 2017 March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.**

**The Board of Directors**
**Ambition Mica Limited**,
10/GF-Raghav Residency,
Opp. Naroda GEB,
Dehagam Road,
Naroda,
Ahmedabad.

Dear Sirs,

1. We, N. K. Aswani & Co., have examined the attached Restated Statement of Assets and Liabilities of **Ambition Mica Limited** (the "Company") as at 30th September 2017, 31st March 2017, 2016, 2015, 2014 and 2013 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the years / period ended as at 30th September 2016, 31st March 2017, 2016, 2015, 2014 and 2013, annexed to this report for the purpose of inclusion in the offer document prepared by the Company (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.

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**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;

   (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations")** issued by the Securities and Exchange Board of India ("**SEBI")** in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;

   (iii) The terms of reference to our engagements with the Company 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.("**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 Period ended on 30th September 2017, 31st March 2017, 2016, 2015, 2014 and 2013.

4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

   (i) The "**Statement of Assets and Liabilities as Restated**" as set out in **Annexure I** to this report, of the Company as at 30th September 2017,31st March 2017, 2016, 2015, 2014 and 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more

fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)**to this Report.

(ii) The "**Statement of Profit and Loss as Restated**" as set out in **Annexure II** to this report, of the Company for the period ended on 30th September 2017, 31st March 2017, 2016, 2015, 2014 and 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)**to this Report.

(iii) The " **Statement of Cash Flow as Restated**" as set out in **Annexure III** to this report, of the Company for the period ended on 30th September 2017,31st March 2017, 2016, 2015, 2014 and 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)**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 period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.

   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 qualifications in the Audit Reports issued by the Statutory Auditors for the financial period/year ended on 31st March 2017, 2016, 2015, 2014 and 2013 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 Polices and Notes to Accounts as set out in **Annexure IV(A)**to this report.

6. Audit for the period ended on 30th September 2017, 31st March 2017, 2016, 2015, 2014 and 2013 was conducted by M/s. Hitesh Goel & Co., (Chartered Accountants). Accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the period ended on 30th September,2017 have been reaudited by us as per the relevant guidelines.

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 period ended on 30th September 2017, 31st March 2017, 2016, 2015, 2014 and 2013 proposed to be included in the Draft Prospectus/Prospectus ("**Offer Document**").

**Annexure of Restated Financial Statements of the Company:-**

a. Significant Accounting Policies and Notes to Accounts as restated in Annexure IV(A);
b. Reconciliation of Restated Profit as appearing in Annexure IV(B) to this report.
c. Details of Share Capital as Restated as appearing in Annexure V to this report;
d. Details of Reserves and Surplus as Restated as appearing in Annexure VI to this report;
e. Details of Long Term Borrowings as Restated as appearing in Annexure VII to this report;
f. Nature of Security and Terms of Repayment for Long term Borrowings as appearing in Annexure VIII to this report
g. Details of Deferred Tax Liabilities (Net) as Restated as appearing in Annexure IX to this report;
h. Details of Short Term Borrowings as Restated as appearing in Annexure X to this report;
i. Nature of Security and Terms of Repayment for Short term Borrowings as appearing in Annexure XI

to this report

j. Details of Trade Payables as Restated as appearing in Annexure XII to this report;
k. Details of Other Current Liabilities as Restated as appearing in Annexure XIII to this report;
l. Details of Short Term Provisions as Restated as appearing in Annexure XIV to this report;
m. Details of Fixed Assets as Restated as appearing in Annexure XV to this report;
n. Details of Non-Current Investments as Restated as appearing in Annexure XVI to this report;
o. Details of Long Term Loans & Advances as Restated as appearing in Annexure XVII to this report;
p. Details of Inventories as Restated as appearing in Annexure XVIII to this report;
q. Details of Trade Receivables as Restated enclosed as Annexure XIX to this report;
r. Details of Cash and Cash Equivalents as Restated enclosed as Annexure XX to this report;
s. Details of Short Term Loans & Advances as Restated as appearing in Annexure XXI to this report;
**t.** Details of Revenue from operations as Restated as appearing in Annexure XXII to this report;
u. Details of Other Income as Restated as appearing in Annexure XXIII to this report;
v. Details of Related Parties Transactions as Restated as appearing in Annexure XXIV to this report;
w. Details of Summary of Accounting Ratios as Restated as appearing in Annexure XXV to this report
x. Capitalization Statement as Restated as at 31st March 2017 as appearing in Annexure XXVI to this report;
y. Statement of Tax Shelters as Restated as appearing in Annexure XXVII to this report;

8. We, N. K. Aswani & 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.

9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. In our opinion, the above financial information contained in Annexure I to XXVII of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out in Annexure IV(A) 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, N. K. Aswani & Co.**

Chartered Accountants

**Firm Registeration No.: 100738W**

**N. K. Aswani & Co.**

**Proprietor**

**Membership No.: 033278**

**Date: October 04, 2017**

**Place: Ahmedabad**

**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED** **ANNEXURE-I**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31,2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **I. EQUITY AND LIABILITIES** | | | | | | |
| **1. Shareholders' funds** | | | | | | |
| (a) Share capital | 1192.20 | 1192.20 | 397.40 | 290.00 | 290.00 | 225.00 |
| (b) Reserves and surplus | 325.57 | 241.11 | 836.47 | 372.73 | 199.07 | 108.07 |
| **Sub-Total** | **1517.77** | **1433.31** | **1233.87** | **662.73** | **489.07** | **333.07** |
| **2. Share application money pending allotment** | | - | - | - | - | - |
| **Sub-Total** | | - | - | - | - | - |
| **3. Non-current liabilities** | | | | | | |
| (a) Long-term borrowings | 331.86 | 325.75 | 170.93 | 506.51 | 698.47 | 631.87 |
| (b) Deferred tax liabilities (Net) | 183.72 | 175.69 | 148.60 | 123.79 | 106.54 | 84.58 |
| (c) Other Non Current Liabilities | - | - | - | - | - | - |
| (d) Long term provisions | 3.83 | 3.47 | 2.71 | 7.18 | 3.15 | 0.86 |
| **Sub-Total** | **519.41** | **504.91** | **322.24** | **637.48** | **808.16** | **717.31** |
| **4. Current liabilities** | | | | | | |
| (a) Short-term borrowings | 978.44 | 958.48 | 857.20 | 447.49 | 334.81 | 404.99 |
| (b) Trade payables | 2512.97 | 2145.97 | 1500.94 | 927.11 | 1195.12 | 733.55 |
| (c) Other current liabilities | 356.79 | 392.72 | 383.85 | 362.77 | 193.40 | 119.56 |
| (d) Short-term provisions | 298.80 | 75.89 | 46.54 | 92.20 | 23.26 | 16.31 |
| **Sub-Total** | **4147.00** | **3573.06** | **2788.53** | **1829.57** | **1746.59** | **1274.41** |
| **TOTAL** | **6184.18** | **5511.28** | **4344.64** | **3129.78** | **3043.82** | **2324.79** |
| **II. ASSETS** | | | | | | |
| **1. Non-current assets** | | | | | | |
| (a) Fixed assets | 1194.33 | 1193.53 | 1100.73 | 1006.06 | 1020.69 | 930.87 |
| (b) Non-current investments | 9.68 | 101.15 | 1.15 | 1.15 | 1.15 | 1.15 |
| (c) Long-term loans and advances | 26.62 | 20.44 | 45.43 | 13.57 | 13.45 | 13.38 |
| **Sub-Total** | **1230.63** | **1315.12** | **1147.31** | **1020.78** | **1035.29** | **945.40** |
| **2. Current assets** | | | | | | |
| (a) Current investments | | | | | | |
| (b) Inventories | 1530.81 | 1617.30 | 1383.29 | 996.81 | 940.36 | 706.42 |
| (c) Trade receivables | 3363.35 | 2388.08 | 1597.45 | 1008.09 | 886.93 | 561.95 |
| (d) Cash and cash equivalents | 17.75 | 85.92 | 141.19 | 58.11 | 99.05 | 49.32 |
| (e) Short-term loans and advances | 35.88 | 99.33 | 57.96 | 17.33 | 39.38 | 24.77 |
| (f) Other Current Asset | 5.76 | 5.53 | 17.44 | 28.67 | 42.81 | 36.93 |
| **Sub-Total** | **4953.55** | **4196.16** | **3197.33** | **2109.00** | **2008.53** | **1379.39** |
| **TOTAL** | **6184.18** | **5511.28** | **4344.64** | **3129.78** | **3043.82** | **2324.79** |

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

**(Amount in Lakhs)**

| Particulars | For the period ended September 30, 2017 | For the period ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| I.Revenue from operations | 3362.22 | 5152.26 | 4917.82 | 3815.97 | 3554.84 | 2047.10 |
| II.Other income | 1.09 | 2.00 | 13.94 | 1.67 | 2.22 | 1.43 |
| **III. Total Revenue (I + II)** | **3363.31** | **5154.26** | **4931.76** | **3817.64** | **3557.06** | **2048.53** |
| IV. Expenses: | | | | | | |
| Cost of materials consumed | 2832.96 | 3701.11 | 3731.23 | 2812.31 | 2908.87 | 1594.90 |
| Purchases of Stock-in-Trade | | | | | - | - |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | (311.52) | (42.77) | (29.63) | 29.55 | (22.03) | (56.02) |
| Employee benefits expense | 47.25 | 108.83 | 122.61 | 161.38 | 123.13 | 71.51 |
| Finance costs | 89.17 | 174.67 | 179.14 | 155.88 | 114.07 | 119.11 |
| Depreciation and amortization expense | 29.55 | 55.70 | 50.25 | 46.13 | 49.27 | 38.13 |
| Other expenses | 543.71 | 856.90 | 615.65 | 353.34 | 247.74 | 158.56 |
| **Total expenses** | **3231.12** | **4854.44** | **4669.25** | **3558.60** | **3421.05** | **1926.19** |
| **V. Profit before exceptional and extraordinary items and tax (III-IV)** | **132.19** | **299.82** | **262.51** | **259.04** | **136.01** | **122.34** |
| VI. Exceptional items | | - | - | - | - | - |
| **VII. Profit before extraordinary items and tax (V - VI)** | **132.19** | **299.82** | **262.51** | **259.04** | **136.01** | **122.34** |
| VIII. Extraordinary Items- | - | - | - | - | - | - |
| **IX. Profit before tax (VII-VIII)** | **132.19** | **299.82** | **262.51** | **259.04** | **136.01** | **122.34** |
| X. Tax expense: | | | | | | |
| (1) Current tax | 40.19 | 73.28 | 58.94 | 68.13 | 27.21 | 24.48 |
| (2) MAT Credit | - | - | - | - | (4.18) | (19.00) |
| (3) Deffered Tax | 8.03 | 27.09 | 24.81 | 17.24 | 21.96 | 33.89 |
| **XI. Profit (Loss) for the period from continuing operations (VII-VIII)** | **83.97** | **199.45** | **178.76** | **173.66** | **91.02** | **82.97** |
| XII. Profit/(loss) from discontinuing operations | - | - | - | - | - | - |
| XIII. Tax expense of discontinuing operations | - | - | - | - | - | - |
| **XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)** | - | - | - | - | - | - |
| **XV. Profit (Loss) for the period (XI + XIV)** | **83.97** | **199.45** | **178.76** | **173.66** | **91.02** | **82.97** |
| XVI Earnings per equity share: | | | | | | |
| (1) Basic & Diluted EPS | 0.70 | 1.67 | 4.86 | 5.99 | 3.39 | 4.07 |

**STATEMENT OF CASH FLOW AS RESTATED** **ANNEXURE-III**

**(Amount in Lakhs)**

| Particulars | For the period ended September 30, 2017 | For the period ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | |
| Restated Net profit Before Tax and Extraordinary Iteams | 132.18 | 299.82 | 262.51 | 259.04 | 136.00 | - |
| **Adjustments For:** | | | | | | |
| Depreciation | 29.55 | 55.70 | 50.25 | 46.13 | 49.27 | 38.13 |
| Reversal of Excess Provision | 0.50 | - | - | - | - | - |
| Loss on Sale of Fixed Assets | - | - | 2.26 | 8.38 | 2.70 | - |
| Interest/Dividend/Other Income | (0.67) | (2.00) | (13.93) | (1.29) | (2.22) | (1.43) |
| Interest and Finance Charges | 89.17 | 174.67 | 179.14 | 155.88 | 114.07 | 119.11 |
| **Operating Profit before working capital changes** | **250.73** | **528.19** | **480.23** | **468.14** | **299.82** | **155.81** |
| **Adjustment For:** | | | | | | |
| Decrease/(Increase) in Inventories | 86.49 | (234.01) | (386.48) | (56.45) | (233.94) | (245.62) |
| Decrease/(Increase) in Trade receivables | (975.26) | (790.64) | (589.35) | (121.17) | (324.98) | (222.65) |
| Decrease/(Increase) in Other Current Assets | (0.22) | 11.91 | 11.22 | 14.14 | (5.88) | (20.16) |
| Decrease/(Increase) in Short-term loans and advances | 63.45 | (41.37) | (40.63) | 22.05 | (14.61) | (1.62) |
| (Decrease)/Increase in Trade Payables | 367.00 | 645.02 | 573.83 | (268.00) | 461.57 | 154.71 |
| (Decrease)/Increase in Other Current Liabilities | (35.93) | 8.87 | 21.08 | 169.37 | 73.84 | 23.35 |
| (Decrease)/Increase in Provisions | 223.27 | 30.11 | (50.14) | 72.98 | 9.24 | (21.73) |
| **Cash Generated from Operations** | **(20.47)** | **158.08** | **19.76** | **301.06** | **265.06** | **(177.91)** |
| Taxes Paid | (40.19) | (73.28) | (58.94) | (68.13) | (23.03) | (5.47) |
| **Net Cash From /(Used In ) Operating Activities (A)** | **(60.66)** | **84.81** | **(39.19)** | **232.92** | **242.03** | **(183.38)** |
| **Cash Flow From Investing Activities** | | | | | | |
| (Purchase) Of Fixed Assets/ Capital Work In Progress | (30.36) | (148.49) | (144.57) | (27.32) | (138.13) | (316.26) |
| Sale Of Fixed Assets/ Capital Work In Progress | - | - | (2.60) | (12.56) | (3.66) | - |
| Decrease/(Increase) in Non Current investments | 91.47 | (100.00) | - | - | - | (1.00) |
| Interest/Dividend/Other Income | 0.67 | 2.00 | 13.93 | 1.29 | 2.22 | 1.43 |
| Decrease/(Increase) in long term loans & Advances | (6.18) | 24.99 | (31.86) | (0.12) | (0.07) | (0.75) |
| **Net Cash From /(Used In ) Investing Activities (B)** | **55.60** | **(221.50)** | **(165.10)** | **(38.71)** | **(139.64)** | **(316.58)** |
| **Cash Flow From Financing Activities** | | | | | | |
| Proceeds from Issue of Shares | - | 794.80 | 107.40 | - | 65.00 | 25.50 |

| Particulars | For the period ended September 30, 2017 | For the period ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| Security Premium | - | - | 322.20 | - | - | - |
| Bonus Issue | - | (794.80) | - | - | - | - |
| Interest and Finance Charges | (89.17) | (174.67) | (179.14) | (155.88) | (114.07) | (119.11) |
| Proceeds / (Repayments) of Share Application Money | - | - | - | - | - | (0.50) |
| **(Decrease)/Increase in Short Term Borrowing** | 19.96 | 101.28 | 409.71 | 112.67 | (70.18) | 196.01 |
| **(Decrease)/Increase in Long Term Borrowing** | 6.11 | 154.82 | (335.58) | (191.96) | 66.59 | 312.54 |
| Prelimanary Expense | - | - | (37.22) | - | - | - |
| **Net Cash From Financing Activities (c)** | **63.10** | **81.43** | **287.37** | **(235.17)** | **(52.66)** | **414.44** |
| **Net Increase / (Decrease) in Cash (A)+(B)+(C)** | (68.16) | (55.27) | 83.09 | (40.95) | 49.73 | (85.52) |
| **Cash and Cash equivalents at the beginning of the year** | 85.92 | 141.19 | 58.11 | (23.29) | (73.02) | 12.50 |
| **Cash and Cash equivalents at the end of the year** | **17.76** | **85.92** | **141.20** | **(64.24)** | **(23.29)** | **(73.02)** |

IV. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Satements"

V. Figures in Brackets represent outflows

**VI.** The above statement should be read with the Restated Statement of Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure I,II, IV(A) respectively.

**Significant Accounting Policies and Notes to Accounts** **ANNEXURE-IV(A)**

**(A) Corporate Information :**

The Compnay was incorporated as "Ambition Mica Private Limited" in Ahmedabad, as a Private Limited Company under the provisions of the Companies Act,1956 vide Certificate of incorporation dated March 19,2010 bearing registration no. 059931 issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli,Ahmedabad. The Company was converted into public company vide fresh certificate of incorporation consequent upon conversion from private to public company dated March 25,2015 issued by Registrar of companies ,Ahmedabad, Gujarat. The Corporate identity number is U25202GJ2010PLC059931.

The Company is one of the leading manufacturers of mid segment decoratibe laminates and door skins.

**(B) Basis of Preparation :**

The Restated Summary Statements of Assets and Liabilities of the Company as at September 30, 2017,March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement for the period ended September 30,2017,March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, have been complied by management from the financial statements of the company for the period ended on September 30,2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013.

"The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/materialized."

**(C) Significant Accounting Policies :**

**(a) Use of Estimates :**

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

**(b) Fixed Assets :**

Fixed Assets are stated at their acquisition cost less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use where applicable together with any incidental expenses of acquisition/installation. Cost of acquisition includes borrowing costs that are directly attributable to the acquisition/construction of qualifying assets.

**(c) Depreciation:**

With effect from April 01, 2014, depreciation on tangible fixed assets is provided on Straight line method as per useful life prescribed in Schedule II to the Companies Act,2013 and up to March 31,2014, depreciation on tangible fixed assets is provided on the Straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

**(d) Revenue Recognition:**

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

**(D) Foreign Currency Transactions :**

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account.

**(E) Investments:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**(F) Employee Benefits:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund.

**(G) Taxation :**

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable income and accounting income. Deferred Tax Assets or Differed Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

**(H) Borrowing Cost :**

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(I) Segment Reporting :**

No separate segment has been reported as the company does not have more than one business segments within the meaning of Accounting Standard -17, which differ from each other in risk and reward.

**(J) Provisions and Contigent Liabilities :**

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

| Particulars | September 30st 2017 | March 31st 2017 | March 31st 2016 | March 31st 2015 | March 31st 2014 | March 31st 2013 |
|---|---|---|---|---|---|---|
| (a) Bills Discounted from Banks | - | - | - | - | - | - |
| (b) Outstanding Letter of Credit | 50.05 | - | 48.74 | - | - | - |
| (c) Corporate Guarantee given by company | - | - | - | - | - | - |
| (d) Duty saved against Advanced Authorization/EPCG | - | - | - | - | - | - |
| (e) Claim against company not acknowledge as debt. | - | - | - | - | - | - |

**(K) Earnings per share :**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**(L) Investment in Associate**

During the financial Year 2016-17, the company has acquired 100% share capital of M/s Velsons Laminate Private Limited by way of cash consideration of Rs. 1,00,00,000/- and the board resolution for the same was passed on 14th March 2016. As on 31st October, 2017, Velsons Laminate Private Limited (hereinafter called as "Associate") issued new share capital and due to which Company's holding fall from 100% to 35.29%, but as on 26th September 2017 company sold entire 35.29% holding to the promoters.

**RECONCILIATION OF RESTATED PROFIT** **ANNEXURE IV(B)**

**(Amount in Lakhs)**

| Adjustments for | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| Net profit/(loss) after tax as per audited statement of profit & loss | 87.29 | 196.45 | 171.23 | 173.73 | 86.51 | 62.70 |
| **Adjustments for:** | | | | | | |
| Preliminary Expenses (Refer Note 1 ) | - | - | - | - | 0.77 | 0.77 |
| Gratuity Provision | - | - | 4.38 | - | (2.33) | (0.35) |
| Prior Period Adjustments (Refer Note 2 ) | - | 1.80 | 0.16 | (1.73) | - | - |
| Excess / Short Provision for Tax (Refer Note 3 ) | (3.33) | 1.27 | 0.45 | 1.67 | 5.27 | 19.73 |
| Differed Tax Liability / Assets Adjustments (Refer Note 4) | - | (0.08) | 2.53 | - | 0.78 | 0.14 |
| **Net profit/ (loss) after tax as restated** | **83.96** | **199.45** | **178.76** | **173.66** | **91.00** | **82.98** |

**Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective years / period.**

**Adjustments having impact on Profit:**

**Note: 1**
The Company has amortized preliminary and pre operative expenses in 5 consecutive year in the audited balance sheet while in the restated financial statements, the company has amortized total amount of preliminary and pre operative expenses in the financial year in which it has been incurred.

**Note: 2**
Amounts relating to the Prior Period have been adjusted in the Year to with the same related to.

**Note: 3**
The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates.

**Note: 4**
There is change in Deffered Tax Assets / Liabilities as per Audited Books of Accounts and as per Restated Books and the same has been given effect in the year to which the same relates.

**To give Explanatory Notes regarding Adjustments**
Appropriate adjustments have been made in the 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

**DETAILS OF SHARE CAPITAL AS RESTATED**
**ANNEXURE-V**

**(Amount in Lakhs)**

**1. Statement of Share Capital**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **Authorised** | | | | | | |
| 1,60,00,000 Equity shares of Rs. 10/- each | 1600.00 | - | - | - | - | - |
| (Previous year 1,20,00,000 shares of Rs. 10/- each) | - | 1200.00 | 1200.00 | 425.00 | 290.00 | 225.00 |
| **Issued , Subscribed and Fully paid up Capital** | | | | | | |
| 1,19,22,000 Equity Shares of Rs. 10 each | 1192.20 | 1192.20 | - | - | - | - |
| 39,74,000 Equity Shares of Rs. 10 each | - | - | 397.40 | - | - | - |
| 29,00,000 Equity Shares of Rs. 10 each | - | - | - | 290.00 | 290.00 | - |
| 22,50,000 Equity Shares of Rs. 10 each | - | - | - | - | - | 225.00 |
| **Total** | **1192.20** | **1192.20** | **397.40** | **290.00** | **290.00** | **225.00** |

**Terms/rights attached to equity shares :**

1. During the Financial Year 16-17, the company has increased its authorized share capital from Rs. 12,00,00,000/-to Rs. 16,00,00,000/- by passing resolution at the Extraordinary General meeting held on 19th August 2017
2. During the financial Year 2016-17 the company has issued 39,74,000 Bonus Shares on 13th May 2016 by passing special resolution at the Extraordinary General Meeting held on 14th March 2016
3. During the financial Year 2016-17 the company has issued & allotted 39,74,000 Bonus Shares on 07th February 2017 by passing special resolution at the Extraordinary General Meeting held on 19th January 2017
4. During the Financial Year 2015-16, the company has increased its authorized share capital from Rs. 4,25,00,000 to Rs. 12,00,00,000/- by passing special resolution at the Extraordinary General meeting held on 14th March 2016
5. During the financial Year 2015-16, the company has raised 4,29,60,000 through IPO by issuing 10,74,000 shares on July 10,2015 of Rs. 40 each
6. During the Financial Year 2014-15, the company has increased its authorized share capital from Rs. 2,90,00,000 to Rs. 4,25,00,000 by passing ordinary resolution at the Extraordinary General meeting held on 10th March 2015
7. During the Financial Year 2013-14, the company has increased its authorized share capital from Rs. 2,25,00,000 to Rs. 2,90,00,000 by passing ordinary resolution at the Extraordinary General meeting held on 25th July 2013.
8. During the financial Year 2013-14 the company has issued & allotted 6,50,000 shares on 03rd August 2013 by passing ordinary resolution at the Board Meeting held on 03rd August 2013.
9. During the financial Year 2012-13 the company has issued & allotted 2,50,000 shares on 31st January 2013 by passing resolution at the Board Meeting held on 31st January 2013.
10. During the financial Year 2012-13 the company had issued & allotted 5,000 shares on 15th June 2012 by passing resolution at the Board Meeting held on 15th June 2012
11. During the Financial Year 2012-13, the company has increased its authorized share capital from Rs. 2,00,00,000 to Rs. 2,25,00,000 by passing ordinary resolution at the Extraordinary General meeting held on 14th June 2012.

**Terms/rights attached to equity shares :**

1. The company was having only one class of Equity Shares with par value of Rs. 10.00 per share. Each holder of Equity shares was entitled to one Vote per share.

2 In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

**2. Reconciliation of Shares outstanding at the beginning and at the end of the Period**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| At the beginning of the period | 1,19,22,000 | 39,74,000 | 29,00,000 | 29,00,000 | 22,50,000 | 19,95,000 |
| Issued during the year | - | - | - | - | 6,50,000 | 2,55,000 |
| Issued wide Intial Public Offer | | - | 10,74,000 | - | - | - |
| Issue of Bonus share capital | | 79,48,000 | - | - | - | - |
| Outstanding at the end of the Period | **1,19,22,000** | **1,19,22,000** | **39,74,000** | **29,00,000** | **29,00,000** | **22,50,000** |

**3. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash. | - | - | - | - | - | - |
| Aggregate number and class of shares allotted as fully paid up by way of bonus shares. | - | 79,48,000 | - | - | - | - |
| Aggregate number and class of shares bought back. | - | - | - | - | - | - |

**a.Details of Shareholders holding more than 5% shares in the company (In terms of No. of Shares Holding)**

| Particlaurs | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **Name of Shareholders** | **No. of Shares** | **No. of Shares** | **No. of Shares** | **No. of Shares** | **No. of Shares** | **No. of Shares** |
| Govind Veljibhai Patel | 21,43,500 | 21,43,500 | 7,14,500 | 7,14,500 | 7,14,500 | 5,52,000 |
| Ramesh Veljibhai Patel | 19,87,470 | 19,87,470 | 6,62,490 | 6,62,490 | 6,62,490 | 4,99,920 |
| Veljibhai Khetshibhai Patel | 18,74,700 | 18,74,700 | 6,24,900 | 6,24,900 | 6,24,900 | 4,62,400 |
| Prahalad | 20,59,830 | 20,59,830 | 6,86,610 | 6,86,610 | 6,86,610 | 5,24,110 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Veljibhai Patel | | | | | | |
| **Total** | **80,65,500** | **80,65,500** | **26,88,500** | **26,88,500** | **26,88,500** | **20,38,430** |

**4b. Details of Shareholders holding more than 5% shares in the company (In terms of % Holding)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **Name of Shareholders** | **% holding** | **% holding** | **% holding** | **% holding** | **% holding** | **% holding** |
| Govind Veljibhai Patel | 17.98 | 17.98 | 17.98 | 24.64 | 24.64 | 24.53 |
| Ramesh Veljibhai Patel | 16.67 | 16.67 | 16.67 | 22.84 | 22.84 | 22.22 |
| Veljibhai Khetshibhai Patel | 15.72 | 15.72 | 15.72 | 21.55 | 21.55 | 20.55 |
| Prahalad Veljibhai Patel | 17.28 | 17.28 | 17.28 | 23.68 | 23.68 | 23.29 |
| **Total** | **67.65** | **67.65** | **67.65** | **92.71** | **92.71** | **90.60** |

**DETAILS OF RESERVES AND SURPLUS AS RESTATED** **ANNEXURE-VI**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **A. Security premium account** | | | | | | |
| Opening Balance | - | 284.98 | - | - | - | - |
| Add: Securities premium accounts credited on account of share issue | - | - | 322.20 | - | - | - |
| Less : Deletion for issue of Bonus Shares | - | (284.98) | - | - | - | - |
| Less: Utilized towards Preliminery Expenses | - | - | (37.22) | - | - | - |
| **Closing Balance** | **-** | **-** | **284.98** | **-** | **-** | **-** |
| **B. Profit loss account** | | | | | | |
| Opening Balance | 241.11 | 551.48 | 372.73 | 199.07 | 108.07 | 25.08 |
| Add: Net Profit/(Loss) for the year | 83.96 | 199.45 | 178.76 | 173.66 | 91.00 | 82.98 |
| Less: Issuing Bonus Shares | | 509.82 | - | - | - | - |
| Less: Other Adjustment | 0.50 | - | - | - | - | 0.01 |
| **Closing Balance** | **325.57** | **241.11** | **551.48** | **372.73** | **199.07** | **108.07** |
| **Total(A+B+C+D)** | **325.57** | **241.11** | **836.47** | **372.73** | **199.07** | **108.07** |

**Notes:**

1. The figures disclosed above are based on the Unconsolidated restated summary statement of assets and liabilities of the Company
2. The above statement should be read with the notes to Unconsolidated restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I,II and III.

3. Pursuant to the Enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in the Schedule II. The Value of the Fixed Assets whose lives have expired as at 01st April, 2015 have been adjusted, in the Opening balance of Profit and Loss Account

**DETAILS OF LONG TERM BORROWINGS AS RESTATED** **ANNEXUREVII**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **A1. From Banks (Secured)** | | | | | | |
| HDFC Bank Ltd – WCL | 128.89 | - | - | - | - | - |
| HDFC Bank Ltd. TL-1 for Machinery | 24.98 | - | - | - | - | - |
| HDFC Bank Ltd. TL-2 for Machinery | 30.29 | - | - | - | - | - |
| Bank of Baroda TL 1 | - | - | - | - | 162.50 | 237.50 |
| Bank of Baroda TL 2 | - | - | - | - | 121.01 | 156.05 |
| Bank of Baroda TL 3 | - | - | - | - | 77.78 | - |
| The AMCO Bank Ltd (Car Loan) | - | - | 5.07 | 10.15 | 14.78 | 18.94 |
| The AMCO Bank Ltd (Term Loan A/c No..14) | - | - | 19.85 | 97.80 | - | - |
| The AMCO Bank Ltd (Term Loan A/c No..15) | - | 23.81 | 58.85 | 93.86 | - | - |
| The AMCO Bank Ltd (Term Loan A/c No..16) | - | 28.19 | 45.56 | 62.91 | - | - |
| Kotak Mahindra (Car Loan) | - | - | - | 0.78 | 3.50 | 5.91 |
| **A2. From Banks (UnSecured)** | | | | | | |
| Deutsche Bank (Business Loan) | - | - | 0.10 | 26.94 | - | - |
| HDFC Bank (Business Loan) | 3.28 | 6.31 | 11.65 | 16.17 | - | - |
| Indusind Bank (Business Loan) | 12.65 | 24.53 | - | 18.25 | - | - |
| Kotak Mahindra Bank Ltd. (Business Loan) | 13.94 | 27.18 | - | 14.97 | - | - |
| ICICI Bank Ltd. (Business Loan) | 16.07 | 20.24 | - | - | - | - |
| RBL Bank(Business Loan) | | - | - | 19.12 | - | - |
| | | | | | | |
| **Total(A1+A2)** | **230.11** | **130.26** | **141.09** | **360.94** | **379.57** | **418.40** |
| **B. From Other Parties (Unsecured)** | | | | | | |
| Fullerton India CRED (Business Loan) | 3.43 | 17.17 | 19.10 | 36.57 | - | - |
| Bajaj Finserve Ltd. | 1.37 | 12.39 | - | 10.50 | 19.34 | - |
| Capital First Ltd. | 17.76 | 32.34 | - | 9.42 | - | - |
| Edelweiss Retail Finance Ltd. | 9.34 | 16.85 | - | 16.44 | - | - |
| Megma Finacorp Ltd. | 16.01 | 29.24 | - | 18.37 | - | - |
| Religare Finvest Ltd. | 5.99 | 11.11 | - | 19.03 | - | - |
| Aditya Birla Finance | 23.44 | 29.96 | - | - | - | - |
| DHFL | 6.81 | 14.10 | - | - | - | |
| Tata Capital | 12.47 | 25.03 | - | 12.15 | - | - |
| Shriram City Union Finance Ltd. (Business Loan) | | - | - | 9.16 | - | - |
| **B1. From Promoter Group** | | | | | | |
| **Loan From Promoters** | | | | | | |
| Ashvin A. Patel | - | - | - | - | - | 7.87 |
| Arjanbhai V. Patel | - | - | - | - | - | 4.00 |
| Gangaben A. Patel | - | - | - | - | - | 2.99 |
| Govindbhai V. Patel | - | - | - | - | 6.15 | 5.55 |
| Hansaben S. Patel | - | - | - | - | - | 7.57 |

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| Jayeshkumar V. Patel | - | - | - | - | 11.03 | 9.49 |
| Jigneshbhai S. Patel | - | - | - | - | 2.35 | 2.12 |
| Kinjalben Patel | - | - | - | - | 10.34 | 9.34 |
| Kavitaben Patel | - | - | - | - | 2.50 | 2.50 |
| Kuvarben B. Patel | - | - | - | - | - | 2.72 |
| Laxmiben A. Patel | - | - | - | - | - | 2.08 |
| Laxmiben C. Ramrakhiyani | - | - | - | - | 110.34 | 12.50 |
| Maruti Packaging | - | - | - | - | - | 7.83 |
| Monghiben Patel | - | - | - | - | 7.00 | 7.00 |
| Narendrabhai B. Patel | - | - | - | - | - | 6.80 |
| Natvarbhai B. Patel | - | - | - | - | - | 4.06 |
| Niravbhai R. Bhagat | - | - | - | - | - | 6.35 |
| Nitaben A. Patel | - | - | - | - | - | 2.78 |
| Parshottambhai K. Patel | - | - | - | - | 10.04 | 9.96 |
| Prahladbhai V. Patel | - | - | - | - | 6.71 | 6.06 |
| Pareshaben Patel | - | - | - | - | 13.39 | 12.09 |
| Parmeswar Timber Mart | - | - | - | - | 11.03 | 9.49 |
| Ravibhai | - | - | - | - | - | 5.00 |
| Rameshbhai V. Patel | - | - | - | - | 37.56 | 24.42 |
| Rekhaben Patel | - | - | - | - | 11.54 | 10.42 |
| Savitriben R. Patel | - | - | - | - | - | 1.43 |
| Veljibhai Patel | - | - | - | - | 40.30 | 11.79 |
| Shamjibhai Patel | - | - | - | - | 2.50 | - |
| **Loan From Share Holders** | | | | | | |
| **B2. From Financial Institutions** | | | | | | |
| HDB Financial Services Ltd. (Office Loan) | 5.13 | 7.30 | 10.75 | 13.92 | 16.76 | 19.28 |
| **B3. From Others** | | | | | | |
| **Inter Corporate Deposits** | | | | | | |
| **Loan From Others** | | | | | | |
| **Total(B)** | **101.75** | **195.49** | **29.85** | **145.57** | **318.90** | **213.48** |
| **Total A+B** | **331.86** | **325.75** | **170.93** | **506.51** | **698.47** | **631.88** |

**NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS INCLUDING CURRENT MATURITIES** **ANNEXURE VIII**

| Sr. No. | Lender | Nature of facility | Loan | Amount outstanding as at March 30, 2017 | Rate of interest (%) | Repayment Terms | Security / Principal terms and conditions |
|---|---|---|---|---|---|---|---|

| Sr. No. | Lender | Nature of facility | Loan | Amount outstanding as at March 30, 2017 | Rate of interest (%) | Repayment Terms | Security / Principal terms and conditions |
|---|---|---|---|---|---|---|---|
| 1 | HDFC Bank | Term Loan of Rs.200.00 Lacs | Term Loan Facility | 190.32 | 9.5% P.A. | Repayable in 36 monthly installments | i. Hypothication by way of first & exclusive charge on all present & Future stock & Book Debts & Plant & Machinery<br>ii. Hypothication/ mortgage of industrial property situated at Survey No.309, Zanak FIDC OPP> Pnset Way Bridge Zanak, Opp. Jay Ganesh PLY Industries, Village Zanak, Zanak FIDC.<br>iii.Hypothication/ mortgage of industrial property situated at Survey No.311, Zanak FIDC OPP Onset Way Bridge Zanak, Opp. Jay Ganesh PLY Industries, Village Zanak, Zanak FIDC.<br>iv. 55/2 Mohannagar SOciety, Munshi Compound, Naroda, 382253, Ahmedabad, Gujarat<br>v. Shop no.10, Ground Floor Naroda, Raghav Residency, Opp. GEB Dehgam Road |
| 2 | HDFC Bank | Term Loan of Rs.65.08 Lacs | Term Loan Facility | 59.62 | 9.5% P.A. | Repayable in 22 monthly installments | i. Hypothication by way of first & exclusive charge on all present & Future stock & Book Debts & Plant & Machinery<br>ii. Hypothication/ mortgage of industrial property situated at Survey No.309, Zanak FIDC OPP> Pnset Way Bridge Zanak, Opp. Jay Ganesh PLY Industries, Village Zanak, Zanak FIDC.<br>iii.Hypothication/ mortgage of industrial property situated at Survey No.311, Zanak FIDC OPP Onset Way |

| Sr. No. | Lender | Nature of facility | Loan | Amount outstanding as at March 30, 2017 | Rate of interest (%) | Repayment Terms | Security / Principal terms and conditions |
|---|---|---|---|---|---|---|---|
| | | | | | | | Bridge Zanak, Opp. Jay Ganesh PLY Industries, Village Zanak, Zanak FIDC.<br>iv. 55/2 Mohannagar SOciety, Munshi Compound, Naroda, 382253, Ahmedabad, Gujarat<br>v. Shop no.10, Ground Floor Naroda, Raghav Residency, Opp. GEB Dehgam Road |
| 3 | HDFC BANK | Term Loan of Rs.48.83 Lacs | Term Loan Facility | 46.31 | 9.5% P.A. | Repayable in 34 monthly installments | i. Hypothication by way of first & exclusive charge on all present & Future stock & Book Debts & Plant & Machinery<br>ii. Hypothication/ mortgage of industrial property situated at Survey No.309, Zanak FIDC OPP> Pnset Way Bridge Zanak, Opp. Jay Ganesh PLY Industries, Village Zanak, Zanak FIDC.<br>iii.Hypothication/ mortgage of industrial property situated at Survey No.311, Zanak FIDC OPP Onset Way Bridge Zanak, Opp. Jay Ganesh PLY Industries, Village Zanak, Zanak FIDC.<br>iv. 55/2 Mohannagar SOciety, Munshi Compound, Naroda, 382253, Ahmedabad, Gujarat<br>v. Shop no.10, Ground Floor Naroda, Raghav Residency, Opp. GEB Dehgam Road |

**(Amount in Lakhs)**

| HDFC Bank | | | | |
|---|---|---|---|---|
| Particulars | As at | | | |
| | 30st Sep, 2017 | 31st March, 2017 | 31st March | 31st March |

| | | | , 2016 | , 2015 |
|---|---|---|---|---|
| **Rate of Interest** | **16.75%** | **16.75%** | **16.75 %** | **18.25 %** |
| Opening Balance Cr/(Dr) | 11.65 | 16.17 | 20.00 | - |
| Amount Received / Credited | - | - | - | 19.51 |
| Interest on Loan | 0.89 | 2.37 | 3.06 | 0.49 |
| Amount Repaid / Adjusted | 3.45 | 6.89 | 6.89 | - |
| Outstanding Amount | 9.09 | 11.65 | 16.17 | 20.00 |
| **Terms of Repayment: Repayable in 48 monthly installments of Rs.57,452/- each** | | | | |

**(Amount in Lakhs)**

| **Indusind Bank** | | | | |
|---|---|---|---|---|
| **Particulars** | **As at** | | | |
| | **30st Sep, 2017** | **31st March, 2017** | **31st March, 2016** | **31st March, 2015** |
| **Rate of Interest** | **18.00%** | **18.00%** | **18.00%** | **18.25 %** |
| Opening Balance Cr/(Dr) | 45.00 | 18.25 | 50.00 | - |
| Amount Received / Credited | - | 43.61 | - | 48.54 |
| Interest on Loan | 3.38 | 2.39 | 6.67 | 1.46 |
| Amount Repaid / Adjusted | 11.26 | *19.25* | *38.43* | - |
| Outstanding Amount | 37.12 | 45.00 | 18.25 | 50.00 |
| **Terms of Repayment: Repayable in 24 monthly installments out of which 23 installments are of Rs.2,25,202/- each & Last installment is of Rs.2,26,636/-** | | | | |

**(Amount in Lakhs)**

| **Kotak mahindra Bank** | | | | |
|---|---|---|---|---|
| **Particulars** | **As at** | | | |
| | **30st Sep, 2017** | **31st March, 2017** | **31st March, 2016** | **31st March, 2015** |
| **Rate of Interest** | **18.50%** | **18.50%** | **18.50%** | **18.25%** |
| Opening Balance Cr/(Dr) | 49.99 | 14.97 | 27.40 | - |
| Amount Received / Credited | - | 48.64 | - | 26.73 |
| Interest on Loan | 3.77 | 2.87 | 4.07 | 0.67 |
| Amount Repaid / Adjusted | 14.92 | 16.50 | 16.50 | - |
| Outstanding Amount | 38.84 | 49.99 | 14.97 | 27.40 |
| **Terms of Repayment: Repayable in 24 monthly installments of Rs.248700 /- each** | | | | |

**(Amount in Lakhs)**

| **ICICI Bank Ltd** | | | | |
|---|---|---|---|---|
| | **As at** | | | |
| **Particulars** | **30st Sep, 2017** | **31st March, 2017** | **31st March, 2016** | **31st March, 2015** |
| **Rate of Interest** | **15.50%** | **15.50%** | **15.50%** | **18.25%** |
| Opening Balance Cr/(Dr) | 27.28 | - | - | - |
| Amount Received / Credited | - | 26.67 | - | - |
| Interest on Loan | 1.82 | 0.61 | - | - |
| Amount Repaid / Adjusted | 4.78 | | - | - |
| Outstanding Amount | 24.31 | 27.28 | - | - |
| **Terms of Repayment: Repayable in 36 monthly installments of Rs.95682 /- each** | | | | |

**(Amount in Lakhs)**

| **Fullerton India CRED** |
|---|

| Particulars | As at | | | |
|---|---|---|---|---|
| | 30st Sep, 2017 | 31st March, 2017 | 31st March, 2016 | 31st March, 2015 |
| **Rate of Interest** | **17.00%** | **17.00%** | **17.00%** | **18.25%** |
| Opening Balance Cr/(Dr) | 40.54 | 35.82 | 50.68 | - |
| Amount Received / Credited | - | 21.18 | - | 50.00 |
| Interest on Loan | 4.23 | 5.72 | 7.58 | 0.68 |
| Amount Repaid / Adjusted | 13.49 | 22.18 | 22.44 | - |
| Outstanding Amount | 31.28 | 40.54 | 35.82 | 50.68 |
| **Terms of Repayment: Repayable in 18 Monthly Installments out of which First 17 Installments are of Rs.261411/- each & Last installment is of Rs.261395/-** | | | | |

**(Amount in Lakhs)**

| Bajaj Finserve LTD | | | | |
|---|---|---|---|---|
| **Particulars** | **As at** | | | |
| | **30st Sep, 2017** | **31st March, 2017** | **31st March, 2016** | **31st March, 2015** |
| **Rate of Interest** | **18.00%** | **18.00%** | **18.00%** | **18.25%** |
| Opening Balance Cr/(Dr) | 29.88 | 10.21 | 19.20 | - |
| Amount Received / Credited | - | 30.20 | - | 19.20 |
| Interest on Loan | 2.04 | 1.19 | 2.92 | - |
| Amount Repaid / Adjusted | 9.84 | 11.73 | 11.91 | - |
| Outstanding Amount | 22.08 | 29.88 | 10.21 | 19.20 |
| **Terms of Repayment: Repayable in 18 monthly installments of Rs.192694 each** | | | | |

**(Amount in Lakhs)**

| Capital First | | | | |
|---|---|---|---|---|
| **Particulars** | **As at** | | | |
| | **30st Sep, 2017** | **31st March, 2017** | **31st March, 2016** | **31st March, 2015** |
| **Rate of Interest** | **18.00%** | **18.00%** | **18.00%** | **18.25%** |
| Opening Balance Cr/(Dr) | 55.29 | 9.17 | 17.25 | - |
| Amount Received / Credited | - | 55.39 | - | 17.25 |
| Interest on Loan | 3.86 | 1.24 | 2.58 | - |
| Amount Repaid / Adjusted | 14.21 | 10.51 | 10.67 | - |
| Outstanding Amount | 44.93 | 55.29 | 9.17 | 17.25 |
| **Terms of Repayment: Repayable in 24 monthly installments of Rs.276505/- Each** | | | | |

**(Amount in Lakhs)**

| Edelweiss Finance Ltd | | | | |
|---|---|---|---|---|
| **Particulars** | **As at** | | | |
| | **30st Sep, 2017** | **31st March, 2017** | **31st March, 2016** | **31st March, 2015** |
| **Rate of Interest** | **18.00%** | **18.00%** | **18.00%** | **18.25%** |
| Opening Balance Cr/(Dr) | 28.91 | 15.97 | 30.11 | - |
| Amount Received / Credited | - | 29.10 | - | 30.12 |
| Interest on Loan | 2.19 | 2.14 | 4.45 | 0.08 |
| Amount Repaid / Adjusted | 7.48 | 18.30 | 18.59 | 0.09 |
| Outstanding Amount | 23.61 | 28.91 | 15.97 | 30.11 |
| **Terms of Repayment: Repayable in 23 monthly installments out of which first 22 installments are of** | | | | |

| Rs.145280/- each & Last installment is of Rs.145271/- |
|---|

**(Amount in Lakhs)**

| Megma Fincorp Ltd | | | | |
|---|---|---|---|---|
| **Particulars** | **As at** | | | |
| | **30st Sep, 2017** | **31st March, 2017** | **31st March, 2016** | **31st March, 2015** |
| **Rate of Interest** | **18.00%** | **18.00%** | **18.00%** | **18.25%** |
| Opening Balance Cr/(Dr) | 50.07 | 17.84 | 33.50 | - |
| Amount Received / Credited | - | 50.27 | - | 32.71 |
| Interest on Loan | 3.50 | 2.52 | 5.23 | 0.79 |
| Amount Repaid / Adjusted | 12.90 | 20.56 | 20.88 | - |
| Outstanding Amount | 40.68 | 50.07 | 17.84 | 33.50 |
| **Terms of Repayment: Repayable in 24 monthly installments of Rs.250987/- each** | | | | |

**(Amount in Lakhs)**

| Religare Finvest Ltd | | | | |
|---|---|---|---|---|
| **Particulars** | **As at** | | | |
| | **30st Sep, 2017** | **31st March, 2017** | **31st March, 2016** | **31st March, 2015** |
| **Rate of Interest** | **19.00%** | **19.00%** | **19.00%** | **18.25%** |
| Opening Balance Cr/(Dr) | 19.03 | 18.49 | 34.75 | - |
| Amount Received / Credited | - | 19.25 | - | 33.84 |
| Interest on Loan | 1.43 | 2.57 | 5.35 | 0.91 |
| Amount Repaid / Adjusted | 5.04 | 21.28 | 21.61 | - |
| Outstanding Amount | 15.42 | 19.03 | 18.49 | 34.75 |
| **Terms of Repayment: Repayable in 24 monthly installments of Rs.98026/- each/-** | | | | |

**(Amount in Lakhs)**

| Tata Capital | | | | |
|---|---|---|---|---|
| **Particulars** | **As at** | | | |
| | **30st Sep, 2017** | **31st March, 2017** | **31st March, 2016** | **31st March, 2015** |
| **Rate of Interest** | **17.44%** | **17.44%** | **17.44%** | **18.25%** |
| Opening Balance Cr/(Dr) | 46.38 | 11.82 | 22.25 | - |
| Amount Received / Credited | - | 46.50 | - | 21.69 |
| Interest on Loan | 3.33 | 1.57 | 3.30 | 0.56 |
| Amount Repaid / Adjusted | 14.06 | 13.52 | 13.72 | - |
| Outstanding Amount | 35.64 | 46.38 | 11.82 | 22.25 |
| **Terms of Repayment: Repayable in 24 monthly installments of Rs.228791/- each** | | | | |

**(Amount in Lakhs)**

| Aditya Birla Finance | | | | |
|---|---|---|---|---|
| **Particulars** | **As at** | | | |
| | **30st Sep, 2017** | **31st March, 2017** | **31st March, 2016** | **31st March, 2015** |
| **Rate of Interest** | **18.00%** | **18.00%** | **18.00%** | **18.25%** |
| Opening Balance Cr/(Dr) | 40.00 | 40.00 | - | - |
| Amount Received / Credited | - | - | - | - |
| Interest on Loan | 3.09 | - | - | - |
| Amount Repaid / Adjusted | 7.76 | - | - | - |
| Outstanding Amount | 35.33 | 40.00 | - | - |
| **Terms of Repayment: Repayable in 36 EMIs of Rs.1,44,610/- Each** | | | | |

**(Amount in Lakhs)**

| Deewan Housing Finance Ltd | | | | |
|---|---|---|---|---|
| Particulars | As at | | | |
| | 30st Sep, 2017 | 31st March, 2017 | 31st March, 2016 | 31st March, 2015 |
| **Rate of Interest** | **17.00%** | **17.00%** | **17.00%** | **18.25%** |
| Opening Balance Cr/(Dr) | - | - | - | - |
| Amount Received / Credited | 24.17 | 24.17 | - | - |
| Interest on Loan | 1.87 | - | - | - |
| Amount Repaid / Adjusted | 7.36 | - | - | - |
| Outstanding Amount | 18.68 | 24.17 | - | - |
| **Terms of Repayment: Repayable in 24 monthly installment of Rs.119532/- each** | | | | |

**DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED** **ANNEXURE IX**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| Depreciation as per Companeis Act | 29.55 | 55.70 | 50.25 | 46.13 | 49.27 | 38.13 |
| Depreciation as per Income Tax Act | 52.20 | 137.47 | 132.37 | 108.02 | 119.29 | 142.92 |
| Difference in Depreciation | 22.64 | 81.77 | 82.12 | 61.89 | 70.03 | 104.79 |
| Gratuity | (0.36) | (0.82) | (4.38) | (3.98) | (2.33) | (0.35) |
| Total Timing Difference | 22.28 | 80.95 | 73.37 | 57.92 | 67.70 | 104.44 |
| Tax Rate as per Income Tax | 33.06 | 33.06 | 33.06 | 32.45 | 32.45 | 32.45 |
| (DTA) / DTL | 7.37 | 26.76 | 24.26 | 18.79 | 21.96 | 33.89 |
| DTL/DTA for Preliminary Expense 35D | 0.66 | 0.33 | 0.56 | (1.55) | - | - |
| **Net deferred tax liability** | **8.03** | **27.09** | **24.81** | **17.24** | **21.96** | **33.89** |

**Deferred Tax Assets & Liabilities Summary**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| Opening Balance of (DTA) / DTL | 178.51 | 151.49 | 123.79 | 106.54 | 84.58 | 50.69 |
| Add: Provision for the Year | 8.03 | 27.02 | 24.81 | 17.24 | 21.96 | 33.89 |
| Closing Balance of (DTA) / DTL | **186.54** | **178.51** | **148.60** | **123.79** | **106.54** | **84.58** |

**DETAILS OF SHORT TERM BORROWINGS AS RESTATED** **ANNEXURE X**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **A.Repayable On Demand** | | | | | | |
| **From Bank** | | | | | | |
| The AMCO Bank Ltd (C.C.) | - | 958.48 | 857.20 | 447.49 | - | - |
| HDFC Bank Ltd. (C.C.) | 978.44 | - | - | - | - | - |
| Bank of Baroda (C C) | - | - | - | - | 334.81 | 404.99 |
| | **978.44** | **958.48** | **857.20** | **447.49** | **334.81** | **404.99** |
| **Total (A)** | **978.44** | **958.48** | **857.20** | **447.49** | **334.81** | **404.99** |
| **B. Loans and advances from related parties** | - | - | - | - | - | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Total (B)** | - | - | - | - | - | - |
| **Total A+B** | **978.44** | **958.48** | **857.20** | **447.49** | **334.81** | **404.99** |

**NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS** **ANNEXURE XI**

| Sr. No. | Lender | Nature of facility | Loan | Amount outstanding as at March 31, 2017 | Rate of interest (%) | Repayment Terms | Security / Principal terms and conditions |
|---|---|---|---|---|---|---|---|
| 1 | HDFC Bank | Cash Credit Facility of Rs.1000.00 with fully interchangable LC Limit of Rs.1000 Lacs | Cash Credit Facility with fully interchangable LC Facility | 978.44 | 9.5% P.A. | Repayable on Demand | i. Hypothication by way of first & exclusive charge on all present & Future stock & Book Debts & Plant & Machinery ii. Hypothication/ mortgage of industrial property situated at Survey No.309, Zanak FIDC OPP Onset Way Bridge Zanak, Opp. Jay Ganesh PLY Industries, Village Zanak, Zanak FIDC. iii.Hypothication/ mortgage of industrial property situated at Survey No.311, Zanak FIDC OPP Onset Way Bridge Zanak, Opp. Jay Ganesh PLY Industries, Village Zanak, Zanak FIDC. iv. 55/2 Mohannagar SOciety, Munshi Compound, Naroda, 382253, Ahmedabad, Gujarat v. Shop no.10, |

| Sr. No. | Lender | Nature of facility | Loan | Amount outstanding as at March 31, 2017 | Rate of interest (%) | Repayment Terms | Security / Principal terms and conditions |
|---|---|---|---|---|---|---|---|
| | | | | | | | Ground Floor Naroda, Raghav Residency, Opp. GEB Dehgam Road |

**DETAILS OF TRADE PAYABLES AS RESTATED** **ANNEXURE XII**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **Others** | | | | | | |
| Sundry Creditors for Goods | 2222.65 | 1898.51 | 1438.85 | 848.42 | 1111.60 | 653.42 |
| Sundry Creditors for Expenses | 271.83 | 226.36 | 49.31 | 59.49 | 62.20 | 60.78 |
| Sundry Creditors for Capital Goods/Fixed Assets | 18.49 | 21.10 | 12.78 | 19.21 | 21.31 | 19.35 |
| **Total** | **2512.97** | **2145.97** | **1500.94** | **927.11** | **1195.12** | **733.55** |

**Notes**

- Outstanding against Purchase / Acquisition of Capital Goods / Assets have been shown under "Sundry Creditors for Capital Goods / Fixed Assets"
- Trade Payables as September 30, 2017 has been taken as certified by the management of the company

**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED** **ANNEXURE XIII**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| | | | | | | |
| Advance received from customers | 6.58 | 116.91 | 53.92 | 17.08 | 42.00 | 1.78 |
| Other Unpaid Expenses | - | - | - | - | - | - |
| **Current Maturities of Term Liabilities** | | | | | | |
| HDFC Bank Ltd (Working Capital Loan) | 61.43 | - | - | - | - | - |
| HDFC Bank Ltd (TL 1 for Machinery) | 34.64 | - | - | - | - | - |
| HDFC Bank Ltd (TL 2 for Machinery) | 16.01 | - | - | - | - | - |
| Bank of baroda TL 1 | - | - | - | - | 75.00 | 75.00 |
| Bank of baroda TL 2 | - | - | - | - | 35.04 | 35.04 |
| Bank of baroda TL 3 | - | - | - | - | 16.67 | - |
| The AMCO Bank Ltd (Car Loan) | - | - | 5.12 | 4.63 | 4.16 | 3.76 |
| The AMCO Bank Ltd (Term Loan A/c No..14) | - | 18.98 | 77.14 | 77.14 | - | - |

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| The AMCO Bank Ltd (Term Loan A/c No..15) | - | 23.81 | 34.66 | 34.66 | - | - |
| The AMCO Bank Ltd (Term Loan A/c No..16) | - | 28.19 | 17.19 | 17.19 | - | - |
| Deutsche Bank (Business Loan) | - | - | 26.94 | 23.06 | - | - |
| HDFC Bank (Business Loan) | 5.80 | 5.34 | 4.52 | 3.83 | - | - |
| Indusind Bank (Business Loan) | 24.47 | 20.47 | 18.25 | 31.75 | - | - |
| Kotak Mahindra Bank Ltd. (Car Loan) | | - | - | 2.66 | 2.32 | 2.05 |
| Kotak Mahindra Bank Ltd. Business Loan) | 24.90 | 22.81 | 14.97 | 12.43 | - | - |
| ICICI Bank | 8.25 | 7.04 | - | - | - | - |
| RBL Bank (Business Loan) | | - | 19.12 | 15.88 | - | - |
| HDB Financial Services Ltd. (Office Loan) | 3.68 | 3.09 | 2.94 | 2.56 | 2.22 | 1.92 |
| Bajaj Finserve Ltd. (Business Loan) | - | 17.49 | 10.21 | 8.70 | 15.99 | - |
| Bajaj Finserve Ltd. (Car Loan) | 20.71 | - | - | 18.80 | - | - |
| Capital First Ltd. (Business Loan) | 27.17 | 22.95 | 9.17 | 7.83 | - | - |
| Edelweiss Retail Finance Ltd. (Business Loan) | 14.28 | 12.06 | 15.97 | 13.67 | - | - |
| Fullerton India CRED (Business Loan) | 27.85 | 23.37 | 16.72 | 14.11 | - | - |
| Megma Finacorp Ltd. (Business Loan) | 24.67 | 20.83 | 17.84 | 15.13 | - | - |
| Religare Finvest Ltd. (Business Loan) | 9.43 | 7.93 | 18.49 | 15.72 | - | - |
| Aditya Birla Finance | 11.89 | 10.04 | - | - | - | - |
| Shriram City Union Finance Ltd. (Business Loan) | - | - | 8.87 | 15.84 | - | - |
| DHFL | 11.87 | 10.07 | - | - | - | - |
| Tata Capital (Business Loan) | 23.17 | 21.35 | 11.82 | 10.10 | - | - |
| **Total** | **356.79** | **392.72** | **383.85** | **362.77** | **193.40** | **119.56** |

**Notes:**

-Advances Received from Customers have been taken as certified by the management of the company and no security has been offered by the company against the same.

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED** **ANNEXURE XIV**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| Provision For Indirect Tax | 198.98 | 15.75 | 21.21 | 49.96 | 12.10 | 5.48 |
| Provision for Taxation | 52.73 | 12.53 | 1.02 | 12.22 | 0.76 | 2.29 |
| Provision for Gratuity | 0.17 | 0.16 | 0.09 | - | 0.06 | 0.02 |
| Provision for Salary | 3.47 | 2.93 | 14.40 | - | - | - |
| Provision for Audit Fees | 1.04 | 0.81 | 0.36 | - | - | - |
| Provision For Others | 42.42 | 43.71 | 5.25 | 30.02 | 10.34 | 8.53 |
| **Total** | **298.80** | **75.89** | **46.54** | **92.20** | **23.26** | **16.31** |

**Notes**:

- Provision for Direct Tax have been adjusted against the Advance Tax and TDS Receivables, if any

**DETAILS OF FIXED ASSETS AS RESTATED** **ANNEXURE XV**

**(Amount in Lakhs)**

| Particlaurs | Building | Land | Capital WIP | Plant & Machinery | Furniture & Fixtures | Motor Vehicles | Computer | Intangible | Total |
|---|---|---|---|---|---|---|---|---|---|

| Particlaurs | Building | Land | Capital WIP | Plant & Machinery | Furniture & Fixtures | Motor Vehicles | Computer | Intangible | Total |
|---|---|---|---|---|---|---|---|---|---|
| Gross Block : | | | | | | | | | |
| As at April 1, 2012 | 146.85 | - | - | 512.30 | 5.71 | 14.17 | 2.77 | 0.34 | 682.14 |
| Additions / (Deletion) | 55.70 | - | - | 232.28 | - | 28.28 | - | - | 316.26 |
| **As at March 31, 2013** | **202.55** | **-** | **-** | **744.57** | **5.71** | **42.46** | **2.77** | **0.34** | **998.40** |
| As at April 1, 2013 | 202.55 | - | - | 744.57 | 5.71 | 42.46 | 2.77 | 0.25 | 998.40 |
| Additions / (Deletion) | 12.32 | - | - | 125.25 | - | - | 0.56 | - | 138.13 |
| **As at March 31, 2014** | **214.87** | **-** | **-** | **869.83** | **5.71** | **42.46** | **3.33** | **0.34** | **1136.52** |
| As at April 1, 2014 | 214.87 | - | - | 869.83 | 5.71 | 42.46 | 3.33 | 0.34 | 1136.52 |
| Additions / (Deletion) | 1.37 | - | - | 28.51 | 0.21 | - | (2.77) | - | 27.32 |
| **As at March 31, 2015** | **216.24** | **-** | **-** | **898.33** | **5.92** | **42.46** | **0.56** | **0.34** | **1163.84** |
| As at April 1, 2015 | 216.24 | - | - | 898.33 | 5.92 | 42.46 | 0.56 | 0.34 | 1163.84 |
| Additions / (Deletion) | - | - | - | 140.36 | 0.12 | 0.63 | 0.91 | 2.55 | 151.61 |
| **As at March 31, 2016** | **216.24** | **-** | **-** | **1038.69** | **6.04** | **43.09** | **1.47** | **2.89** | **1308.42** |
| As at April 1, 2016 | 216.24 | - | - | 1038.69 | 6.04 | 43.09 | 1.47 | 2.89 | 1308.42 |
| Additions / (Deletion) | - | - | - | 147.55 | - | 0.67 | 0.28 | - | 148.49 |
| **As at March 31, 2017** | **216.24** | **-** | **-** | **1186.24** | **6.04** | **43.76** | **1.75** | **2.89** | **1456.91** |
| As at April 1, 2017 | **216.24** | **-** | **-** | **1186.24** | **6.04** | **43.76** | **1.75** | **2.89** | **1456.91** |
| Additions / (Deletion) | 0.52 | - | - | 27.31 | 1.91 | - | 0.63 | - | 30.36 |
| **As at September 30, 2017** | 216.76 | - | - | 1213.55 | 7.95 | 43.76 | 2.38 | 2.89 | 1487.27 |
| **Accumlated Depreciation :** | | | | | | | | | |
| As at April 1, 2012 | 4.86 | - | - | 22.94 | 0.36 | 0.82 | 0.45 | - | 29.43 |
| Charge for the year | 5.39 | - | - | 30.10 | 0.36 | 1.74 | 0.45 | 0.08 | 38.13 |
| Additions / | - | - | - | (0.03) | - | - | - | - | (0.03) |

| Particlaurs | Building | Land | Capital WIP | Plant & Machinery | Furniture & Fixtures | Motor Vehicles | Computer | Intangible | Total |
|---|---|---|---|---|---|---|---|---|---|
| (Deletion) | | | | | | | | | |
| **As at March 31, 2013** | **10.25** | **-** | **-** | **53.04** | **0.72** | **2.56** | **0.90** | **0.08** | **67.53** |
| As at April 1, 2013 | 10.25 | - | - | 53.04 | 0.72 | 2.56 | 0.90 | 0.08 | 67.53 |
| Charge for the year | 6.54 | - | - | 37.73 | 0.36 | 4.03 | 0.52 | 0.08 | 49.27 |
| Additions / (Deletion) | - | - | - | (0.97) | - | - | - | - | (0.97) |
| **As at March 31, 2014** | **16.79** | **-** | **-** | **90.77** | **1.08** | **6.59** | **1.42** | **0.17** | **115.83** |
| As at April 1, 2014 | 16.79 | - | - | 90.77 | 1.08 | 6.59 | 1.42 | 0.17 | 115.83 |
| Charge for the year | 6.42 | - | - | 33.48 | 0.62 | 5.32 | 0.21 | 0.08 | 46.13 |
| Additions / (Deletion) | - | - | - | (2.83) | - | - | (1.35) | - | (4.18) |
| **As at March 31, 2015** | **23.21** | **-** | **-** | **120.07** | **2.06** | **11.91** | **0.28** | **0.25** | **157.78** |
| As at April 1, 2015 | 23.21 | - | - | 120.07 | 2.06 | 11.91 | 0.28 | 0.25 | 157.78 |
| Charge for the year | 6.44 | - | - | 36.55 | 0.91 | 5.39 | 0.36 | 0.59 | 50.25 |
| Additions / (Deletion) | - | - | - | (0.34) | - | - | - | - | (0.34) |
| **As at March 31, 2016** | **29.66** | **-** | **-** | **156.28** | **2.96** | **17.31** | **0.64** | **0.85** | **207.69** |
| As at April 1, 2016 | 29.66 | - | - | 156.28 | 2.96 | 17.31 | 0.64 | 0.85 | 207.69 |
| Charge for the period | 6.42 | - | - | 42.05 | 0.68 | 5.43 | 0.60 | 0.51 | 55.70 |
| **As at March 31, 2017** | **36.08** | **-** | **-** | **198.33** | **3.65** | **22.74** | **1.24** | **1.36** | **263.39** |
| As at April 1, 2017 | 36.08 | - | - | 198.33 | 3.65 | 22.74 | 1.24 | 1.36 | 263.39 |
| Charge for the period | **3.23** | **-** | **-** | **22.54** | **0.40** | **2.73** | **0.40** | **0.26** | **29.55** |
| Additions / (Deletion) | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **As at September 30, 2017** | **39.31** | **-** | **-** | **220.87** | **4.05** | **25.47** | **1.64** | **1.61** | **292.94** |
| Net Block : | | | | | | | | | |
| **As at March 31, 2013** | 192.30 | - | - | 691.53 | 4.99 | 39.90 | 1.87 | 0.25 | 930.87 |
| **As at** | 198.08 | - | - | 779.05 | 4.62 | 35.86 | 1.91 | 0.17 | 1020. |

| Particlaurs | Building | Land | Capital WIP | Plant & Machinery | Furniture & Fixtures | Motor Vehicles | Computer | Intangible | Total |
|---|---|---|---|---|---|---|---|---|---|
| **March 31, 2014** | | | | | | | | | 69 |
| **As at March 31, 2015** | 193.03 | - | - | 778.26 | 3.86 | 30.54 | 0.28 | 0.08 | 1006.06 |
| **As at March 31, 2016** | 186.59 | - | - | 882.41 | 3.08 | 25.78 | 0.83 | 2.04 | 1100.73 |
| **As at March 31, 2017** | 180.17 | - | - | 987.91 | 2.39 | 21.02 | 0.51 | 1.53 | 1193.52 |
| **As at September 30, 2017** | 177.45 | - | - | 992.68 | 3.90 | 18.29 | 0.74 | 1.28 | 1194.33 |

**DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED** **ANNEXURE XVI**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| (a) Investment in Equity instruments | - | 100.00 | - | - | - | - |
| (b) Investments in preference shares | - | - | - | - | - | - |
| (c) Investments in Government or Trust securities | 0.15 | 0.15 | 0.15 | 0.15 | 0.15 | 0.15 |
| (d) Investments in Debentures or Bonds | - | - | - | - | - | - |
| (e) Investments in Mutual Funds | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| (f) Investments in partnership firms* | - | - | - | - | - | - |
| (g) Other non-current investments | 8.53 | - | - | - | - | - |
| **Aggregate Amount of Unquoted Investments** | 8.68 | 0.15 | 0.15 | 0.15 | 0.15 | 0.15 |
| **Aggregate Cost of Quoted Investments** | 1.00 | 101.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| **Aggregate Market Value of Quoted Investments** | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |

**DETAILS OF LONG TERM LOANS & ADVANCES AS RESTATED** **ANNEXURE XVII**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **Unsecured & Considered Good** | | - | - | - | - | - |
| **Security Deposits** | | - | - | - | - | - |
| Uttar Gujarat Vij Company Limited Deposits (For Electricity) | 14.91 | 15.38 | 14.28 | 13.07 | 12.95 | 12.88 |
| FDR with AMCO Bank (For Letter Of Credit) | - | - | 26.32 | -- | - | - |
| Deposit with Bombay Stock Exchange (For Listing of Equity Shares) | 4.30 | 4.30 | 4.30 | - | - | - |
| Deposit to Prohibition Department (For Methanol use & Stock Keeping) | .50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| **Sub Total** | 19.70 | 20.18 | 45.39 | 13.57 | 13.45 | 13.38 |
| **b) Other Loans & Advances** | | | | | | |
| Advances to Supplier | 6.92 | 0.26 | 0.04 | - | - | - |
| **Sub Total** | 6.92 | 0.26 | 0.04 | - | - | - |
| **Total** | **26.62** | **20.44** | **45.43** | **13.57** | **13.45** | **13.38** |

**DETAILS OF INVENTORIES AS RESTATED** **ANNEXURE XIII**

**(Amount in Lakhs)**

| Particulars | As at September 31, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| a. Raw Materials and components (Valued at Cost or NRV unless otherwise stated) | 979.77 | 1377.77 | 1186.53 | 829.67 | 743.67 | 531.76 |
| Goods-in transit | | - | - | - | - | - |
| | **979.77** | **1377.77** | **1186.53** | **829.67** | **743.67** | **531.76** |

| | | | | | | |
|---|---|---|---|---|---|---|
| b. Work-in-progress (Valued at Cost or NRV unless otherwise stated) | 12.46 | 26.99 | 27.48 | 5.36 | 7.42 | 3.81 |
| Goods-in transit | - | - | - | - | - | - |
| | **12.46** | **26.99** | **27.48** | **5.36** | **7.42** | **3.81** |
| c. Finished goods (Valued at Cost or NRV unless otherwise stated) | 538.59 | 212.54 | 169.29 | 161.77 | 189.26 | 155.75 |
| Goods-in transit | - | - | - | - | - | 15.10 |
| | **538.59** | **212.54** | **169.29** | **161.77** | **189.26** | **170.85** |
| d. Stock-in-trade (Valued at Cost or NRV unless otherwise stated) | | - | - | - | - | - |
| Goods-in transit | | - | - | - | - | - |
| | | - | - | - | - | - |
| **Total** | **1530.81** | **1617.30** | **1383.29** | **996.81** | **940.36** | **706.42** |

**Notes**: Value of Inventories as on 30th September,2017 has been taken as certified by the management of the company

**DETAILS OF TRADE RECEIVABLES AS RESTATED** **ANNEXURE XIX**

**(Amount in Lakhs)**

| Particlaurs | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **Unsecured & Considered Good** | | | | | | |
| **a. From Director / Promoters / Promoter Group / Associates / Relatives of Directors / Group Companies** | | | | | | |
| Over Six Months | - | - | - | - | - | 1.71 |
| Less than Six Months | 832.44 | 120.42 | 96.21 | 17.22 | - | 43.80 |
| **b. From Others** | | | | | | |
| Over Six Months | 686.46 | 510.80 | 168.01 | 98.38 | 55.41 | 2.70 |
| Less than Six Months | 1844.44 | 1756.86 | 1333.23 | 892.49 | 831.51 | 513.74 |
| **Total** | **3363.35** | **2388.08** | **1597.45** | **1008.09** | **886.93** | **561.95** |

**Notes:**

- Trade Receivables as on 30th September, 2017 has been taken as certified by the management of the company
- As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been made

**DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED** **ANNEXURE XX**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| Balances with banks | 11.66 | 80.92 | 117.80 | 44.49 | 94.05 | 48.09 |
| Cash on hand | 6.09 | 5.00 | 23.39 | 13.62 | 5.00 | 1.23 |
| **Total** | **17.75** | **85.92** | **141.19** | **58.11** | **99.05** | **49.32** |

**DETAILS OF SHORT TERM LOANS & ADVANCES AS RESTATED** **ANNEXURE XXI**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| A. Loans and advances given To Employee | - | - | - | - | - | - |
| B Inter Corporate Deposits | - | - | - | - | - | - |
| C. Balances with government authorities | | | | | | |
| Excise & Custom Duty | 5.93 | 5.37 | 7.69 | 4.26 | 18.10 | 18.64 |
| Service Tax | 13.70 | - | - | - | 1.61 | 3.80 |
| License Receivable | 1.46 | 0.27 | - | - | - | - |
| Export Incentive Recievable | 1.00 | 2.86 | 0.68 | - | - | - |
| | **22.08** | **8.51** | **8.36** | **4.26** | **19.71** | **22.45** |
| D. Others (specify nature) | | | | | | |
| Loan to Staff | 2.30 | 0.94 | 0.90 | - | - | - |
| Advances to Supplier | 10.93 | 89.30 | 47.67 | 13.08 | 19.67 | 0.91 |
| Other Receivable | 0.57 | 0.58 | 1.03 | - | - | 1.41 |
| **Total A+B+C+D** | **35.88** | **99.33** | **57.96** | **17.33** | **39.38** | **24.77** |

**Notes:**
- Advances Given to Suppliers have been taken as certified by the management of the company.
- No Securities have been taken by the company against the advances given to the suppliers
- Advance Tax and TDS Receivables have been adjusted against the Provision for Direct Tax

**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED** **ANNEXURE XXII**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **Sale of products** | | | | | | |
| Export Sales | 96.14 | 176.94 | 35.70 | - | - | - |
| Local Sales | 3266.08 | 4966.48 | 4880.98 | 3815.97 | 3554.84 | 2047.10 |
| **Revenue from sale of products** | **3362.22** | **5143.42** | **4916.68** | **3815.97** | **3554.84** | **2047.10** |
| **Sale of Services** | - | - | - | - | - | - |
| **Other operating revenues** | | | | | | |
| Export Incentive | - | 2.50 | 1.14 | - | - | - |
| Licence Due Income | - | 6.34 | - | - | - | - |
| **Revenue from operations** | **3362.22** | **5152.26** | **4917.82** | **3815.97** | **3554.84** | **2047.10** |

**DETAILS OF OTHER INCOME AS RESTATED** **ANNEXURE XXIII**

**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 | Naturre of Income |
|---|---|---|---|---|---|---|---|
| Dividend Income | 0.06 | 0.06 | 0.04 | - | - | - | Recurring and Not Related to Business Activity |

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 | Naturre of Income |
|---|---|---|---|---|---|---|---|
| Kasar & Vatav | 0.42 | - | - | 0.37 | - | - | Non Recurring and Not Related to Business Activity |
| Interest Income (Others) | - | - | 10.26 | - | - | - | Non Recurring and Not Related to Business Activity |
| Interest On FDR | - | 0.71 | 2.27 | 1.29 | 2.22 | 0.48 | Recurring and Not Related to Business Activity |
| Interest on IT Refund | - | - | 0.01 | - | - | - | Non Recurring and Not Related to Business Activity |
| Interest On UGVCL Deposit | 0.61 | 1.23 | 1.34 | - | - | 0.95 | Recurring and Not Related to Business Activity |
| **Total** | **1.09** | **2.00** | **13.94** | **1.67** | **2.22** | **1.43** | |

**DETAILS OF RELATED PARTIES TRANSACTIONS AS RESTATED** **ANNEXURE XXIV**

**(Amount in Lakhs)**

| Name of the Party | Nature Of Relation | Nature of Transaction | Amount Outstanding as on 31.03.12(Payable)/ Receivable | Amount of Transaction Debited in 2012-13 | Amount of Transaction in Credited in 2012-13 | Amount Outstanding as on 31.03.13(Payable)/ Receivable | Amount of Transaction Debited in 2013-14 | Amount of Transaction Credited in 2013-14 | Amount Outstanding as on 31.03.14 (Payable)/ Receivable | Amount of Transaction Debited in 2014-15 | Amount of Transaction Credited in 2014-15 | Amount Outstanding as on 31.03.15 (Payable)/ Receivable | Amount of Transaction Debited in 2015-16 | Amount of Transaction Credited in 2015-16 | Amount Outstanding as on 31.03.16 (Payable)/ Receivable | Amount of Transaction Debited in 2016-17 | Amount of Transaction Credited in 2016-17 | Amount Outstanding as on 31.03.17(Payable)/ Receivable | Amount of Transaction Debited upto 30.09.2017 | Amount of Transaction Credited upto 30.09.2017 | Amount Outstanding as on 30.09.17 (Payable)/ Receivable |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Velsons Laminate Pvt. Ltd. | Associate Concern | Sales | - | - | - | - | - | - | - | 17.22 | - | 17.22 | 94.91 | 15.92 | 96.21 | - | 139.50 | (43.29) | 887.23 | 11.50 | 832.44 |
| Velsons Laminate Pvt. Ltd. | Associate Concern | Purchase | - | - | - | - | - | - | - | - | - | - | 31.38 | 81.99 | (50.61) | 63.10 | 40.86 | (28.37) | 19.50 | 98.81 | (107.68 |
| Anand Timber | Assoc | Sales | 42.71 | 779.55 | 778.45 | 43.80 | 1415.8 | 1498.5 | (38.98) | 1369.6 | 1343.7 | (13.08) | 1249.3 | 1283.3 | (47.08) | 880.70 | 749.06 | 84.56 | 235.78 | 227.28 | 93.07 |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Mart | iate Co nce rn | | | | | | 1 | 9 | | 6 | 6 | | 9 | 8 | | | | | | | |
| Bhavesh J Patel | Ke y Ma nag eri al Per son al | Loans & Advance s | - | 0.2 6 | 0.2 6 | - | 0.1 5 | 0.1 5 | - | - | - | - | 0.3 6 | 0.3 0 | 0.0 6 | - | 0.0 6 | - | - | - | - |
| Monghi ben Veljibha i Patel | Dir ect or | Unsecure d Loans | - | - | 7.0 0 | (7.00) | - | - | (7.0 0) | 7.0 0 | - | - | - | - | - | - | - | - | - | - | - |
| Monghi ben Veljibha i Patel | Dir ect or | Rent Paid | - | 6.0 0 | 6.0 0 | - | 6.6 0 | 6.6 0 | - | 6.7 2 | 6.7 2 | - | 6.7 2 | 6.7 2 | - | 6.7 2 | 6.7 2 | - | 0.3 4 | 3.36 | (3.0 2) |
| Govindb hai V Patel | Dir ect or | Unsecure d Loans | (5.01) | - | - | (5.01) | - | - | (5.0 1) | 5.0 7 | 0.0 5 | - | - | - | - | - | - | - | - | - | - |
| Govindb hai V Patel | Dir ect or | Interest on Unsecure d Loan | - | - | 0.5 4 | (0.54) | - | 0.6 0 | (1.1 4) | 1.8 3 | 0.6 9 | - | - | - | - | - | - | - | - | - | - |
| Govindb hai V Patel | Dir ect or | Directors Remuner ation | - | 5.0 2 | 4.6 7 | 0.35 | 10. 00 | 10. 35 | - | 16. 31 | 18. 00 | (1.6 9) | 24. 22 | 24. 00 | (1.4 6) | 2.0 1 | 18. 00 | (17.4 5) | - | - | (17 .45) |
| Ramesh bhai V Patel | Dir ect or | Directors Remuner ation | - | 5.0 0 | 5.0 0 | - | 10. 00 | 10. 00 | - | 16. 26 | 18. 00 | (1.7 4) | 24. 28 | 24. 00 | (1.4 6) | 2.0 1 | 18. 00 | (17.4 5) | - | - | (17. 45) |
| Ramesh | Dir | Interest | - | - | 2.2 | (2.25) | - | 3.4 | (5.6 | 9.8 | 4.1 | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| bhai V Patel | ector | on Unsecured Loan | | | 5 | | | 0 | 5) | 3 | 9 | | | | | | | | | | |
| Rameshbhai V Patel | Director | Unsecured Loan | (7.17) | - | 15.00 | (22.17) | - | 9.75 | (31.92) | 31.92 | - | - | - | - | - | - | - | - | - | - | - |
| Bhavesh J Patel | Director | Directors Remuneration | - | - | - | - | - | - | - | - | - | - | 9.17 | 9.60 | (0.43) | 9.25 | 9.60 | (0.78) | 4.80 | 4.80 | (0.78) |
| Gaurav Puskarbhai jani | Director | Directors Remuneration | - | - | - | - | - | - | - | - | - | - | 1.22 | 1.36 | (0.14) | 1.68 | 1.68 | (0.14) | 0.84 | 0.84 | (0.14) |
| Velsons Resin Pvt Ltd | Associate Concern | Sales | - | - | - | - | - | - | - | - | - | - | - | - | - | 35.86 | - | 35.86 | 156.94 | - | 192.80 |
| Velsons Resin Pvt Ltd | Associate Concern | Purchase | - | - | - | - | - | - | - | - | - | - | - | - | - | 211.39 | 651.87 | (440.47) | 915.09 | 1041.98 | (567.36) |
| Kalyani Timber | Associate Concern | Sales | (2.90) | 4.61 | - | 1.71 | - | 1.71 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ashwinbhai Patel | Key Managerial | Unsecured Loans | (7.11) | - | - | (7.11) | 7.11 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | al Personal | | | | | | | | | | | | | | | | | | | | |
| Ashwinbhai Patel | Key Managerial Personal | Interest Recd | - | - | 0.77 | (0.77) | 1.57 | 0.81 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ashwinbhai Patel | Key Managerial Personal | Remuneration Paid | - | 0.45 | 2.91 | (2.46) | 2.46 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gangaben Patel | Relative of Key Person | Unsecured Loans | (2.69) | - | - | (2.69) | 2.69 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gangaben Patel | Relative of Ke | Interest on Unsecured Loan | - | - | 0.29 | (0.29) | 0.60 | 0.31 | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | y Person | | | | | | | | | | | | | | | | | | | | |
| Hansaben Patel | Relative of Key Person | Unsecured Loans | (6.83) | - | - | (6.83) | 6.83 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Hansaben Patel | Relative of Key Person | Interest on Unsecured Loan | - | - | 0.74 | (0.74) | 1.51 | 0.77 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jayeshkumar Patel | Relative of Key Person | Unsecured Loans | (8.17) | - | - | (8.17) | - | - | (8.17) | 8.17 | - | - | - | - | - | - | - | - | - | - | - |
| Jayeshkumar Patel | Relative of Key Person | Interest on Unsecured Loan | - | - | 1.32 | (1.32) | - | 1.54 | (2.86) | 3.91 | 1.05 | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Kinjalben Patel | Relative of Key Person | Unsecured Loans | (4.51) | - | 4.00 | (8.51) | - | - | (8.51) | 8.60 | 0.09 | - | - | - | - | - | - | - | - | - | - |
| Kinjalben Patel | Relative of Key Person | Interest on Unsecured Loan | - | - | 0.82 | (0.82) | - | 1.01 | (1.83) | 2.46 | 0.63 | - | - | - | - | - | - | - | - | - | - |
| Kurvaben Patel | Relative of Key Person | Unsecured Loans | (2.34) | - | - | (2.34) | 2.34 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Kurvaben Patel | Relative of Key Person | Interest on Unsecured Loan | - | - | 0.38 | (0.38) | 0.81 | 0.43 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Laxmiben Patel | Relative | Unsecured Loans | (1.88) | - | - | (1.88) | 1.88 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | of Key Person | | | | | | | | | | | | | | | | | | | | |
| Laxmiben Patel | Relative of Key Person | Interest on Unsecured Loan | - | - | 0.20 | (0.20) | 0.42 | 0.21 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Maruti Packging | Associate Enterprise | Purchase | - | - | - | - | - | - | - | 5.00 | 5.00 | - | - | - | - | - | - | - | - | - | - |
| Maruti Packging | Associate Enterprise | Unsecured Loans | (11.73) | 5.00 | - | (6.73) | 6.73 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Maruti Packging | Associate Enterprise | Interest on Unsecured Loan | - | - | 1.11 | (1.11) | 2.36 | 1.25 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Nirav B. Patel | Relative of | Unsecured Loans | - | - | 6.35 | (6.35) | 6.35 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Key Person | | | | | | | | | | | | | | | | | | | | |
| Nitaben Patel | Relative of Key Person | Unsecured Loans | (2.51) | - | - | (2.51) | 2.51 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Nitaben Patel | Relative of Key Person | Interest on Unsecured Loan | - | - | 0.27 | (0.27) | 0.56 | 0.28 | - | - | - | - | - | - | -- | - | - | - | - | - | - |
| Pareshbhai G Patel | Relative of Key Person | Unsecured Loans | (6.02) | - | 5.00 | (11.02) | - | - | (11.02) | 11.13 | 0.12 | - | - | - | - | - | - | - | - | - | - |
| Pareshbhai G Patel | Relative of Key Per | Interest On Unsecured Loans | - | - | 1.07 | (1.07) | - | 1.31 | (2.38) | 3.19 | 0.82 | - | - | - | - | - | - | - | - | - | - |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | son | | | | | | | | | | | | | | | | | | | | |
| Parmeshwar Timber Mart | Associate Concern | Unsecured Loans | (8.17) | - | - | (8.17) | - | - | (8.17) | 8.17 | - | - | - | - | - | - | - | - | - | - | - |
| Parmeshwar Timber Mart | Associate Concern | Interest On Unsecured Loans | - | - | 1.32 | (1.32) | - | 1.54 | (2.86) | 3.91 | 1.05 | - | - | - | - | - | - | - | - | - | - |
| Prahaladbhai V Patel | Key Managerial Personal | Unsecured Loans | (3.61) | - | - | (3.61) | - | - | (3.61) | 3.61 | - | - | - | - | - | - | - | - | - | - | - |
| Prahaladbhai V Patel | Key Managerial Personal | Interest on Unsecured Loan | - | - | 2.44 | (2.44) | - | 0.65 | (3.10) | 3.85 | 0.75 | - | - | - | - | - | - | - | - | - | - |
| Prahaladbhai V Patel | Key Manag | Directors Remuneration | - | 5.00 | 5.00 | - | 10.00 | 10.00 | - | 16.26 | 18.00 | (1.74) | 1.74 | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | erial Personal | | | | | | | | | | | | | | | | | | | | |
| Rekhaben Patel | Relative of Key Managerial Personal | Unsecured Loans | (4.51) | - | 5.00 | (9.51) | - | - | (9.51) | 9.61 | 0.10 | - | - | - | - | - | - | - | - | - | - |
| Rekhaben Patel | Relative of Key Managerial Personal | Interest on Unsecured Loan | - | - | 0.91 | (0.91) | - | 1.13 | (2.03) | 2.74 | 0.70 | - | - | - | - | - | - | - | - | - | - |
| Savitriben Patel | Relative of | Unsecured Loans | (1.29) | - | - | (1.29) | 1.29 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Key Managerial Personal | | | | | | | | | | | | | | | | | | | | |
| Savitriben Patel | Relative of Key Managerial Personal | Interest on Unsecured Loan | - | - | 0.14 | (0.14) | 0.29 | 0.15 | - | - | - | - | - | - | - | -- | - | - | - | - | - |
| Veljibhai Patel | Key Managerial Personal | Directors Remuneration | - | 5.00 | 5.00 | - | 10.00 | 10.00 | - | 16.26 | 18.00 | (1.74) | 1.74 | - | - | - | - | - | - | - | - |
| Veljibhai Patel | Key Manag | Unsecured Loans | (3.64) | - | 7.15 | (10.79) | - | 25.25 | (36.04) | 42.89 | 6.85 | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | erial Personal | | | | | | | | | | | | | | | | | | | | |
| Veljibhai Patel | Key Managerial Personal | Interest on Unsecured Loan | - | - | 0.99 | (0.99) | - | 3.26 | (4.26) | 8.75 | 4.49 | - | - | - | - | - | - | - | - | - | - |
| Arjanbhai Patel | Relative of Key Managerial Personal | Unsecured Loans | - | - | 4.00 | (4.00) | 4.00 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jignesh Patel | Relative of Key Manag | Unsecured Loans | - | - | 2.10 | (2.10) | - | - | (2.10) | 2.12 | 0.02 | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | erial Personal | | | | | | | | | | | | | | | | | | | | |
| Jignesh Patel | Relative of Key Managerial Personal | Interest on Unsecured Loan | - | - | 0.02 | (0.02) | - | 0.23 | (0.25) | 0.40 | 0.15 | - | - | - | - | - | - | - | - | - | - |
| Kavitaben Patel | Relative of Key Managerial Personal | Unsecured Loans | - | - | 2.50 | (2.50) | - | - | (2.50) | 2.50 | - | - | - | - | - | - | - | - | - | - | - |
| Narendra Patel | Relative of | Unsecured Loans | (5.85) | - | - | (5.85) | 5.85 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Key Managerial Personal | | | | | | | | | | | | | | | | | | | | |
| Narendra Patel | Relative of Key Managerial Personal | Interest on Unsecured Loan | - | - | 0.95 | (0.95) | 2.04 | 1.09 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ravi Patel | Relative of Key Managerial Personal | Unsecured Loans | - | - | 5.00 | (5.00) | 5.00 | - | - | - | - | - | -- | - | - | - | - | - | - | - | - |

**DETAILS OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED ANNEXURE XXV**

**(Amount in Lakhs)**

| Ratio | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| Restated PAT as per statement of profit and loss **(A)** | 83.96 | 199.45 | 178.76 | 173.66 | 91.00 | 82.98 |
| Weighted average number of equity shares at the end of the year/ period | 1,19,22,000 | 1,19,22,000 | 36,80,557 | 29,00,000 | 26,83,333 | 20,40,625 |
| Impact of issue of bonus shares | - | - | 79,48,000 | 79,48,000 | 79,48,000 | 79,48,000 |
| Weighted average number of equity shares at the end of the year/ period After Adjusting For Bonus Issue**(B)** | 1,19,22,000 | 1,19,22,000 | 1,16,28,557 | 1,08,48,000 | 1,06,31,333 | 99,88,625 |
| No. of equity shares at the end of the year/period | 1,19,22,000 | 1,19,22,000 | 39,74,000 | 29,00,000 | 29,00,000 | 22,50,000 |
| Impact of issue of Bonus Shares | - | - | 79,48,000 | 79,48,000 | 79,48,000 | 79,48,000 |
| No. of equity shares at the end of the year/period after adjustment for issue of bonus shares **(C)** | 1,19,22,000 | 1,19,22,000 | 1,19,22,000 | 1,08,48,000 | 1,08,48,000 | 1,01,98,000 |
| Net Worth , as Restated **(D)** | 1517.77 | 1433.31 | 1233.87 | 662.73 | 489.07 | 333.07 |
| **Earnings Per Share** | | | | | | |
| Basic & Diluted - before bonus Issue | **0.70** | **1.67** | **4.86** | **5.99** | **3.39** | **4.07** |
| Basic & Diluted (Rs)-After Adjusting For Bonus & Right Issue* **(A/B)** | **0.70** | **1.67** | **1.54** | **1.60** | **0.86** | **0.83** |
| Return on net worth (%) **(A/D)** | **5.53%** | **13.92%** | **14.49%** | **26.20%** | **18.61%** | **24.91%** |
| Net Asset Value Per Share (Rs) - before bonusIssue | 12.73 | 12.02 | 31.05 | 22.85 | 16.86 | 14.80 |
| Net Asset value per Equity Share –After Bonus & | 12.73 | 12.02 | 10.35 | 6.11 | 4.51 | 3.27 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Right Issue**(A/C)** | | | | | | |
| Nominal value per equity share (Rs.) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |

**Notes:**

**2.** The ratios have been Computed as per the following formulas

(i) Basic Earning per Share

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares outstanding at the end of the year / period}}$$

**(ii)** Net Asset Value (NAV) per Equity Share

$$\frac{\text{Restated Networth of Equity Share Holders}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

**(iii)** Return on Net Worth (%)

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Restated Networth of Equity Share Holders}}$$

3. Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.
4. Earning per share calculations are done in accordance with Accounting Standard 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India.
5. Prior to September 30,2017, the company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios
6. During the Financial Year 16-17, the company has increased its authorized share capital from Rs. 12,00,00,000/-to Rs. 16,00,00,000/- by passing resolution at the Extraordinary General meeting held on 19th August 2017
7. During the financial Year 2016-17 the company has issued 39,74,000 Bonus Shares on 13th May 2016 by passing special resolution at the Extraordinary General Meeting held on 14th March 2016
8. During the financial Year 2016-17 the company has issued & allotted 39,74,000 Bonus Shares on 07th February 2017 by passing special resolution at the Extraordinary General Meeting held on 19th January 2017
9. During the Financial Year 2015-16, the company has increased its authorized share capital from Rs. 4,25,00,000 to Rs. 12,00,00,000/- by passing special resolution at the Extraordinary General meeting held on 14th March 2016
10. During the financial Year 2015-16, the company has raised 4,29,60,000 through IPO by issuing 10,74,000 shares on July 10,2015 of Rs. 40 each
11. During the Financial Year 2014-15, the company has increased its authorized share capital from Rs. 2,90,00,000 to Rs. 4,25,00,000 by passing ordinary resolution at the Extraordinary General meeting held on 10th March 2015
12. During the Financial Year 2013-14, the company has increased its authorized share capital from Rs. 2,25,00,000 to Rs. 2,90,00,000 by passing ordinary resolution at the Extraordinary General meeting held on 25th July 2013.
13. During the financial Year 2013-14 the company has issued & allotted 6,50,000 shares on 03rd August 2013 by passing ordinary resolution at the Board Meeting held on 03rd August 2013.
14. During the financial Year 2012-13 the company has issued & allotted 2,50,000 shares on 31st January 2013 by passing resolution at the Board Meeting held on 31st January 2013.

15. During the financial Year 2012-13 the company had issued & allotted 5,000 shares on 15th June 2012 by passing resolution at the Board Meeting held on 15th June 2012
16. During the Financial Year 2012-13, the company has increased its authorized share capital from Rs. 2,00,00,000 to Rs. 2,25,00,000 by passing ordinary resolution at the Extraordinary General meeting held on 14th June 2012.

**CAPITALIZATION STATEMENT AS RESTATED AS AT 30st September, 2017**

**ANNEXURE XXVI**
**(Amount in Lakhs)**

| Particulars | Pre Issue | Post Issue |
|---|---|---|
| **Borrowings:** | | |
| Short-term Debt (A) | 978.44 | 978.44 |
| Long-term Debt (B) | 688.65 | 688.65 |
| **Total debts (C)** | **1667.09** | **1667.09** |
| **Shareholders' funds** | | |
| Share capital | 1192.20 | 1492.20 |
| Reserve and surplus | 325.57 | 1285.57 |
| **Total shareholders' funds (D)** | **1517.77** | **2777.77** |
| **Long term debt / shareholders' funds (B/D)** | **0.45** | **0.25** |
| **Total debt / shareholders' funds (C/D)** | **1.10** | **0.60** |

1. Short term debts represent debts which are due within 12 months from September 30, 2017.
2. Long term debts represent debts other than short term debts, as defined above but includes current maturities of long term debt.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at September 30, 2017

**STATEMENT OF TAX SHELTERS AS RESTATED**

**ANNEXURE XXVII**
**(Amount in Lakhs)**

| Particulars | As at September 30, 2017 | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| Profit before tax, as restated (A) | 132.18 | 299.82 | 262.51 | 259.04 | 136.00 | 122.34 |
| Normat Corporate Tax Rate (%) | 33.06 | 33.06 | 33.06 | 32.45 | 32.45 | 32.45 |
| Minimum Alternative Tax Rate (%) | 20.39 | 20.39 | 20.39 | 20.01 | 20.01 | 20.01 |
| **Adjustments :** | | | | | | |
| **Permanent differences** | | - | - | - | - | - |
| Expenses disallowed under Income Tax Act, 1961 | 11.67 | 2.76 | - | 0.50 | - | 0.40 |
| Loss on Sale of FA | - | - | 2.26 | 8.38 | 2.70 | - |
| **Total permanent differences(B)** | **11.67** | **2.76** | **2.26** | **8.88** | **2.70** | **0.40** |
| **Income considered separately (C.)** | | - | - | - | - | - |
| Interest Income | (0.61) | (1.94) | (13.89) | (1.29) | (2.22) | (1.43) |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Total Income considered separately (C)** | **(0.61)** | **(1.94)** | **(13.89)** | **(1.29)** | **(2.22)** | **(1.43)** |
| **Timing differences** | | | | | | |
| Depreciation as per Books | 29.55 | 55.70 | 50.25 | 46.13 | 49.27 | 38.13 |
| Depreciation as per IT Act | 52.20 | 137.47 | 132.37 | 108.02 | 119.29 | 142.92 |
| Disallowance u/s 43B | - | - | - | 4.77 | - | - |
| Gratuity | 0.36 | 0.82 | (4.38) | 3.98 | 2.33 | 0.35 |
| **Total timing differences (D)** | **(22.28)** | **(80.95)** | **(86.50)** | **(53.15)** | **(67.70)** | **(104.44)** |
| **Net adjustments E = (B+C+D)** | **(10.61)** | **(78.18)** | **(84.24)** | **(44.27)** | **(65.00)** | **(104.04)** |
| **Income from other sources (F)** | 0.61 | 1.94 | 13.89 | 1.29 | 2.22 | 1.43 |
| **Exempt Income (G)** | - | - | - | - | - | - |
| **Taxable income/(loss) (A+E+F-G)** | **121.57** | **221.64** | **178.27** | **210.00** | **70.99** | **16.87** |
| **Tax as per Normal Provision** | **40.19** | **73.28** | **58.94** | **68.13** | **23.03** | **5.47** |
| **Taxable income/(loss) as per MAT** | **132.18** | **299.82** | **262.51** | **259.04** | **136.00** | **122.34** |
| **Income tax as per MAT** | **26.95** | **61.13** | **53.52** | **51.83** | **27.21** | **24.48** |
| Tax paid as per "MAT" or "Normal Provisions" | Normal Provision | Normal Provision | Normal Provision | Normal Provision | MAT Provision | MAT Provision |

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which is included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements, as restated for the period ended September 30, 2017 and for the financial years ended March 31, 2017, March 31, 2016 and March 31, 2015, including the related notes and reports, included in this Prospectus is prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 17 and 16 respectively, and elsewhere in this Prospectus.*

*Our FY ends on March 31 of each year. Accordingly, all references to a particular FY are to the 12 months ended March 31 of that year.*

### OVERVIEW

Incorporated in Ahmedabad, in the year 2010, our Company is an ISI certified Company primarily engaged in manufacturing of mid segment decorative laminates and door skins. Within a short period of our existence, we have significant market share in 1 MM mid segment brands. We market laminates under brands like Velson, Antique, Art Lam, Antique Aurum, Antique colour core and Antique Natural Wood. We also market door skin under brands like Beautique, Texas, Micro Touch, Antique Natural Wood and Door Touch. We got listed on SME platform of BSE Ltd. through Initial public offer on July 14, 2015.

With approximately 1,571 designs in laminates and 452 designs in door skins, we have very diverse design portfolio in the Industry with specialisation in textured laminates.

Our Promoters Veljibhai Patel and Govindbhai Patel have rich experience in marketing of laminates, plywood etc. which has enabled us to grow at high pace in diminutive period of time. Before entering into manufacturing of laminates our promoters acquired extensive experience in marketing of laminates by operating under M/s. Anand Timber Mart. With the help of experience of our promoters and a strong network of about 26 distributors and 4799 dealers, we serve both industrial and consumer industry and have been able to establish a presence in west and south India.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

- The Further Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 26, 2017 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on August 19, 2017.
- Bonus Issue of 39,74,000 Equity Shares of face value of Rs. 10 / - each fully paid at par were issued to shareholders in the ratio of 1:1 on May 13, 2016.
- Bonus Issue of 39,74,000 Equity Shares of face value of Rs. 10 / - each fully paid were issued to shareholders in the ratio of 1:2 on February 07, 2017.

### 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 17 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Competition and price cutting from existing and new entrants
- Credit availability
- Rate of interest policies
- Industry Growth
- Limited number of raw material supplier
- Competition from unorganised player and threat from national/regional players and cheaper substitute
- Over dependence on imported raw materials may affect profitability
- Our ability to successfully implement our strategy

## OVERVIEW OF REVENUE AND EXPENDITURE

**Revenue and Expenditure**

**Revenue:** Our revenue comprises of revenue from operations and other income

**Revenue from operations:** Our revenue from operations comprises of revenue from sale of laminates and door skin manufactured by us.

**Other Income:** Our other income comprises of dividend received, interest received from deposits and interest from FD, etc.

**Expenses:** Our expenses comprise of cost of material consumed, changes in inventories of finished goods, work in progress and stock in trade, employee benefit expenses, finance cost, depreciation and amortisation expenses and other expenses.

**Cost of goods sold:** Cost of goods sold consists of cost of material consumed and changes of inventories of finished goods and work in progress.

Cost of raw material consumed comprises of the expenses for purchase of Phenol and Formaldehyde Melamine Decorative Paper and Kraft Paper, etc.

Changes in inventory of finished goods and work in progress consist of change in our inventory of finished goods and work in progress as at the beginning and end of the year.

**Employee benefit expense:** Our employee benefit expense consists of salary and wages, director's remuneration, gratuity expense and contribution to provident fund & other fund and Staff Welfare expenses.

**Finance costs:** Our finance costs comprises of interest on working capital loan, Interest on loan from Directors, and other borrowing cost.

**Depreciation and amortization expenses:** Tangible and intangible assets are depreciated and amortised over periods corresponding to their estimated useful lives. See "Significant Accounting Policies – Depreciation" on Annexure IV(A) in this Prospectus.

**Other expenses:** Our Other expenses mainly include purchase of power & Fuel, purchase of stores and spares, factory rent, sales and promotion expenses and advertisement expenses, etc.

**Revenue and Expenditure** **Amount (Rs. In Lakhs)**

| Particulars | For the period ended September 30, 2017 | For the Year Ended March 31, | | |
|---|---|---|---|---|
| | | 2017 | 2016 | 2015 |
| INCOME | | | | |
| Revenue from operations/ Operating income | 3362.22 | 5152.26 | 4917.82 | 3815.97 |

| Particulars | For the period ended September 30, 2017 | For the Year Ended March 31, | | |
|---|---|---|---|---|
| | | 2017 | 2016 | 2015 |
| As a % of Total Revenue | 99.97 | 99.96% | 99.72% | 99.96% |
| Other income | 1.09 | 2.00 | 13.94 | 1.67 |
| As a % of Total Revenue | 0.03% | 0.04% | 0.28% | 0.04% |
| Total Revenue (A) | 3363.31 | 5,154.26 | 4,931.75 | 3,817.64 |
| EXPENDITURE | | | | |
| Cost of Material Consumed | 2832.96 | 3701.11 | 3731.23 | 2,812.31 |
| As a % of Total Revenue | 84.23% | 71.81% | 75.66% | 73.67% |
| Changes in inventories of finished goods, traded goods and work-in-progress | (311.52) | (42.77) | (29.63) | 29.55 |
| As a % of Total Revenue | (9.26)% | (0.83)% | (0.60)% | 0.77% |
| Operating Expenses | 2521.44 | 3658.34 | 3701.60 | 2841.87 |
| As a % of Total Revenue | 74.97% | 70.98% | 75.06% | 74.44% |
| Employee benefit expenses | 47.25 | 108.83 | 122.61 | 161.38 |
| As a % of Total Revenue | 1.40% | 2.11% | 2.49% | 4.23% |
| Finance costs | 89.17 | 174.67 | 179.14 | 155.88 |
| As a % of Total Revenue | 2.65% | 3.39% | 3.63% | 4.08% |
| Depreciation and amortization expense | 29.55 | 55.70 | 50.25 | 46.13 |
| As a % of Total Revenue | 0.88% | 1.08% | 1.02% | 1.21% |
| Other expenses | 543.71 | 856.90 | 615.65 | 353.34 |
| As a % of Total Revenue | 16.17% | 16.63% | 12.48% | 9.26% |
| Total Expenses (B) | 3231.13 | 4854.44 | 4669.24 | 3558.60 |
| As a % of Total Revenue | 96.07% | 94.18% | 94.68% | 93.21% |
| Profit before exceptional, extraordinary items and tax | 132.18 | 299.82 | 262.51 | 259.04 |
| As a % of Total Revenue | 3.93% | 5.82% | 5.32% | 6.79% |
| Exceptional items | | - | - | - |
| Profit before extraordinary items and tax | 132.18 | 299.82 | 262.51 | 259.04 |
| As a % of Total Revenue | 3.93% | 5.82% | 5.32% | 6.79% |
| Extraordinary items | | - | - | - |
| Profit before tax | 132.18 | 299.82 | 262.51 | 259.04 |
| PBT Margin | 3.93% | 5.82% | 5.32% | 6.79% |
| Tax expense : | | | | |
| (i) Current tax | 40.19 | 73.28 | 58.94 | 68.13 |
| (ii) Deferred tax | 8.03 | 27.09 | 24.81 | 17.24 |
| (iii) MAT Credit | | - | - | - |
| Total Tax Expense | 48.22 | 100.37 | 83.75 | 85.38 |
| % of total income | 1.43% | 1.95% | 1.70% | 2.24% |
| Profit for the year/ period | 83.96 | 199.45 | 178.76 | 173.66 |
| PAT Margin | 2.50% | 3.87% | 3.62% | 4.55% |

## REVIEW OF SIX MONTHS ENDED SEPTEMBER 30, 2017

### INCOME

***Income from operations***

Our income from operations was Rs. 3362.22 lakhs which is about 99.97% of our total revenue for the period of nine months ended on September 30, 2017.

***Other income***

Our other income was Rs. 1.09 lakhs which consists of dividend received, interest received from deposits and interest from FD, etc.

### EXPENDITURE

***Direct expenditure***

Our direct expenditure was Rs. 2521.44 lakhs which is 74.97% of our total revenue for the period of six months ended September 30, 2017. The direct material expenditure includes of material consumed, changes in inventories of finished goods, work in progress and stock in trade, etc.

***Employee benefit expenses***

Our employee benefit expenses were Rs. 47.25 lakhs which was 1.40% of our total revenue for the period of six months ended September 30, 2017 and comprised of salaries & wages, directors remuneration, various allowances given to the employees, gratuity expenses and contribution to provident fund, etc. .

***Finance cost***

Our finance cost which consists of interest on secured and unsecured loan and other borrowing costs was Rs. 89.17 lakhs which is 2.67% of our total revenue for the period of six months ended September 30, 2017.

***Depreciation***

Depreciation and amortisation expenses were Rs. 29.55 lakhs which is 0.88% of our total revenue for the period of six months ended September 30, 2017.

***Other expenses***

Our other expenses were Rs. 543.71 lakhs which is 16.17% of our total revenue for the period of six months ended September 30, 2017. Other expenses include purchase of power & Fuel, purchase of stores and spares, factory rent, sales and promotion expenses and advertisement expenses, etc.

***Profit before tax***

Our Profit before tax was Rs. 132.18 lakhs which is 3.93% of our total revenue for the period of six months ended September 30, 2017.

***Net profit***

Our Net profit after tax was Rs. 83.96 lakhs which is 2.50% of our total revenue for the period of six months ended September 30, 2017.

## COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2017 WITH FINANCIAL YEAR ENDED MARCH 31, 2016

***Total Revenue***

Our total revenue increased by 4.51% to Rs.5154.26 lakhs in financial year 2017 from Rs.4931.75 lakhs in financial year 2016 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 4.77% to Rs.5152.26 lakhs in financial year 2017 from Rs.4917.82 lakhs in financial year 2016. The increase in revenue from operations was primarily due to increase in our export sales. Our export sales increased to Rs176.94 lakhs in FY 2016-17 form Rs.35.70 lakhs in FY 2015-16

Other income: Our other income decreased by 85.68% to Rs.2.00 lakhs in financial year 2017 from Rs.13.94 lakhs in financial year 2016. This decrease was primarily due to decrease in interest income from others.

***Total Expenses***

Our total expenses increased by 3.97% to Rs.4854.44 lakhs in financial year 2017 from Rs.4669.24 lakhs in financial year 2016, due to the factors described below:

*Cost of goods sold:* Our cost of goods sold comprises of cost of material consumed and change in inventory of finished goods and work in progress. Our cost of goods sold decreased by 1.17% to Rs. 3,658.34 lakhs in financial year 2017 from Rs.3701.60 lakhs in financial year 2016. This was primarily due to decrease in cost of material consumed which decreased by 0.81% to Rs.3701.11 lakhs in financial year 2017 from Rs.3731.23 lakhs in financial year 2016. Our changes in inventory of finished goods and work in progress changed by 44.33% to Rs (42.77) lakhs in financial year 2017 from Rs (29.63) lakhs in financial year 2016.

*Employee benefits expense:* Our employee benefits expense decreased by 11.24% to Rs.108.83 lakhs in financial year 2017 from Rs.122.61 lakhs in financial year 2016. This decrease was primarily due decrease in directors remuneration and decrease in bonus. Our directors remuneration decreased from 59.41 lakhs in financial year 2016 to Rs.36.00 lakhs in financial year 2017.

*Finance costs:* Our finance costs decreased by 2.49% to Rs.174.67 lakhs in financial year 2017 from Rs.179.14 lakhs in financial year 2016. This was due to decrease in interest on long term loans from banks which was primarily offset by increase in interest on short term loans from banks. Our interest on long term loans was Rs.106.64 lakhs in financial year 2016 as compared to Rs.51.66 lakhs in financial year 2017.

*Depreciation and amortisation expense:* Our depreciation and amortisation expense increased by 10.85% to Rs.55.70 lakhs in financial year 2017 from Rs.50.25 lakhs in financial year 2016. This was due to increase in fixed assets in financial 2017. Our tangible assets increased to Rs.1193.52 lakhs in financial year 2017 from Rs.1100.73 lakhs in financial year 2016.

*Other expenses:* Our other expenses increased by 39.19% to Rs.856.90 lakhs in financial year 2017 from Rs.615.65 lakhs in financial year 2016. This increase was due to an increase in consumption of stores & spares parts, power & fuel, excise duty & service tax expense, export agency & freight charges, labour charges, etc.

*Profit before tax*: Our restated profit before tax increased by 14.21% to Rs.299.82 lakhs in financial year 2017 from Rs.262.51 lakhs in financial year 2016.

*Tax expenses:* Our tax expenses increased by 19.84% to Rs.100.37 lakhs in financial year 2017 from Rs.83.75 lakhs in financial year 2016.This was in line increase in our total income.

*Profit after tax for the year, as Restated:* Due to the factors mentioned above, our profit after tax increased by 11.58% from Rs 178.76 lakhs in financial year 2016 to Rs. 199.45 lakhs in financial year 2017.

## COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015

***Total Revenue***

Our total revenue increased by 29.18% to Rs.4931.75 lakhs in financial year 2016 from Rs.3817.64 lakhs in financial year 2015 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 30.25% to Rs.4917.82 lakhs in financial year 2016 from Rs.3815.97 lakhs in financial year 2015. The increase in revenue from

operations was primarily due to increase in sale of our products in domestic market and overseas market. Our revenue from domestic was Rs.4880.98 lakhs in financial year 2016 as compared to Rs.3815.97 lakhs in financial year 2015. Our export sales was Rs.35.70 lakhs in financial year 2016.

Other income: Our other income increased by 736.40% to Rs.13.94 lakhs in financial year 2016 from Rs.1.67 lakhs in financial year 2015. This increase was primarily due to increase in interest income from others.

***Total Expenses***

Our total expenses increased by 31.21% to Rs.4669.24 lakhs in financial year 2016 from Rs.3558.60 lakhs in financial year 2015, due to the factors described below:

*Cost of goods sold:* Our cost of goods sold comprises of cost of material consumed and change in inventory of finished goods and work in progress. Our cost of goods sold increased by 30.25% to Rs. 3701.60 lakhs in financial year 2016 from Rs.2841.87 lakhs in financial year 2015. This was primarily due to increase in cost of material consumed which increased by 32.67% to Rs.3731.23 lakhs in financial year 2016 from Rs.2812.31 lakhs in financial year 2015. Our changes in inventory of finished goods and work in progress changed by 200.26 % to Rs.(29.63) lakhs in financial year 2016 from Rs.29.55 lakhs in financial year 2015.

*Employee benefits expense:* Our employee benefits expense decreased by 24.02 % to Rs.122.61 lakhs in financial year 2016 from Rs.161.38 lakhs in financial year 2015. This decrease was due to decrease in salary and wages, and increase in directors remuneration. Our salary and wages decreased from 73.41 lakhs in financial year 2015 to Rs. 58.63 lakhs in financial year 2016. Our directors remuneration decreased from Rs.72.00 lakhs in financial year 2015 to Rs.59.41 lakhs in financial year 2015.

*Finance costs:* Our finance costs increased by 14.92% to Rs179.14 lakhs in financial year 2016 from Rs.155.88 lakhs in financial year 2015. The increase was due to increase in interest on term loan from banks and increase in interest on short term borrowings this was partially set off by decrease in other borrowing cost.

*Depreciation and amortisation expense:* Our depreciation and amortisation expense increased by 8.92% to Rs.50.25 lakhs in financial year 2016 from Rs.46.13 lakhs in financial year 2015. Our tangible assets increased to Rs. 1100.73 lakhs in financial year 2016 from Rs. 1006.06 lakhs in financial year 2015.

*Other expenses:* Our other expense increased by 74.23 % to Rs.615.65 lakhs in financial year 2016 from Rs.353.34 lakhs in financial year 2015. This increase was due to an increase in consumption of stores & spares parts, power & fuel, rent, commission on sales, labour charges, office expense, etc.

*Profit before tax:* Our profit before tax increased by 1.34% to Rs.262.51 lakhs in financial year 2016 from Rs.259.04 lakhs in financial year 2015.

*Tax expenses:* Our tax expenses decreased by 1.90% to Rs 83.75 lakhs in financial year 2016 from Rs.85.38 lakhs in financial year 2015.

Profit after tax for the year, as Restated: Due to the factors mentioned above, our profit after tax increased by 2.94% to Rs.178.76. lakhs in financial year 2016 from Rs.173.66 lakhs in financial year 2015.

**Other Key Ratios**

| Particulars | For the period ended September 30, 2017 | March 31, 2017 | March 31, 2016 | March 31, 2015 |
|---|---|---|---|---|
| Fixed Asset Turnover Ratio | 2.82 | 4.32 | 4.47 | 3.79 |
| Debt Equity Ratio | 1.09 | 1.09 | 1.10 | 1.96 |
| Current Ratio | 1.19 | 1.17 | 1.15 | 1.15 |
| Inventory Turnover Ratio | 2.20 | 3.43 | 4.13 | 3.94 |

*Fixed Asset Turnover Ratio:* This is defined as revenue from operations divided by total fixed assets, based on Restated Financial Information.

*Debt Equity Ratio:* This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturity of long term debt, based on Restated Financial Information.

*Current Ratio:* This is defined as current assets divided by current liabilities, based on Restated Financial Information.

*Inventory Turnover Ratio:* This is defined as revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on Restated Financial Information.

The table below summaries our cash flows from our Restated Financial Information of cash flows for the financial year 2017, 2016 and 2015: *(In Rs lakhs)*

| Particulars | For the period ended September 30, 2017 | March 31, 2017 | March 31, 2016 | March 31, 2015 |
|---|---|---|---|---|
| Net cash (used)/ generated from operating activities | (60.66) | 84.81 | (39.19) | 232.92 |
| Net cash (used) in investing activities | 55.59 | (221.50) | (165.11) | (38.70) |
| Net cash generated from financing activities | 63.10 | 81.42 | 287.37 | (235.16) |
| Net increase/ (decrease) in cash and cash equivalents | 68.17 | (55.27) | 83.08 | (40.95) |
| Cash and Cash Equivalents at the beginning of the period | 85.92 | 141.19 | 58.11 | 99.05 |
| Cash and Cash Equivalents at the end of the period | 17.75 | 85.92 | 141.19 | 58.11 |

*Operating Activities*

*For the period ended September 30, 2017*

Our net cash used in operating activities was Rs.60.66 lakhs in as at September 30, 2017. Our operating profit before working capital changes was Rs.250.73 lakhs as at September 30, 2017, which was primarily adjusted by direct tax paid of Rs.40.19 lakhs, decrease in inventories by Rs.86.49 lakhs, increase in trade receivables by Rs.975.26 lakhs, increase in other current assets by Rs.0.22 lakhs, decrease in short term loans & advances by Rs.63.45 lakhs, increase in trade payables by Rs.367.00 lakhs, decrease in other current liabilities by Rs.35.92 lakhs, increase in provision by Rs. 223.27 lakhs.

*Financial year 2017*

Our net cash generated from operating activities was Rs.84.81 lakhs in financial year 2017. Our operating profit before working capital changes was Rs.528.20 lakhs in financial year 2017, which was primarily adjusted by direct tax paid of Rs.73.28 lakhs, increase in inventories by Rs.234.02 lakhs,

increase in trade receivables by Rs.790.64 lakhs, decrease in other current assets by Rs.11.91 lakhs, increase in short term loans & advances by Rs.41.37 lakhs, increase in trade payables by Rs.645.02 lakhs, increase in other current liabilities by Rs.8.87 lakhs, increase in provision by Rs. 30.11 lakhs.

*Financial year 2016*

Our net cash used in operating activities was Rs.39.19 lakhs in financial year 2016. Our operating profit before working capital changes was Rs.480.23 lakhs in financial year 2016, which was primarily adjusted by direct tax paid of Rs.58.94 lakhs, increase in inventories by Rs.386.48 lakhs, increase in trade receivables by Rs.589.35 lakhs, decrease in other current assets by Rs.11.22 lakhs, increase in short term loans & advances by Rs.40.63 lakhs, increase in trade payables by Rs.573.83 lakhs, increase in other current liabilities by Rs.21.08 lakhs, decrease in provision by Rs.50.14 lakhs.

*Financial year 2015*

Our net cash generated from operating activities was Rs.232.92 lakhs in financial year 2015. Our operating profit before working capital changes was Rs.468.13 lakhs in financial year 2015, which was primarily adjusted by direct tax paid of Rs.68.14 lakhs, increase in inventories by Rs.56.45 lakhs, increase in trade receivables by Rs.121.17 lakhs, decrease in other current assets by Rs.14.14 lakhs, decrease in short term loans & advances by Rs.22.05 lakhs, decrease in trade payables by Rs.268.00 lakhs, increase in other current liabilities by Rs.169.37 lakhs, increase in provision by Rs.72.98 lakhs.

*Investing Activities*

*For the period ended September 30, 2017*

Net cash used in investing activities was Rs.55.59 lakhs as at September 30, 2017. This was primarily on account of purchase of fixed assets of Rs.30.36 lakhs, purchase of investment of Rs.91.46 lakhs, increase in other income of Rs.0.67 lakhs and increase in other long term loans and advances of Rs.6.18 lakhs.

*Financial year 2017*

Net cash used in investing activities was Rs.221.50 lakhs in financial year 2017. This was primarily on account of purchase of fixed assets of Rs.148.49 lakhs, purchase of investment of Rs.100 lakhs, decrease in other non current assets of Rs.30.41 lakhs which was primarily offset by increase in other long term liabilities of Rs 30.31 lakhs, increase in other income of Rs.2.00 lakhs and increase in other long term loans and advances of Rs.24.99 lakhs.

*Financial year 2016*

Net cash used in investing activities was Rs.165.11 lakhs in financial year 2016. This was primarily on account of purchase of fixed assets of Rs.144.57 lakhs which was partially offset by sale of fixed asset of Rs.2.60 lakhs, increase in other long term liabilities of Rs.54.97 lakhs, increase in other long term liabilities of Rs 54.97 lakhs, increase in other income of Rs.13.93 lakhs and increase in other long term loans and advances of Rs31.86 lakhs.

*Financial year 2015*

Net cash used in investing activities was Rs.38.70 lakhs in financial year 2015. This was primarily on account of purchase of fixed assets of Rs.27.32 lakhs which was partially offset by sale of fixed asset of Rs.12.56 lakhs, increase in other income of Rs.1.29 lakhs and increase in other long term loans and advances of Rs.0.12 lakhs.

*Financing Activities*

*For the period ended September 30, 2017*

Net cash generated used in financing activities as at September 30, 2017 was Rs.63.10 lakhs. This primarily consisted of proceeds from long term borrowing of Rs.6.11 lakhs and proceeds from short term borrowings of Rs.19.96 lakhs which was offset by payment of interest of Rs.89.17 lakhs.

*Financial year 2017*

Net cash generated from financing activities in financial year 2017 was Rs.81.42 lakhs. This primarily consisted of proceeds from long term borrowing of Rs.154.82 lakhs and proceeds from short term borrowings of Rs101.28 lakhs which was offset by payment of interest of Rs.174.67 lakhs

*Financial year 2016*

Net cash generated from financing activities in financial year 2016 was Rs.287.37 lakhs. This primarily consisted of proceeds from short term borrowing of Rs.409.71 lakhs, proceeds from issue of shares of Rs.429.60 lakhs, repayment of long term borrowings of Rs.335.58 lakhs and payment of interest and preliminary expenses of Rs.179.14 lakhs and 37.22 lakhs respectively.

*Financial year 2015*

Net cash used in financing activities in financial year 2015 was Rs.235.16 lakhs. This primarily consisted of repayment of long term borrowings of Rs.191.96 lakhs, proceeds from short term borrowing of Rs.112.67 lakhs and payment of interest of Rs.155.88 lakhs

**Borrowings**

As on September 30, 2017, the total outstanding borrowings of our Company includes long-term borrowings of Rs.331.86 lakhs, short-term borrowings of Rs.978.44 lakhs and, current maturities of long term debt of Rs. 350.22 lakhs. For further details, refer to the chapter titled, Financial Indebtedness beginning on page 234 of this Prospectus.

*Secured Borrowings*

***Long term borrowings*** (in lakhs)

| Particlaurs | As at September 30, 2017 |
|---|---|
| **Secured** | |
| **Term Loans** | |
| **From Bank & Financial Institutions** | |
| HDFC Bank Ltd | 184.16 |
| **Total** | **184.16** |

**Unsecured Borrowings** *(in Rs lakhs)*

| Particulars | As at September 30, 2017 |
|---|---|
| **From Banks** | |
| HDFC Bank | 3.28 |
| Indusind Bank | 12.65 |
| Kotak Mahindra Bank Ltd. | 13.94 |
| ICICI Bank Ltd. | 16.07 |
| **From Other Parties** | |
| Fullerton India CRED | 3.43 |
| Bajaj Finserve Ltd. | 1.37 |
| Capital First Ltd. | 17.76 |
| Edelweiss Retail Finance Ltd. | 9.34 |
| Megma Finacorp Ltd. | 16.01 |
| Religare Finvest Ltd. | 5.99 |
| Aditya Birla Finance | 23.44 |
| DHFL | 6.80 |
| Tata Capital | 12.47 |
| **From Financial Institutions** | |
| HDB Financial Services Ltd | 5.13 |
| **Total** | **147.70** |

**Short term borrowings** *(in lakhs)*

| Particulars | As at September 30, 2017 |
|---|---|
| **Secured** | - |
| HDFC Bank Ltd (C.C.) | 978.44 |
| **Total** | **978.44** |

***Current maturities of long term debt*** *(in lakhs)*

| Particulars | As at March 31, 2017 |
|---|---|
| Current maturities of Long Term Debt | 350.22 |
| **Total** | **350.22** |

In the event, any of our lenders declare an event of default, this could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

**Related Party Transactions**

Related party transactions with certain of our promoters and directors primarily relates to remuneration payable, loans taken and Issue of Equity Shares. For further details of such related parties under AS18, see—Financial Statements beginning on page 172 of this Prospectus.

**Contingent Liabilities**

It is not practical for the Company to estimate the timings of cash outflow, if any in respect of above pending resolutions of the respective proceedings. For further details, see Financial Statements beginning on page 172 of this Prospectus.

**Off-Balance Sheet Items**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

**Qualitative Disclosure about Market Risk**

***Financial Market Risks***

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

***Interest Rate Risk***

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

***Effect of Inflation***

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

***Credit Risk***

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

**Reservations, Qualifications and Adverse Remarks**

Except as disclosed in — Financial Statements beginning on page 172, there has been no reservations, qualifications and adverse remarks.

**Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution**

Except as disclosed in— Financial Statements beginning on page 172, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company during the period April 1, 2015 up to March 31, 2017.

**Material Frauds**

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last five Fiscals.

**Unusual or Infrequent Events or Transactions**

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

**Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations**

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company‘s operations or are likely to affect income from continuing operations except as described in—Risk Factors beginning on page 17 of this Prospectus.

**Known Trends or Uncertainties that Have Had or are Expected to Have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations**

Other than as described in the section titled “Risk Factors” on page 17 and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are Known**

Other than as described in ―Risk Factors‖ and this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

**Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices**

Changes in revenue in the last three financial years areas explained in the part financial year 2017 compared to financial year 2016, financial year 2016 compared to financial year 2015.

**Total Turnover of Each Major Industry Segment in Which the Issuer Operates**

Our business is limited to a single reportable segment.

**Competitive Conditions**

We have competition with Indian and international manufacturers and our results of operations could be affected by competition in the packaging industry / sector in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “Risk Factors” on page 17.

**Increase in income**

Increases in our income are due to the factors described above in ―Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations and Risk Factors beginning on pages 222 and 17, respectively.

**Status of any Publicly Announced New Products or Business Segments**

Except as disclosed elsewhere in the DRHP, we have not announced and do not expect to announce in the near future any new products or business segments.

**Significant Dependence on a Single or Few Suppliers or Customers**

Significant proportion of our revenues have historically been derived from a limited number of customers The % of Contribution of our Company's customer and supplier vis a vis the total revenue from operations respectively as March 31, 2017 is as follows:

| | Customers | Suppliers |
|---|---|---|
| Top 5 (%) | 39.76% | 37.46% |
| Top 10 (%) | 56.06% | 57.49% |

**Seasonality of Business**

The nature of business is not seasonal.

**Significant Developments After March 31, 2017 that May Affect Our Results of Operations**

Except as set out in this Prospectus and as mentioned below, in the opinion of the Board of Directors of our Company and to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

## FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and others for conducting its business. Set forth is a brief summary of our Company's secured and unsecured borrowings together with a brief description of certain significant terms of such financing arrangements.

### SECURED BORROWINGS

**Loan of Rs. 1500.00 Lakhs from HDFC Bank Limited as per Sanction letter dated February 27, 2017**

(Rs. in Lakhs)

| **Particulars** | | | | |
|---|---|---|---|---|
| **Nature of facility** | **Sanctioned Amount** | **Rate Of Interest** | **Repayment** | **Outstanding as on September 30, 2017** |
| **A) Fund based limits :** | | | | |
| Composite CC | 1000.00 | Present rate is 9.50% p.a. | 12 months | 978.44 |
| WCTL (Outstanding) | 200.00 | Present rate is 9.50% p.a. | 36 months | 190.32 |
| Term Loan – I(Outstanding) | 65.08 | | 22 months | 59.62 |
| Term Loan – II(Outstanding) | 48.83 | | 34 months | 46.31 |
| Term Loan –III(fully paid) | 32.44 | | 5 months | 0.00 |
| **Sub Total** | **1346.35** | | | |
| **B) Non Fund based limits :** | | | | |
| LC Open(Foreign Documentary Loan) | 153.64 | NA | NA | NA |
| **Sub Total** | **153.64** | | | |
| **TOTAL** | **1500.00** | | | |

**Note: As per HDFC Bank's sanction letter dated February 27, 2017, the bank has taken over the entire loan amount sanctioned by the Ahmedabad Mercantile Cooperative Bank Limited.**

| **Security** |
|---|
| **Primary** |
| Hypothecation by way of first & exclusive charge on all present & Future stock & Book Debts & Plant & Machinery |
| **Collateral** |
| Hypothication/ mortgage of industrial property situated at:<br>i.Survey No.309, Zanak FIDC OPP> Pnset Way Bridge Zanak, Opp. Jay Ganesh PLY Industries, Village Zanak, Zanak FIDC.<br>ii.Survey No.311, Zanak FIDC OPP Onset Way Bridge Zanak, Opp. Jay Ganesh PLY Industries, Village Zanak, Zanak FIDC.<br>iii.55/2 Mohannagar SOciety, Munshi Compound, Naroda, 382253, Ahmedabad, Gujarat<br>iv.Shop no.10, Ground Floor Naroda, Raghav Residency, Opp. GEB Dehgam Road |

**<u>Key Restrictive Covenants:</u>**

1) The funds shall not be utilized for any speculative, illegal and investing in Capital market purposes but will be utilized only for Working Capital Requirements.
2) Borrower shall not have any accounts with other Banks/ Financial Institutions (for sole banking)
3) Borrower shall not divert any funds to any purpose and launch any new scheme of expansion without prior permission of HDFC Bank.
4) The Borrower shall not transfer, sell, lease, grant on license or create any third party interest of any nature whatsoever on the security without the prior written consent of the Bank.

**1. Loan of Rs. 21.35 Lakhs from HDB Financial Services Limited on June 27, 2013**

*(Rs. in lakhs)*

| Nature of Facility | Auto Premium Loan |
|---|---|
| Loan Amount | 21.35 |
| Rate of Interest | 14.50% |
| EMI Amount | 0.41 |
| Security | Secured by hypothecation of Premises situated at 10/GF, Raghav Residency, Opp. Naroda GEB, Ahmedabad-382330, Gujarat, India. |
| Tenor | 84 Months |
| Amount Outstanding as on September 30, 2017 | 8.81 |

**UNSECURED BORROWINGS**

**2. Loan of Rs. 20.00 Lakhs from HDFC Bank Limited on April 4, 2015** *(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 20.00 |
| EMI Amount (including interest) | 0.57 |
| Tenor | 48 Months |
| Amount Outstanding as on September 30, 2017 | 9.09 |

**3. Loan of Rs. 45.00 Lakhs from Indusind Bank Limited on April 5, 2017** *(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 45.00 |
| EMI Amount (including interest) | 2.25 |
| Tenor | 25 months |
| Amount Outstanding as on September 30, 2017 | 37.12 |

**4. Loan of Rs. 49.99 Lakhs from Kotak Mahindra Bank Limited** *(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 49.99 |
| EMI Amount (including interest) | 2.49 |
| Tenor | 24 months |
| Amount Outstanding as on September 30, 2017 | 38.84 |

**5. Loan of Rs. 27.28 Lakhs from ICICI Bank Limited on March 9, 2017** *(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 27.28 |
| EMI Amount (including interest) | 0.96 |
| Tenor | 36 months |
| Amount Outstanding as on September 30, 2017 | 24.31 |

6. **Loan of Rs. 30.20 Lakhs from Bajaj Finserv Limited on March 22, 2017** *(Rs. in lakhs*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 30.20 |
| Rate of Interest | 18.00% |
| Tenor | 18 months |
| Amount Outstanding as on September 30, 2017 | 22.08 |

7. **Loan of Rs. 55.39 Lakhs from Capital First Limited on March 14, 2017** *(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 55.39 |
| EMI Amount (including interest) | 2.77 |
| Tenor | 24 months |
| Amount Outstanding as on September 30, 2017 | 44.93 |

8. **Loan of Rs. 29.10 Lakhs from Edelweiss Retail Finance Limited** *(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 29.10 |
| EMI Amount (including interest) | 1.45 |
| Tenor | 25 months |
| Amount Outstanding as on September 30, 2017 | 23.61 |

9. **Loan of Rs. 41.00 Lakhs from Fullerton India Credit Company Limited on March 7, 2017**

*(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 41.00 |
| EMI Amount (including interest) | 2.61 |
| Tenor | 18 months |
| Amount Outstanding as on September 30, 2017 | 31.28 |

10. **Loan of Rs.50.27 Lakhs from Magma Fincorp Limited on March 24, 2017**

*(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 50.27 |
| EMI Amount (including interest) | 2.51 |
| Tenor | 24 months |
| Amount Outstanding as on September 30, 2017 | 40.68 |

11. **Loan of Rs.19.44 Lakhs from Religare Finvest Limited on March 10, 2017** *(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 19.44 |
| EMI Amount (including interest) | 0.98 |
| Tenor | 24 months |
| Amount Outstanding as on September 30, 2017 | 15.42 |

12. **Loan of Rs.40.00 Lakhs from Aditya Birla Finance Limited on March 25, 2017** *(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 40.00 |
| EMI Amount (including interest) | 1.45 |
| Tenor | 36 months |
| Amount Outstanding as on September 30, 2017 | 35.33 |

**13. Loan of Rs.24.17 Lakhs from Dewan Housing Finance Corporation Limited on March 24, 2017** *(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 24.17 |
| EMI Amount (including interest) | 1.20 |
| Tenor | 24 months |
| Amount Outstanding as on September 30, 2017 | 18.68 |

**14. Loan of Rs. 46.50 Lakhs from Tata Capital Limited on March 23, 2017** *(Rs. in lakhs)*

| Nature of Facility | Term Loan |
|---|---|
| Loan Amount | 46.50 |
| EMI Amount (including interest) | 2.29 |
| Tenor | 24 months |
| Amount Outstanding as on September 30, 2017 | 35.64 |

## STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Equity Shares are listed on the SME Platform of BSE Ltd. with effect from July 14, 2015 with ISIN INE563S01011. As our Equity Shares are actively traded on the Stock Exchange, our Company's stock market data have been given separately for BSE (BSE Code: 539223). There is no change in capital structure since the date of listing of shares of our company i.e. July 14, 2015.

The high and low prices recorded on the Stock Exchanges for the preceding last three years (since the shares of the company were listed and traded on July 14, 2015) and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

| Year | High (Rs.) | Date of High | Volume on date of high (no. of shares) | Low (Rs.) | Date of Low | Volume on date of low (no. of shares) | Average price for the period / year (Rs.) |
|---|---|---|---|---|---|---|---|
| 2015-2016 (From July14, 2015 i.e date of Listing) | 68.7 | February 22, 2016 | 3000 | 39.90 | August 24, 2015 | 6,000 | 53.00 |
| 2016-17 | 80 | February 1, 2017 | 3,000 | 23.00 | May 23, 2016 | 84,000 | 50.82 |
| 2017-2018 (till November 3, 2017) | 77.80 | May 4, 2017 | 18,000 | 46 | August 9, 2017 | 9,000 | 56.39 |

*Source: www.bseindia.com*
*Average price for the period / year is computed based on the number of days shares were traded during the period / year*

The details relating to the high and low prices recorded on the Stock Exchanges for the six months preceding the date of filing of this Draft Red Herring Prospectus, the volume of Equity Shares traded on the days the high and low prices were recorded, average price of our Equity Shares during each such month, the volume of Equity Shares traded during each month and the average number of Equity Shares traded during such trading days, are stated below:

| Month | High (Rs.) | Date of High | Volume on date of high (no. of shares) | Low (Rs.) | Date of Low | Volume on date of low (no. of shares) | Average price for the month (Rs.) | Volume of (no. of shares) | No. of Trading Days | Average no. of shares traded during trading days |
|---|---|---|---|---|---|---|---|---|---|---|
| May | 77.80 | May 04, | 18000 | 47.45 | May 10, | 4500 | 55.93 | 85500 | 11 | 7773 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 2017 | | | 2017 | | | | | |
| June | 65 | June 22, 2017 | 9000 | 55 | June 16, 2017 | 2250 | 59.11 | 42750 | 8 | 5344 |
| | | June 23, 2017 | 2250 | | | | | | | |
| July | 70 | July 11, 2017 | 4500 | 51 | July 18, 2017 | 15750 | 59.33 | 33750 | 6 | 5625 |
| August | 57 | August 30, 2017 | 2250 | 46 | August 09, 2017 | 9000 | 53.48 | 31500 | 5 | 6300 |
| September | 65.05 | September 06, 2017 | 31500 | 48.05 | September 20, 2017 | 0 | 56.06 | 150750 | 11 | 13704.55 |
| October | 56.50 | October 3, 2017 | 4500 | 47.00 | October 25, 2017 | 4500 | 52.66 | 49500 | 8 | 6187.50 |
| | | | | | October 27, 2017 | 15750 | | | | |

*Source: www.bseindia.com*

*Average price for the period / year is computed based on the number of days shares were traded during the period / year*

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The closing price was Rs.53.00 on BSE on 31st July 2017*, the immediate trading day following the day on which Board of Directors of our company approved the Offer, subject to the approval of shareholders.

The closing price was Rs.57.00 on BSE on 30th August 2017, the immediate trading day following the day on which shareholders approved the Offer.

*There was no trading after the date on which the resolution of the board of directors and shareholder resolution approving the issue were passed hence the immediate trading day post passing of resolution had been taken.

The details relating to the weekly high, low and closing prices recorded on the Stock Exchanges during the immediate previous four weeks is as under:

| Week ending | Closing (Rs.) | High (Rs.) | Date of high | Low (Rs.) | Date of Low |
|---|---|---|---|---|---|
| November 3, 2017* | 54.00 | 54.00 | November 2, 2017 | 50.90 | October 31, 2017 |
| October 27, 2017 | 50.00 | 55.95 | October 26, 2017 | 47.00 | October 25 and October 27, 2017 |
| October 20, 2017** | Nil | Nil | Nil | Nil | Nil |
| October 13, 2017** | Nil | Nil | Nil | Nil | Nil |

*Since no trading took place on November 3, 2017 we have considered closing price of the preceding trading day i.e. November 2, 2017, **No trading took place in the reporting weeks.

## SECTION VI – LEGAL AND OTHER INFORMATION
## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, Subsidiaries or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on July 26, 2017 determined that outstanding dues to creditors in excess of Rs. 5 lakhs as per last audited financial statements shall be considered as material dues ("Material Dues").

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered 'material' for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds Rs. 5 lakhs as determined by our Board, in its meeting held on July 26, 2017.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered 'material' only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to contrary, the information provided is as of date of this Prospectus.

# LITIGATIONS INVOLVING OUR COMPANY

## LITIGATIONS AGAINST OUR COMPANY

### Criminal Litigations

Nil

### Civil Proceedings

Nil

**Taxation Matter**

1. **FOR AY 2012-13**

Ambition Mica Limited (hereinafter referred to as "**the Assessee Company**") filed its return of income (loss) of Rs. (-) 83,44,918/- for the AY 2012-13 on September 18, 2012. However, an Assessment Order dated January 31, 2015 was passed by the Deputy Commissioner of Income Tax, Circle-1(1)(1) (hereinafter referred to as "**the Assessing Authority**") declaring the total loss of the Assessee Company to Rs. (-) 78,88,609/-. An Appeal bearing reference no. CIT (A)-1/DCIT Cir-1(1)(1)/648/2014-15 was filed by the Assessee Company before the Commissioner of Income Tax (Appeals)-1 (hereinafter referred to as "**the Appellate Authority**"). The Appellate Authority, passed an order under Section 143(3) of the Income Tax Act, 1961 (hereinafter referred to as "the Act") dated November 18, 2015 partly allowed the appeal. The matter is currently pending for issuance of demand notice.

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Proceedings against Our Company for economic offences/securities laws/ or any other law**

Nil

**Penalties in Last Five Years**

Nil

**Pending Notices against our Company**

Nil

**Past Notices to our Company**

Nil

**Disciplinary Actions taken by SEBI or stock exchanges against Our Company**

Nil

**Defaults including non-payment or statutory dues to banks or financial institutions**

Nil

**Details of material frauds against the Company in last five years and action taken by the Companies.**

Nil

**LITIGATIONS FILED BY OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law**

Nil

## LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY

### LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Directors**

Nil

**Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law**

Nil

**Directors on list of wilful defaulters of RBI**

Nil

### LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

## LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY

### LITIGATIONS AGAINST OUR PROMOTER/S

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

**VELJIBHAI PATEL**

1. **FOR AY 2008-09**

The Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand raised on March 04, 2010 under Section 143(1) of the Income Tax Act, 1961 (hereinafter referred to as the "Act") under Section 245 of the Act against Velsons Laminate Private Limited (hereinafter referred to as the "Assessee) for an outstanding demand amounting to Rs.1,423/-. The amount is currently outstanding.

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Promoters**

Nil

**Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years**

Nil

**Penalties in Last Five Years**

Nil

**Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past.**

Nil

**Adverse finding against Promoter for violation of Securities laws or any other laws**

Nil

**<u>LITIGATIONS FILED BY OUR PROMOTER/S</u>**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

# LITIGATIONS INVOLVING OUR GROUP COMPANIES

## LITIGATIONS AGAINST OUR GROUP COMPANIES

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

**VELSONS LAMINATE PRIVATE LIMITED**

1. **FOR AY 2011-12**

The Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand raised on January 08, 2016 under Section 143(1)a of the Income Tax Act, 1961 (hereinafter referred to as the "Act") under Section 245 of the Act against Velsons Laminate Private Limited (hereinafter referred to as the "Assessee) for an outstanding demand amounting to Rs.7,910/-. The amount is currently outstanding.

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Group Companies**

Nil

**Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies**

Nil

**Adverse finding against Group Companies for violation of Securities laws or any other laws**

Nil

## LITIGATIONS FILED BY OUR GROUP COMPANIES

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

# LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES

## LITIGATIONS AGAINST OUR SUBSIDIARY COMPANIES

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Subsidiaries**

Nil

**Proceedings initiated against our Subsidiaries for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Subsidiaries**

Nil

**Adverse finding against Subsidiaries for violation of Securities laws or any other laws**

Nil

## LITIGATIONS BY OUR SUBSIDIARIES

**AS ON DATE OF THIS PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY SUBSIDIARY**

## OTHER MATTERS

Nil

## DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES

Nil

## OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

Nil

## MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter — "Management Discussion and Analysis of Financial Condition and Result of Operation" on page 222 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

## OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As of March 31, 2017, our Company had 70 creditors, to whom a total amount of Rs. 5,839.16 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated July 26, 2017 considered creditors to whom the amount due exceeds Rs. 5.00 lakhs as per our Company‘s restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

| | Creditors | Amount (Rs. in Lakhs) |
|---|---|---|
| 1. | ANAND TIBMER MART | 880.70 |
| 2. | METRO LAMINATES | 494.33 |
| 3. | RELIANCE PLYWOOD CORPORATION | 410.06 |
| 4. | MARUTI SALES | 319.81 |
| 5. | FINE MART ENTERPRISES | 236.78 |
| 6. | SURFACE DEKOR (INDIA) PVT LTD | 235.21 |
| 7. | SHREEJI TIMBERS | 196.51 |
| 8. | SAI PLY PVT LTD | 190.92 |
| 9. | KRISHNA LAMINATES | 184.99 |
| 10. | MAYUR MARKETING | 152.42 |
| 11. | WOOD MALL | 150.97 |
| 12. | SHREE GANESH ENTERPRISES | 141.68 |
| 13. | SHIV MARKETING | 129.61 |
| 14. | DESIGNER LAMINATES | 120.96 |
| 15. | SIDDHARTHA BEEDING CENTRE | 114.92 |
| 16. | PREM LAMINATES | 112.29 |
| 17. | S B SALES CORPORATION | 102.59 |
| 18. | PANCHVATI TIMBER MART | 95.54 |
| 19. | SILICON MARKETING | 94.98 |
| 20. | AUROSHREE ENTERPRISES (P) LTD | 88.07 |
| 21. | POKARBHAI & BROTHERS | 70.57 |
| 22. | KABIR SALES | 68.83 |
| 23. | OM TRADERS | 66.51 |
| 24. | OLIA LUMBERS | 63.68 |
| 25. | VELSONS LAMINATE PVT LTD (SALES) | 63.10 |
| 26. | SHREE RAMDEV LAMINETES | 58.07 |
| 27. | SUPER SALES CORPORATION | 56.35 |
| 28. | SURFACE DECOR | 51.83 |
| 29. | H K MARKETING | 51.41 |
| 30. | M/S DEVARIDH DECOR CORPORATION | 50.13 |
| 31. | MARUTI ENTERPRISE | 49.86 |
| 32. | VENUS TIMBER & PLYWOOD | 48.22 |
| 33. | KESAR MARKETING | 40.53 |
| 34. | PLY HOME | 40.17 |
| 35. | SHIVA PLYWOOD | 39.72 |
| 36. | SHRI LAXMI LAM PLY | 38.06 |
| 37. | SHREE KRISHNA LAMINATES (BHOPAL) | 35.75 |
| 38. | DURGA TIMBER MART | 35.53 |
| 39. | J K LAMINATES | 29.99 |

| | Creditors | Amount (Rs. in Lakhs) |
|---|---|---|
| 40. | PRAGATI POLYMERS | 29.39 |
| 41. | AMBITION MICA LTD (SALES) | 29.17 |
| 42. | SHIVAM TRADERS (RAJ) | 28.50 |
| 43. | SHREE GANESH PLYWOOD | 23.77 |
| 44. | DEV & CO | 23.41 |
| 45. | SRI BALAJI MARKETING | 22.74 |
| 46. | SRI GANESH ENTERPRISES | 21.27 |
| 47. | SHIVAM LAMINATES | 20.77 |
| 48. | LAMINATE HOUSE | 19.00 |
| 49. | SHREEJI WOODCRAFT PVT LTD | 16.83 |
| 50. | OM ENTERPRISES | 16.50 |
| 51. | A K SALES CORPORATION | 14.89 |
| 52. | KESHRIYA LAMINATE | 12.88 |
| 53. | MAHESHWARI PLYWOOD & LAMINATES | 12.63 |
| 54. | MATOSHRI TRADING COMPANY | 10.49 |
| 55. | KONNARK INDUSTIRES | 10.35 |
| 56. | NAVRATNA LAMINATES | 10.16 |
| 57. | GOEL PLYWOOD | 9.44 |
| 58. | SRI JAGDAMBA PLYWOOD AGENCY | 8.93 |
| 59. | G P TRADING CO | 8.93 |
| 60. | MAHESHWARI TRADERS | 8.71 |
| 61. | KRISHNA LAM | 8.60 |
| 62. | A K TRADERS | 8.49 |
| 63. | M M ENTERPRISES | 7.61 |
| 64. | V K PATEL & CO | 7.18 |
| 65. | LAABH DECOR | 6.98 |
| 66. | NEW BALAJI PLY | 6.94 |
| 67. | PRABHAT PLYWOOD CENTER | 6.59 |
| 68. | SRI TIRUPATI LAMINATES | 6.00 |
| 69. | SAURASHTRA HARDWARE & PLYWOOD | 5.25 |
| 70. | SRI VENKATESHWARA SAW MILL | 5.08 |

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see website of our Company www.ambitionmica.com.

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.ambitionmica.com , would be doing so at their own risk.

## GOVERNMENT AND STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business *manufacturers of mid segment decorative laminates and door skins*, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer chapter "Key Industry Regulations and Policies" on page 132 of this Prospectus.

The Company has its business located at:

**Registered Office:** Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330, Gujarat

**Manufacturing Unit:** Plot No. 309, Vehlal Road, Village Zak, Ta. Dahegam Dist. Gandhinagar

**Warehouse:** 306, Village Zak, Ta. Dahegam Dist. Gandhinagar

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### APPROVALS FOR THE ISSUE

#### Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on July 26, 2017, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting/Annual General Meeting held on August 19, 2017 authorized the Issue.

#### In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated November 3, 2017 bearing reference no. DCS/IPO/KS/IP/623/2017-18.

#### Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated April 8, 2015 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is, Karvy Computershare Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated April 8, 2015 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Karvy Computershare Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number ("ISIN") is INE563S01011.

### INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated March 19, 2010 issued by the Registrar of Companies, Gujarat, Dadra Nagar Haveli, Ahmedabad, in the name of "AMIBTION MICA PRIVATE LIMITED".

2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on March 25, 2015 by the Registrar of Companies, Ahmedabad in the name of "AMIBTION MICA LIMITED".
3. The Corporate Identification Number (CIN) of the Company is U25202GJ2010PLC059931.

**APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES**

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

| Sr. No. | Description | Authority | Registration No./ Reference No./ License No. | Date of Issue | Date of Expiry |
|---|---|---|---|---|---|
| 1 | Certificate of Importer-Exporter Code (IEC) | Foreign Trade Development Officer, Ministry of Commerce and Industry, Government of India | 0810010470 | August 05, 2010 | In case of change in name/address or constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority. |
| 2 | Udyog Aadhar Memorandum/ Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit | District Industries Centre, Gandhinagar | EM22400612001652 | Date of issue of original: April 01, 2011<br>Date of Amendment: June 20, 2015 | NA |
| 3 | License to work a factory (under Factories Act, 1948 and Rules made thereunder) | Industrial Safety and Health, Gandhinagar | Registration No.: 1129/26991/2011<br>License No.: 18561 | Date of Issue : March 25, 2016<br><br>Effective date : April 02, | December 31, 2020 |

| | | | | | |
|---|---|---|---|---|---|
| | | | | 2011 | |
| 4 | Bureau of Indian Standards Certification Marks License as per IS 2046:1995 | Bureau of Indian | CM/L-3792377 | January 13, 2015 | January 12, 2016 |

**TAX RELATED APPROVALS/LICENSES/REGISTRATIONS**

| Sr. No. | Authorisation granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---|---|---|---|---|---|
| 1 | Permanent Account Number (PAN) | Income Tax Department, Government of India | AAICA4724A | April 23, 2015 | Perpetual |
| 2 | Tax Deduction Account Number (TAN) | Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India | AHMA09702A | Not traceable | Perpetual |
| 3 | Goods and Service Tax Identification Number (GSTIN) | Government of Gujarat and Government of India | 24AAICA4724A1Z9 | June 25, 2017 | NA |
| 3 | Certificate of Registration<br>(under Section 21 of Gujarat Value Added Tax, 2003 read with Rule 6 of the Gujarat Value Added Tax Rules, 2006) | Commissioner of Commercial Tax, | 24072602909 | Date of Issue : November 30, 2016<br><br>Effective date : May 06, 2010 | Valid until cancellation |
| 4 | Certificate of Registration of Service Tax<br>(under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994) | Central Board of Excise and Customs, Ministry of Finance, Department of Revenue | AAICA4724ASD001 | Date of Issue: March 28,2011<br><br>Date of last amendment: October 23, 2015 | Valid until cancellation |

| Sr. No. | Authorisation granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---|---|---|---|---|---|
| 5 | Certificate of Registration Central Sales Tax<br>(Under Rule 5(1) of Central Sales Tax ( Registration and Turnover) Rules, 1957) | Commissioner of Commercial Tax, Unit -15 | 24572602909 | Date of Issue : November 30, 2016<br>Effective date : May 11, 2010 | Valid until cancellation |
| 6 | Central Excise Registration Certificate<br>(under Rule 9 of the Central Excise Rules, 2002) | Assistant Commissioner of Central Excise, Gandhinagar | AAICA4724AEM001 | Date of Certificate: September 01, 2010<br>Date of last amendment: May 28, 2015 | Valid until cancellation |
| 7 | Professional Tax Enrollment Certificate (PTEC)<br>(under section 5(2) of Gujarat Panchayats, Muncipalities, Municipal Corporations And State Tax On Professions, Traders, Callings and Employments Act, 1976) | Amdavad Municipal Corporation, Profession Tax Department | PEC010234001967 | February 20, 2016 | NA |
| 8 | Professional Tax Registration Certificate (PTRC)<br>(under section 5(1) of Gujarat Panchayats, Muncipalities, Municipal Corporations And State Tax On Professions, Traders, Callings and Employments | Amdavad Municipal Corporation, Profession Tax Department | PRC010234000045 | January 03, 2017 | NA |

| Sr. No. | Authorisation granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---|---|---|---|---|---|
| | Act, 1976) | | | | |

**LABOUR RELATED APPROVALS/REGISTRATIONS**

| Sr. No. | Description | Authority | Registration No./Reference No./License No. | Date of Issue |
|---|---|---|---|---|
| 1. | Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952) | Assistant Provident Fund Commissioner, Sub Regional Office, Naroda. | GJ/PFC/NRD/62246ENF/1557 | July 01, 2011 |
| 2 | Registration under the Contract Labour (Regulation and Abolition) Act, 1970 | Assistant Labour Commissioner and Registering Officer, Contract Labour (Regulation and Abolition) Act, 1970, Ahemdabad | DLC/AD/ALC-3/Reg/60/2015/14849 | April 09, 2015 |

**ENVIRONMENT RELATED LICENSES /APPROVALS/ REGISTRATIONS**

| Sr No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| 1 | Consent to Operate issued by State Pollution Control Board Under section 25 of the Water (Prevention &Control of Pollution) Act, 1974 & Under section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 5 of the Hazardous Wastes | Gujarat Pollution Control Board | AWH-85242 | April 11, 2017 | March 16, 2022 |

| Sr No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| | (Management, handling & Transboundary movement) Rules 2008 | | | | |
| 2 | Clearance for Electrical Insulation Board and H.P. Decorative Laminated Sheets | Government of India, Ministry of Environments and Forests | F No. J-11011/250/2010-IA II(I) | October 11, 2011 | NA |

**OTHER BUSINESS RELATED APPROVALS**

| Sr No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| 1 | License for purchase, possession and use of Methyl Alcohol under the Bombay Prohibition Act, 1949 | Superintendent of Prohibition and Excise | M. A.-1, Licence No. 1/17-19 | April 01, 2017 | March 31, 2019 |
| 2 | Certificate for use of Boiler under the Indian Boiler Act, 1923 | Assistant Director of Boilers, Ahmedabad | GT-6639 | Date of issue: March 31, 2017<br>Effective from: April 01, 2017 | March 31, 2018 |
| 3 | Certificate for use of Boiler under the Indian Boiler Act, 1923 | Assistant Director of Boilers, Ahmedabad | GT-5195 | Date of issue: March 31, 2017<br>Effective from: April 01, 2017 | March 31, 2018 |
| 4 | Quality Management Certificate | WRG Certifications | Certificate No.: QMS-XX-XVI-V-1133<br>DI-26.82 | May 26, 2016 | May 25, 2019 |

| Sr No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| | ISO 9001:2015 | | | | |
| 5 | Acceptance of LUT | Office of the Assistant Commissioner of Central Excise | V.48, 76 & 85/LUT-96/Intraaction/GNR/2016-17 | January 06, 2017 | January 05, 2018 |
| 6 | Registration-Cum-Membership Certificate | Federation of Indian Export Organisations | AHD/132/2016-17 | April 18, 2017 | March 31, 2018 |

**INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS**

**TRADEMARKS**

| Sr. No. | Trademark | Trademark Type | Class | Applicant | Application No. | Date of Application | Validity/ Renewal | Registration status |
|---|---|---|---|---|---|---|---|---|
| 1. | LUXURY Luxury | DEVICE | 19 | Ambition Mica Private Limited | 1972126 | May 28, 2010 | OBJECTED | OBJECTED |
| 2. | BEAUTIQUE BEAUTIQUE | WORD | 19 | Ambition Mica Private Limited | 2154294 | June 03, 2011 | June 03, 2021 | REGISTERED |
| 3. | SPEAK LAM SPEAK LAM | WORD | 19 | Ambition Mica Private Limited | 2154293 | June 03, 2011 | June 03, 2021 | REGISTERED |
| 4. | BELEZA BELEZA | WORD | 19 | Ambition Mica Private Limited | 2305889 | March 26, 2012 | March 26, 2022 | REGISTERED |
| 5. | DOOR NATION | WORD | 19 | Ambition Mica Private Limited | 2926850 | March 21, 2015 | - | OBJECTED |
| 6. | VISUAL | WORD | 19 | Ambition Mica Private Limited | 2926848 | March 21, 2015 | - | OBJECTED |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 7. | VELSON* VELSON | DEVICE | 19 | M/S. Venus Ply Industries | 1739426 | October 01, 2008 | October 01, 2018 | REGISTERED |
| 8. | DOOR TOUCH* DOOR TOUCH | DEVICE | 19 | M/S. Venus Ply Industries | 1739932 | October 03, 2008 | October 01, 2018 | REGISTERED |
| 9. | ANTIQUE* ANTIQUE | DEVICE | 19 | M/S. Venus Ply Industries | 1731636 | September 12, 2008 | September 12, 2018 | REGISTERED |
| 10. | MICRO TOUCH* MICRO TOUCH | DEVICE | 19 | M/S. Venus Ply Industries | 1731637 | September 12, 2008 | September 12, 2018 | REGISTERED |
| 11. | ARTLAM* Artlam | DEVICE | 19 | M/S. Venus Ply Industries | 1972125 | May 28, 2010 | May 28, 2020 | REGISTERED |

1. *The "Velson" trademark assignment application was made to transfer the TM from M/S. Venus Ply Industries to Ambition Mica Private Limited in August, 2013. A deed of Assignment is signed between M/s Venus Ply Industries and Ambition Mica Limited dated August 16, 2013 wherein the aforesaid mentioned trademark is being assigned to Ambition Mica Limited by M/s Venus Ply Industries for the remaining term of the trademark.*
2. *For the "Micro Touch" trademark, the Agent of the Company has filed an application in Form TM-24 to assign the trademark from M/S. Venus Ply Industries to Ambition Mica Private Limited. A deed of Assignment is signed between M/s Venus Ply Industries and Ambition Mica Limited dated August 16, 2013 wherein the aforesaid mentioned trademark is being assigned to Ambition Mica Limited by M/s Venus Ply Industries for the remaining term of the trademark.*
3. *For the "Door Touch" trademark, the Agent of the Company has filed an application in Form TM-24 to assign the trademark from M/S. Venus Ply Industries to Ambition Mica Private Limited. A deed of Assignment is signed between M/s Venus Ply Industries and Ambition Mica Limited dated August 16, 2013 wherein the aforesaid mentioned trademark is being assigned to Ambition Mica Limited by M/s Venus Ply Industries for the remaining term of the trademark.*
4. *For the "Artlam" trademark, the Agent of the Company has filed an application in Form TM-24 to assign the trademark from M/S. Venus Ply Industries to Ambition Mica Private Limited. A deed of Assignment is signed between M/s Venus Ply Industries and Ambition Mica Limited dated August*

*16, 2013 wherein the aforesaid mentioned trademark is being assigned to Ambition Mica Limited by M/s Venus Ply Industries for the remaining term of the trademark.*

5. *For the "Antique" trademark, the Agent of the Company has filed an application in Form TM-24 to assign the trademark from M/S. Venus Ply Industries to Ambition Mica Private Limited. A deed of Assignment is signed between M/s Venus Ply Industries and Ambition Mica Limited dated August 16, 2013 wherein the aforesaid mentioned trademark is being assigned to Ambition Mica Limited by M/s Venus Ply Industries for the remaining term of the trademark.*

*Further, application for the following trademarks have been refused by the trademark registry and no further application has been made by the Company:*

1. *Dzire*
2. *Havmore*
3. *Texas*

**Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.**

**MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY**

1. Registration Certificate of Establishment
2. Registration for Employee State Insurance

## 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 July 26, 2017 and by the shareholders of our Company by a special resolution through Postal Ballot dated August 19, 2017.

We have received in-principle approval from the Stock Exchange for the listing of our Equity Shares pursuant to letter no DCS/IPO/SM/IP/480/2016-17 dated November 3, 2017.

### PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoter, our Directors, our Promoter Group and natural persons behind our promoters, 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 Promoter, our Directors or persons in control of our Company are / were associated as promoter, 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 Promoter, or the relatives (as defined under the Companies Act) of our Promoter 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.

### ELIGIBITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital 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 Book Running Lead Managers 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 56 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, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under 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 Book Running Lead Managers 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 BRLMs 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 56 of this Prospectus.

5. The Company has a website http://www.ambitionmica.com/

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 BOOK RUNNING LEAD MANAGERS, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED AND SIDBI 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 FURTHER 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 BOOK RUNNING LEAD MANAGERS, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED AND SIDBI, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE/ AND SHALL ALSO BE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE BEFORE REGISTERING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF ISSUE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.**

**"WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGERS 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 DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
   A. **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE EXCHANGE / BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE FURTHER ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

C. **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED FURTHER 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 DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.– NOTED FOR COMPLIANCE**

5. **WE CERTIFY THAT WRITTEN 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 DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING 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.**

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 DRAFT RED HERRING 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 DRAFT RED HERRING 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-NOTED FOR COMPLIANCE**

16. **WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN "ANNEXURE A"**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."** ***COMPLIED TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE*** **DRAFT RED HERRING PROSPECTUS**

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT**

**BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

**(1) "WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

**(2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**

**(3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**

**(4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**

**(5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS. – NOT APPLICABLE**

**(6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

**(7) WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE DRAFT RED HERRING PROSPECTUS\ RED HERRING PROSPECTUS / PROSPECTUS WITH THE REGISTRAR OF COMPANIES OR LETTER OF OFFER WITH SME EXCHANGE.**

**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 Book Running Lead managers 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, Bengaluru, Karnataka in terms of Section 26, 30 and 32 of the Companies Act, 2013.

## DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGERS

Our Company, our Directors and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued

by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.ambitionmica.com would be doing so at his or her own risk.

**Caution**

The Book Running Lead Managers accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Book Running Lead Managers and our Company dated September 9, 2017 , the Underwriting Agreement dated October 3, 2017 entered into among the Underwriter and our Company and the Market Making Agreement dated October 3, 2017 entered into among the Market Maker, Book Running Lead Managers and our Company.

Our Company and the Book Running Lead Managers 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 Book Running Lead Managers 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 and SIDBI are not an 'associate' of the Company and is eligible to Book Running Lead Managers 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** Book **Running Lead Managers 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 BOOK RUNNING LEAD MANAGERS

For details regarding the price information and track record of the past issue handled by M/s Pantomath Capital Advisors Private Limited and SIDBI, 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 Book Running Lead Managers at www.pantomathgroup.com and www.sidbi.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 Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the draft Red Herring Prospectus has been filed with BSE for its observations and BSE gave 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 November 3, 2017 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 promoter, 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 Draft Red Herring Prospectus has not been filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3) of SEBI (ICDR) Regulations. However, a copy of the Red Herring Prospectus ha been filed and Prospectus shall be filed with Western Regional Office of SEBI at Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad - 380 009, Gujarat, India. The Offer Document has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3).Also, a copy of the RHP has been filed and Prospectus shall be filed with SEBI at Unit No:

002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad - 380 009, Gujarat, India.

## LISTING

The equity shares of our Company got listed on the SME Exchange of BSE on July 14, 2015 pursuant to the Initial Public Issue (IPO) .Total capital of Rs 429.60 Lakhs comprised of fresh issue of 10,74,000 Equity Shares of face value of Rs 10/- each for cash at a premium of Rs 30/- Per Share.

Application for further issue of capital 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 Red Herring Prospectus and Prospectus *vide* its letter dated November 3, 2017.

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 of the offered shares mentioned above are taken within six Working Days from the Issue Closing Date

## CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, the Statutory Auditor and the Peer Reviewed Auditor, the Bankers to the Company; and (b) Book Running Lead managers, Underwriter, Market Maker, Registrar to the Issue, Public Issue Banker(s)/ Banker to the Issue and Refund Banker to the Issue, Legal Advisor, Syndicate Members to the Issue, to act in their respective capacities have been obtained and is filed along with a copy of the Red Herring Prospectus with the RoC, as required under sections 26(4) of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus for registration with the RoC. Our Peer Reviewed Auditor have given their written consent to the inclusion of their report in the form and context in which it appears in the Red Herring Prospectus and 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

M/s. N.K. Aswani & Co. Chartered Accountants, have provided their written consent for the inclusion of the report on the restated consolidated and standalone financial statements in the form and context in which it will appear in the Draft Red Herring Prospectus /Red Herring Prospectus and Prospectus and the statement of tax benefits included on page 99 respectively, and to be named as an expert in relation hereto, and such consent has not been withdrawn at the time of delivery of Red Herring Prospectus and this Prospectus to Stock Exchange. Except the report of the Peer Reviewed Auditor our Company has not obtained any other expert opinion.

## 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 90 of this Red Herring Prospectus.

## DETAILS OF FEES PAYABLE

**Fees Payable to the Book Running Lead Managers**

The total fees payable to the Book Running Lead Managers will be as per the Mandate Letter issue by our Company to the Book Running Lead Managers, 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 September 28,2017 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

**Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Book Running Lead Managers. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

## PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

The equity shares of our Company are listed on SME exchange of BSE Ltd. We have made public issue in the year 2015 and post that became a "Listed Issuer" in terms of the SEBI (ICDR) Regulations and this Issue is a "Further Public Offering" in terms of the SEBI (ICDR) Regulations.

The Company has made the following public issues in the five years preceding the date of this Prospectus.

| Sl. No. | Closing Date | Date of Allotment | Date of Refunds | Date of listing on the designated stock exchange | Issue at a premium or discount | Amount of premium |
|---|---|---|---|---|---|---|
| 1 | June 30, 2015 | July 10, 2015 | July 10, 2015 | July 14, 2015 | Premium | Rs. 30\- per share |

The total proceeds from the Initial Public issue of Equity Shares aggregated approximately Rs. 142.80 Lakhs. The issue opened on June 23, 2015 and closed on June 30, 2015.The proceeds of the issue were applied towards the objects of the issue as stated in the Prospectus dated June 16, 2015 i.e. Procurement of new technology, Working capital requirements and Meet Issue Expenses. There were no deviations from the objects on which the issue proceeds were utilised.

## PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled *"Capital Structure"* beginning on page 69 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

In the IPO, SCSBs were entitled to a processing fee of Rs. 10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, was 0.01% on the Allotment Amount# or Rs 100/- whichever is less on the Applications wherein shares are allotted.

## 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 group companies have raised any capital during the last 3 years preceding the date of this Prospectus.

## PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

The objects of the IPO in 2015 was requirement for working capital, General corporate purpose and Issue Expenses. Consequently there has not been any non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issue of the Company.

## OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## STOCK MARKET DATA FOR OUR EQUITY SHARES

For details kindly refer chapter titled *"Stock Market Data for Equity Shares"* of the Company beginning on page 238 of this Prospectus.

## 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 March 28, 2015. For further details, please refer to the chapter titled "*Our Management*" beginning on page 149 of this Prospectus .

Our Company has appointed Gauravkumar Jani *as* Compliance Officer and he may be contacted at the following address:

**Gauravkumar Jani**
Shop No.10, Ground Floor, Raghav Residency
Opp. Naroda G.E.B., Dehgam Road, Naroda
Ahmedabad – 382330, Gujarat.
**Tel:** +91 7929292629
**Fax : NA**
**Email:** cs@ambitionmica.com
**Website:** www.ambitionmica.com
**Corporate Identification Number:** L25202GJ2010PLC059931

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

No Changes in Auditors have been done in last three financial years

## CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 69 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

## REVALUATION OF ASSETS

Our Company has not revalue its assets since incorporation.

## PURCHASE OF PROPERTY

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

## SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## SECTION VII- ISSUE INFORMATION

## TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 1, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

### RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 325 of this Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled *"Dividend Policy"* on page 171 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 at the lower end of Price Band is Rs. 40 per Equity Share and at the higher end of the Price Band is Rs. 42 per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLMs and advertised in all edition of the English national newspaper Business Standard, all edition of the Hindi national newspaper Business Standard and the Regional newspaper Western Times, each with wide circulation, at least one Working Day prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the

Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

## COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 325 of this Prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated April 8, 2015 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated April 8, 2015 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is 3,000 Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 3,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3,000 Equity Share subject to a minimum allotment of 3,000 Equity Shares to the successful applicants.

## MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or**

**to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

## NOMINATION FACILITY TO BIDDERS

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or

b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLMs, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Managers through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final

RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

## BID/ ISSUE OPENING DATE

| | |
|---|---|
| Bid / Issue Opening Date | November 16, 2017 |
| Bid / Issue Closing Date | November 21, 2017 |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | November 24, 2017 |
| Initiation of Refunds | On or before November 27, 2017 |
| Credit of Equity Shares to demat accounts of Allottees | On or before On or before November 27, 2017 |
| Commencement of trading of the Equity Shares on the Stock Exchange | November 29, 2017 |

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLMs. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Managers to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Managers is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Prospectus is Indian Standard Time.

Our Company in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

**In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Member.**

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

## MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P(1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of BSE from SME Exchange on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to 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.*

*OR*

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

## MARKET MAKING

The shares issued and transferred through this Issue are proposed to be listed on the EMERGE Platform of BSE with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on BSE SME. For further details of the market making arrangement please refer to chapter titled *"General Information"* beginning on page 56 of this Prospectus.

## ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 3,000 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 BSE SME.

## 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 FPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/ RBI while granting such approvals.

## OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

## NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

## RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 69 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 325 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 Book Running Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Managers 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 Draft Red herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

## ISSUE STRUCUTRE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, our post issue face value capital does not exceed ten crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the 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 268 and 276 of this Prospectus.

**Following is the issue structure:**

Further Public Issue of 30,00,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 42 (including a premium of Rs. 32) aggregating to Rs. 1260.00 lacs]. The Issue comprises a Net Issue to the public of up to 28,44,000 Equity Shares (the "Net Issue"). The Issue and Net Issue will constitute 20.10% and 19.60% of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of 1,56, 000 Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

| Particulars | Net issue to Public* | Market Maker Reservation Portion |
|---|---|---|
| **Number of Equity Shares** | 28,44,000 Equity Shares | 1,56,000 Equity Shares |
| **Percentage of Issue Size available for allocation** | 94.80% of Issue Size | 5.20% of Issue Size |
| **Basis of Allotment / Allocation if respective category is oversubscribed** | Proportionate subject to minimum allotment of 3,000 equity shares and further allotment in multiples of 3,000 equity shares each. For further details please refer to the section titled *"Issue Procedure"* beginning *on* page 276 of the Prospectus | Firm allotment |
| **Mode of Bid cum Application** | All Applicants/Bidders shall make the application (Online or Physical through ASBA Process only) | Through ASBA Process only |
| **Minimum Bid Size** | ***For QIB and NII***<br>Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application size exceeds Rs 2,00,000<br>***For Retail Individuals***<br>3,000 Equity shares | 1,56,000 Equity Shares of Face Value of Rs. 10.00 each |
| **Maximum Bid Size** | ***For Other than Retail Individual Investors:***<br>For all other investors the maximum application size is the Net Issue to public subject to limits as the investor has to adhere under the relevant laws and regulations as applicable.<br>***For Retail Individuals:***<br>3,000Equity Shares | 1,56,000 Equity Shares of Face Value of Rs 10 each |
| **Mode of Allotment** | Compulsorily in Dematerialised mode | Compulsorily in Dematerialised mode |
| **Trading Lot** | 3,000 Equity Shares | 3,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as |

| Particulars | Net issue to Public* | Market Maker Reservation Portion |
|---|---|---|
| | | required under the SEBI ICDR Regulations |
| **Terms of payment** | The entire Bid Amount will be payable at the time of submission of the Bid Form | |

*allocation in the net offer to public category shall be made as follows:
(a) minimum fifty per cent to retail individual investors; and
(b) remaining to:
(i) individual applicants other than retail individual investors; and
(ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
(c) the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

For the purpose of sub-regulation 43 (4), *if the retail individual investor category is entitled to more than fifty per cent. on proportionate basis, the retail individual investors shall be allocated that higher percentage.* In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLMs, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Managers through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed .Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## BID/ ISSUE OPENING DATE

| | |
|---|---|
| Bid / Issue Opening Date | November 16, 2017 |
| Bid / Issue Closing Date | November 21, 2017 |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | November 24, 2017 |
| Initiation of Refunds | on or before November 27, 2017 |
| Credit of Equity Shares to demat accounts of Allottees | on or before November 27, 2017 |
| Commencement of trading of the Equity Shares on the Stock Exchange | on or before November 29, 2017 |

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., all trading days of stock exchanges excluding Sundays and bank holidays.

## ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document"), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under "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, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus.*

*Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.*

*Bidders are required to submit Bids to the Selected Branches/ Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSB collecting the Bid cum Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by BSE Ltd. to act as intermediaries for submitting Bid cum Application Forms are provided on http://www.bseindia.com For details on their designated branches for submitting Bid cum Application Forms, please see the above mentioned BSE website.*

*Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Bid cum Application Forms.*

### BOOK BUILDING 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 book building process wherein at least 50% of the Net Issue to Public is being issued to the Retail Individual Bidders and the balance shall be issued to QIBs and Non-Institutional Bidders. Further if the retail individual investor category is entitled to more than fifty per cent. on proportionate basis, the retail individual investors shall be allocated that higher percentage. However, if the aggregate demand from the Retail Individual Bidders is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid bids being received from them at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill

over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

## BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLMs, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

| Category | Colour of Bid cum Application Form* |
|---|---|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis | White |
| Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis | Blue |

**excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

## WHO CAN BID?

In addition to the category of Bidders 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.

## Maximum and Minimum Application Size

***a) For Retail Individual Bidders:***

The Bid must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

***b) For Other Bidders (Non-Institutional Bidders and QIBs):***

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.2,00,000 and in multiples of 3,000 Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

## INFORMATION FOR THE BIDDERS

a. Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.

b. Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Managers shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.

c. The Price Band as decided by our Company in consultation with the Book Running Lead Managers is Rs. 42 per Equity Share. The Floor Price of Equity Shares is Rs. 40 per Equity Share and the Cap Price is Rs. 42 per Equity Share and the minimum bid lot is of 3,000 Equity Shares. Our Company shall also announce the Price Band at least one Working Day before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.

d. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the Bid cum Application Forms available on the websites of the stock exchanges.

e. The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the members of the Syndicate.

**The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected**.

## 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.

A single Bid cum 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

## AVAILABILITY OF RED HERRING PROSPECTUS AND BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLMs, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

## PARTICIPATION BY ASSOCIATED/AFFILIATES OF BOOK RUNNING LEAD MANAGERS AND SYNDICATE MEMBERS

The BRLMs 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 BRLMs and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

## APPLICATIONS BY ELIGIBLE NRI'S/ RFPI's ON REPATRIATION BASIS

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLMs, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

## PARTICIPATION BY ASSOCIATED/ AFFILIATES OF BOOK RUNNING LEAD MANAGERS AND SYNDICATE MEMBERS

The BRLMs 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 BRLMs and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

## APPLICATIONS BY ELIGIBLE NRI'S

NRIs may obtain copies of Bid cum Application Form from the offices of the BRLMs and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour)

## BIDS BY FPI INCLUDING FIIs

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client‘ norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

**BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an further public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an further public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund

is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation**.

## BIDS 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 Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids 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.

## BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids 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 Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

## BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;

2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

## BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.

b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.

c) With respect to Bids made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.

d) With respect to Bids 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 Bid cum Application Form

e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the BRLMs may deem fit.

**The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Managers and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus**.

## BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids 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 Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

## BIDS BY BANKING COMPANY

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company‘s investment committee are required to be attached to the Bid cum application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “Banking Regulation Act”), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the

investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

## BIDS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

## ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLMs or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

## TERMS OF PAYMENT

### Terms of Payment

The entire Issue price of Rs. 42 per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### Payment mechanism for Bidders

The Bidders shall specify the bank account number in the Bid cum Application Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum 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 bid cum application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

## SIGNING OF UNDERWRIING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

a) Our Company has entered into an Underwriting agreement dated October 3, 2017.

b) A copy of the Red Herring Prospectus has been filed and Prospectus shall be filed with the RoC in terms of Section 32 and 26 of the Companies Act.

## PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring 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. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

## ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

## GENERAL INSTRUCTIONS

***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
8. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of

the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim 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. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that the Demographic Details are updated, true and correct in all respects;

14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

15. Ensure that the category and the investor status is indicated;

16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online FPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

19. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;

20. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

21. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

22. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Dont's:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit more than five Bid cum Application Forms per ASBA Account;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**BIDS AT DIFFERFENT PRICE LEVELS AND REVISION OF BIDS**

a) Our Company in consultation with the BRLMs, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

b) Our Company in consultation with the BRLMs, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders

c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

## COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders 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 allotment, credit of allotted shares in the respective beneficiary accounts, etc.

## IMPERSONATION

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

***"****Any person who—*

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447."***

## UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is

delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

## UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. 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.
6. The Book Running Lead Managers undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

## EQUITY SHARES IN DEMATERIALSED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a. Agreement dated April 8, 2015 among NSDL, the Company and the Registrar to the Issue;

b. Agreement dated April 8, 2015 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE563S01011.

## 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 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 should rely on their own examination of the Issue and the Issuer, and should carefully read the Red Herring prospectus before investing in the Issue.*

### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders in IPOs, on the processes and procedures governing IPOs and FPOs, 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").

Bidders should note that investment in equity and equity related securities involves risk and Bidder 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 Red Herring Prospectus ("RHP")/Prospectus filed by the Issuer with the Registrar of Companies ("RoC"). Bidders should carefully read the entire RHP/Prospectus and the Bid cum Application Form/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 RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLMs to the Issue and on the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders may refer to the section "Glossary and Abbreviations" as mentioned below.

### SECTION 2: BRIEF INTRODUCTION TO IPOs & FPOs 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. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the DRHP.

#### 2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer. For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

The Issuer may also undertake FPO 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 up to twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

## 2.3 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 (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/ FPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

(a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, issue has to be 100% underwritten and the BRLMs has to underwrite at least 15% of the total issue size.

(b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

(c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issue any observations on the Offer Document. The Book Running Lead Managers shall submit the copy of Red Herring Prospectus and Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus and Prospectus with the Registrar of Companies.

(d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLMs has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the issue.

(e) The company should have track record of at least 3 years

(f) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive

(g) The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crore.

(h) The issuer shall mandatorily facilitate trading in demat securities.

(i) The issuer should not been referred to Board for Industrial and Financial Reconstruction.

(j) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company

(k) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the issuer

(l) The Company should have a website. Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1),

6(2), 6(3), Regulation 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 (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds Rs. 1000 Lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

## 2.4 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 Issues")** or undertake a Fixed Price Issue **("Fixed Price Issues")**. An issuer may mention Price or Price Band in the Draft Red Herring Prospectus (in case of a fixed price Issue) and Floor price or price band in the red herring prospectus (in case of a book built 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 one Working Day before the Bid/ Issue Opening Date, in case of an FPO and at least one Working Day before the Bid/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. Bidders should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## 2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLMs and the advertisement in the newspaper(s) issued in this regard

## 2.6 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 favor 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.

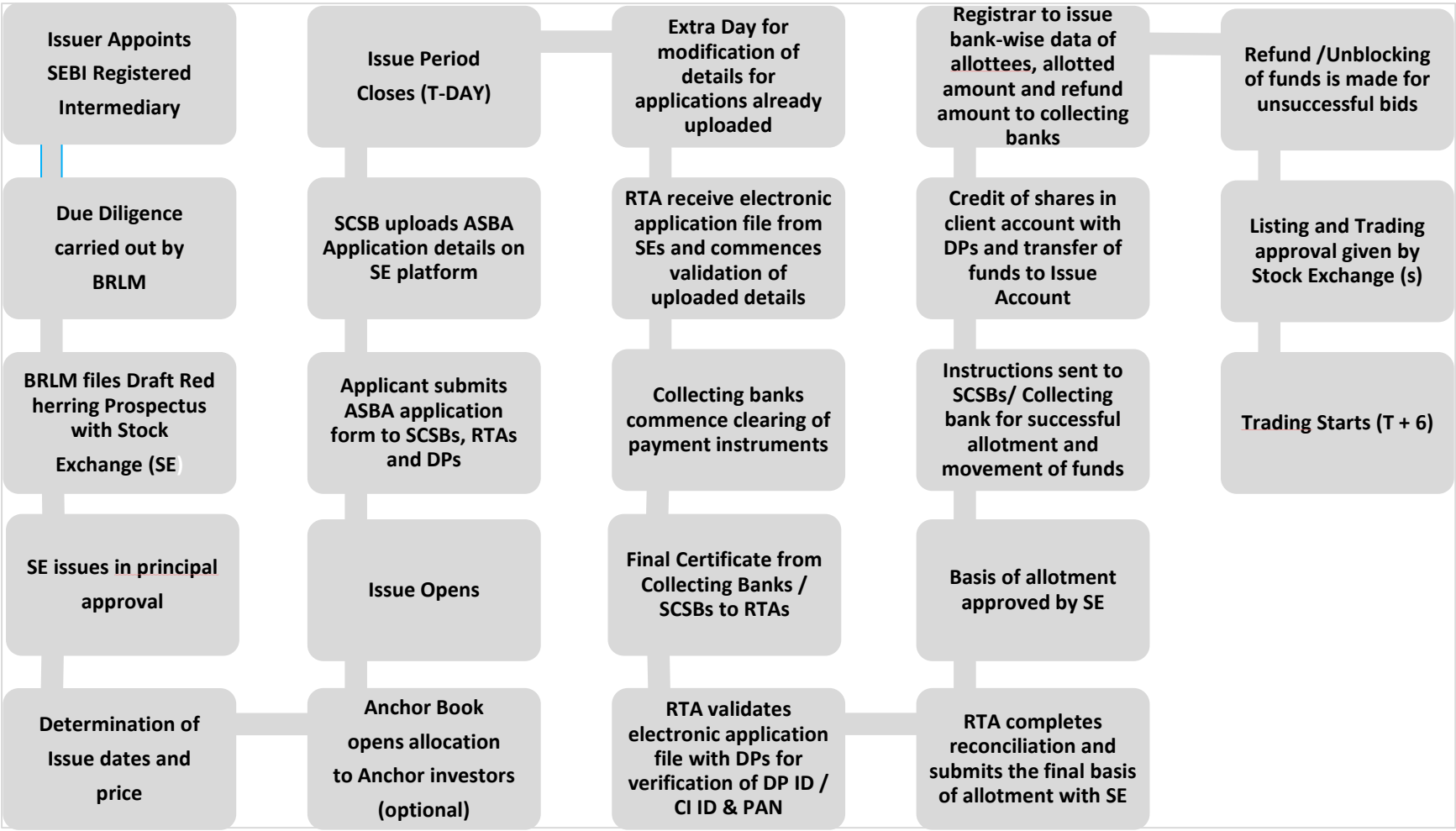
OR

(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.

## 2.7 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows


Issuer Appoints SEBI Registered Intermediary
Due Diligence carried out by BRLM
BRLM files Draft Red herring Prospectus with Stock Exchange (SE
SE issues in principal approval
Determination of Issue dates and price
Anchor Book opens allocation to Anchor investors (optional)
Issue Opens
Issue Period Closes (T-DAY)
SCSB uploads ASBA Application details on SE platform
Applicant submits ASBA application form to SCSBs, RTAs and DPs
Extra Day for modification of details for applications already uploaded
RTA receive electronic application file from SEs and commences validation of uploaded details
Collecting banks commence clearing of payment instruments
Final Certificate from Collecting Banks / SCSBs to RTAs
RTA validates electronic application file with DPs for verification of DP ID / CI ID & PAN
RTA completes reconciliation and submits the final basis of allotment with SE
Basis of allotment approved by SE
Instructions sent to SCSBs/ Collecting bank for successful allotment and movement of funds
Credit of shares in client account with DPs and transfer of funds to Issue Account
Registrar to issue bank-wise data of allottees, allotted amount and refund amount to collecting banks
Refund /Unblocking of funds is made for unsuccessful bids
Listing and Trading approval given by Stock Exchange (s)
Trading Starts (T + 6)

## SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

***Each Bidder should check whether it is eligible to apply under applicable law.*** Furthermore, certain categories of Bidders, 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. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

## SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified Bid cum Application Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Book Running Lead Managers, members of the Syndicate, Registered Brokers, Designated Intermediaries at Branches of the Bidding Centres, SCSBs

and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the DRHP/RHP.

**Fixed Price Issue**: Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

| **Category** | **Colour of the Bid cum Application Form (Excluding downloaded forms from SE website)** |
|---|---|
| Resident Indian, Eligible NRIs applying on a non repatriation basis | White |
| Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis | Blue |
| Anchor Investors (where applicable) & Bidders applying in the reserved category | Not Applicable |

Securities issued in an FPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

## 4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ ASBA FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/ Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non- resident Bidders are reproduced below:

# R Bid cum Application Form

**COMMON BID CUM APPLICATION FORM**

**AMBITION MICA LIMITED - FURTHER PUBLIC OFFER - R**

Registered Office: Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330, Gujarat. Tel. No. +91 7929292629; Fax No. N.A.; CIN: L25202GJ2010PLC059931, E-mail: cs@ambitionmica.com; Website: www.ambitionmica.com

**FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS**

TEAR HERE

Ambition Mica Limited

To,
The Board of Directors
AMBITION MICA LIMITED

**BOOK BUILT ISSUE**
**ISIN - INE563S01011**

Bid Cum Application Form No.

| SYNDICATE MEMBER'S STAMP & CODE | BROKER'S / SCSB / CDP / RTA STAMP & CODE |
|---|---|
| | |
| **SUB-BROKER'S / SUB-AGENT'S STAMP & CODE** | **ESCROW BANK / SCSB BRANCH STAMP & CODE** |
| | |
| **BANK BRANCH SERIAL NO.** | **SCSB SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER**

Mr./Ms./M/s.

Address

Email

Tel. No (with STD code) / Moblie

**2. PAN OF SOLE / FIRST BIDDER**

**3. BIDDER'S DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

**4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off"). Pric band Rs. [•]**

| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares) | Price per Equity Share (₹) / "Cut-off" – Bid Price | Retail Discount | Net Price | "Cut-Off" (Please (✓)tick) |
|---|---|---|---|---|---|
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

**5. CATEGORY**

☐ Retail Individual Bidder

☐ Non Institutional Bidder

☐ QIB

**6. INVESTOR STATUS**

- ☐ Individual(s) - IND
- ☐ Hindu Undivided Family* - HUF
- ☐ Non-Resident Indians (Non-Repatriation basis) - NRI
- ☐ Bodies Corporate - CO
- ☐ Banks & Financial Institutions - FI
- ☐ Mutual Funds - MF
- ☐ National Investment Funds - NIF
- ☐ Insurance Funds - IF
- ☐ Insurance Companies - IC
- ☐ Venture Capital Funds - VCF
- ☐ Alternate Investment Funds - AIF
- ☐ Others (Please Specify) - OTH

*HUF Should apply only through Karta
*(Application by HUF would be treated on par with individual)*

PLEASE FILL IN BLOCK LETTERS

**7. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment** ☐

Amount Blocked (₹ in Figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

| 8A. SIGNATURE OF SOLE / FIRST BIDDER | 8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer | SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) |
|---|---|---|
| Date: ....., 2017 | 1) 2) 3) | |

TEAR HERE

Ambition Mica Limited

**AMBITION MICA LIMITED - FURTHER PUBLIC OFFER - R**

**Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA**

Bid Cum Application Form No.

DPID / CLID | PAN of Sole / First Bidder

Amount Blocked (₹ in figures) | ASBA A/c. No.

Bank & Branch

Received from Mr./Ms./M/s.

Telephone / Mobile | Email

**Stamp & Signature of SCSB Branch**

TEAR HERE

**AMBITION MICA LIMITED - FURTHER PUBLIC OFFER-R**

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No.of Equity Shares | | | |
| Bid Price | | | |
| Amount Blocked (₹) | | | |

ASBA Bank A/c No.:

Bank & Branch:

**Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA**

**Name of Sole / First Bidder**

**Acknowledgment Slip for Bidder**

Bid Cum Application Form No.

TEAR HERE

**AMBITION MICA LIMITED** 1

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# NR Bid cum Application ASBA Form

TEAR HERE

**COMMON BID CUM APPLICATION FORM**

**AMBITION MICA LIMITED - INITIAL PUBLIC ISSUE - NR**

Registered Office: Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330, Gujarat. Tel. No. +91 7929292629; Fax No. N.A.; CIN: L25202GJ2010PLC059931, E-mail: cs@ambitionmica.com; Website: www.ambitionmica.com

**FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS**

Ambition Mica Limited

To,
The Board of Directors
AMBITION MICA LIMITED

**BOOK BUILT ISSUE**
**ISIN - INE563S01011**

Bid Cum Application Form No.

| SYNDICATE MEMBER'S STAMP & CODE | BROKER'S / SCSB / CDP / RTA STAMP & CODE |
|---|---|
| | |
| **SUB-BROKER'S / SUB-AGENT'S STAMP & CODE** | **ESCROW BANK / SCSB BRANCH STAMP & CODE** |
| | |
| **BANK BRANCH SERIAL NO.** | **SCSB SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER**

Mr./Ms./M/s.

Address

Email

Tel. No (with STD code) / Moblie

**2. PAN OF SOLE / FIRST BIDDER**

**3. BIDDER'S DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

**4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off"). Pric band Rs. [•]**

| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares) | Price per Equity Share (₹) / "Cut-off" | | | "Cut-Off" (Please (✓)tick) |
|---|---|---|---|---|---|
| | | Bid Price | Retail Discount | Net Price | |
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

**5. CATEGORY**

☐ Retail Individual Bidder

☐ Non Institutional Bidder

☐ QIB

**6. INVESTOR STATUS**

| | |
|---|---|
| NRI | Non-Resident Indian(s) (Repatriation basis) |
| FII | FII or Sub Account not a Corporate/ Foreign Individual |
| FIISA | FII Sub Account Corporate/Individual |
| FVCI | Foreign Venture Capital Investor |
| FPI | Foreign Portfolio Investor |
| OTH | Others (Please Specify) |

PLEASE FILL IN BLOCK LETTERS

**7. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment** ☐

Amount Blocked (₹ in Figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

**8A. SIGNATURE OF SOLE / FIRST BIDDER**

Date: ....., 2017

**8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)**

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer

1)

2)

3)

**SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)**

TEAR HERE

Ambition Mica Limited

**AMBITION MICA LIMITED - INITIAL PUBLIC ISSUE - NR**

**Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA**

Bid Cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount Blocked (₹ in figures) ASBA A/c. No.

Bank & Branch

Received from Mr./Ms./M/s.

Telephone / Mobile Email

**Stamp & Signature of SCSB Branch**

TEAR HERE

**AMBITION MICA LIMITED - INITIAL PUBLIC ISSUE - NR**

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No.of Equity Shares | | | |
| Bid Price | | | |
| Amount Blocked (₹) | | | |

**Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA**

ASBA Bank A/c No.:

Bank & Branch:

**Name of Sole / First Bidder**

**Acknowledgment Slip for Bidder**

Bid Cum Application Form No.

TEAR HERE

**AMBITION MICA LIMITED** 1

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### 4.1.1 NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

Bidders 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:** Bidders should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the Bid cum Application Form/ Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum 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 Bids:** In the case of Joint Bids, the Bids should be made in the name of the Bidder 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 Bidder would be required in the Bid cum Application Form/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(c) **Impersonation:** Attention of the Bidders 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 Bidder:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### 4.1.2 PAN NUMBER OF SOLE/ FIRST BIDDER

a) PAN (of the sole/first Bidder) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first 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 Bids on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim ("PAN Exempted Bidders"). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the Bid cum Application Form, irrespective of the Bid Amount. Bids by the Bidders 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 Bidders 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) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

e) Bids by Bidders 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 BIDDERS DEPOSITORY ACCOUNT DETAILS

a) Bidder should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the **Bid cum Application Form is liable to be rejected**.

b) Bidder should ensure that the beneficiary account provided in the Bid cum Application Form is active.

c) Bidder should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to the Issue.

d) Bidders 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 Bidders' sole risk.

### 4.1.4 BID OPTIONS

a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

b) The Bidders may Bid at or above Floor Price or within the Price Band for FPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

d) **Minimum Bid Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is within the range of above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.

e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP or the advertisement regarding the Price Band published by the Issuer.

#### 4.1.4.1 Maximum and Minimum Bid Size

a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of

shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.

b) In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.

c) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.

e) RII may revise or withdraw their bids until Bid/Offer Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.

f) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

g) For Anchor Investors, if applicable, the Bid Amount shall be least Rs 10 crores. One-third of the Anchor Investor Portion shall be 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 other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Offer Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

h) A Bid cannot be submitted for more than the issue size.

i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the issue Price, the number of Equity Shares Bid for by a Bidder at or above the issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

**4.1.4.2 Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Offer portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

**4.1.5 CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.

(c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the DRHP.

**4.1.6 INVESTOR STATUS**

(a) Each Bidder 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 Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

(c) Bidders 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 Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders should ensure that their investor status is updated in the Depository records.

**4.1.7 PAYMENT DETAILS**

i. The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the Bid cum Application Form. If discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

ii. Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.

iii. Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.

iv. All Bidders can participate in the Offer only through the ASBA mechanism.

v. Please note that, providing bank account details in the space provided in the Bid cum Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

**4.1.7.1. Payment instructions for Bidders**

a) Bidders may submit the Bid cum Application Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary.

b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder 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, will not be accepted.

c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

e) From one ASBA Account, a maximum of five Bid cum Application Forms can be submitted.

f) Bidders should submit the Bid cum Application Form only at the Bidding Centre i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations

g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that Bid cum Application Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit Bid cum Application Forms.

h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs

m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid 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 Bid, as the case may be.

n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids 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 Bids 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 Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, 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 Bidder 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 Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

(d) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

**4.1.8.1. Discount (if applicable)**

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).
Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

**4.1.8.2. Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

**4.1.9. SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders 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 Bidder, then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum 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 Bid/ amount mentioned in the Bid cum Application Form.

(d) Bidders must note that Bid cum Application Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

**4.1.10. ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the Bid cum Application Form.

(b) All communications in connection with Bid made in the Offer should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the Issue.

ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.

iii. Bidders may contact the Company Secretary and Compliance Officer or BRLMs in case of any other complaints in relation to the Offer.
iv. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
v. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
vi. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
vii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.

(c) The following details (as applicable) should be quoted while making any queries -

i. Full name of the sole or First Bidder, Bid cum Application Form number, Bidder' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
ii. name and address of the Designated Intermediary, where the Bid was submitted; or

For further details, Bidder may refer to the Red Herring Prospectus and the Bid cum Application Form.

## 4.2. INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Bid/Offer Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
(b) RII may revise / withdraw their Bid till closure of the Bid/Offer period.
(c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
(d) The Bidder can make this revision any number of times during the Bid/Offer Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid.

A sample Revision form is reproduced below:

## Revision Form – R

COMMON BID REVISION FORM

**AMBITION MICA LIMITED - FURTHER PUBLIC OFFER - R**

Registered Office: Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330, Gujarat. Tel. No. +91 7929292629; Fax No. N.A.; CIN: L25202GJ2010PLC059931, E-mail: cs@ambitionmica.com; Website: www.ambitionmica.com

FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

To,
The Board of Directors
AMBITION MICA LIMITED

BOOK BUILT ISSUE
ISIN - INE563S01011

Bid Cum Application Form No.

| SYNDICATE MEMBER'S STAMP & CODE | BROKER'S / SCSB / DP / RTA STAMP & CODE |
|---|---|
| | |
| **SUB-BROKER'S/SUB-AGENT'S STAMP & CODE** | **ESCROW BANK / SCSB BRANCH STAMP & CODE** |
| | |
| **BANK BRANCH SERIAL NO.** | **SCSB SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER**

Mr./Ms./M/s.

Address

Email

Tel. No (with STD code) / Moblie

**2. PAN OF SOLE / FIRST BIDDER**

**3. BIDDERS DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

PLEASE CHANGE MY BID

**4. FROM (AS PER LAST BID OR REVISION)**

| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares) | Price per Equity Share (₹)/ "Cut-off" (In Figures) Bid Price | Retail Discount, if any | Net Price | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| | 8 7 6 5 4 3 2 1 | 4 3 2 1 | 3 2 1 | 4 3 2 1 | |
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

OLD BID

**5. TO (REVISED BID) (Only Retail individual Bidders can BID at "Cut-Off")**

| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares) | Price per Equity Share (₹)/ "Cut-off" (In Figures) Bid Price | Retail Discount, if any | Net Price | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| | 8 7 6 5 4 3 2 1 | 4 3 2 1 | 3 2 1 | 4 3 2 1 | |
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

REVISED BID

**6. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment** ☐

Additional Amount Paid (₹ in Figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDER'S UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

| 7 A. SIGNATURE OF SOLE / FIRST BIDDER | 7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer | SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) |
|---|---|---|
| Date: ....., 2017 | 1) 2) 3) | |

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**AMBITION MICA LIMITED - BID REVISION FORM - FURTHER PUBLIC OFFER - R**

**Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA**

Bid Cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Additional Amount Blocked (₹ in figures) | ASBA A/c. No.

Bank & Branch

REVISED BID

Received from Mr./Ms.

Telephone / Mobile | Email

**Stamp & Signature of SCSB Branch**

TEAR HERE

**AMBITION MICA LIMITED - BID REVISION FORM - FURTHER PUBLIC OFFER - R**

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No.of Equity Shares | | | |
| Bid Price | | | |
| Additional Amount Blocked (₹) | | | |

REVISED BID

**Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA**

ASBA Bank A/c No.:

Bank & Branch:

**Name of Sole / First Bidder**

**Acknowledgment Slip for Bidder**

Bid Cum Application Form No.

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## Revision Form – NR

COMMON BID REVISION FORM

**AMBITION MICA LIMITED - INITIAL PUBLIC ISSUE - NR**

Registered Office: Shop No.10, Ground Floor, Raghav Residency, Opp. Naroda G.E.B., Dehgam Road, Naroda, Ahmedabad – 382330, Gujarat. Tel. No. +91 7929292629; Fax No. N.A.; CIN: L25202GJ2010PLC059931, E-mail: cs@ambitionmica.com; Website: www.ambitionmica.com

FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS

Ambition Mica Limited

To,
The Board of Directors
AMBITION MICA LIMITED

BOOK BUILT ISSUE
ISIN - INE563S01011

Bid Cum Application Form No.

| SYNDICATE MEMBER'S STAMP & CODE | BROKER'S / SCSB / DP / RTA STAMP & CODE |
|---|---|
| | |
| **SUB-BROKER'S/SUB-AGENT'S STAMP & CODE** | **ESCROW BANK / SCSB BRANCH STAMP & CODE** |
| | |
| **BANK BRANCH SERIAL NO.** | **SCSB SERIAL NO.** |
| | |

**1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER**

Mr./Ms./M/s.

Address

Email

Tel. No (with STD code) / Moblie

**2. PAN OF SOLE / FIRST BIDDER**

**3. BIDDERS DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

**PLEASE CHANGE MY BID**

**4. FROM (AS PER LAST BID OR REVISION)**

| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares) | Price per Equity Share (₹)/ "Cut-off" (In Figures) | | | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| | | Bid Price | Retail Discount, if any | Net Price | |
| | 8 7 6 5 4 3 2 1 | 4 3 2 1 | 3 2 1 | 4 3 2 1 | |
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

OLD BID

**5. TO (REVISED BID) (Only Retail individual Bidders can BID at "Cut-Off")**

| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares) | Price per Equity Share (₹)/ "Cut-off" (In Figures) | | | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| | | Bid Price | Retail Discount, if any | Net Price | |
| | 8 7 6 5 4 3 2 1 | 4 3 2 1 | 3 2 1 | 4 3 2 1 | |
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

REVISED BID

**6. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment** ☐

Additional Amount Blocked (₹ in Figures) (₹ in words)

ASBABank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

| 7 A. SIGNATURE OF SOLE / FIRST BIDDER | 7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) | SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) |
|---|---|---|
| Date: ....., 2017 | I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer<br>1)<br>2)<br>3) | |

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Ambition Mica Limited

**AMBITION MICA LIMITED - BID REVISION FORM - FURTHER PUBLIC OFFER - NR**

**Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA**

Bid Cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Additional Amount Blocked (₹ in figures) | ASBA A/c. No.

Bank & Branch

REVISED BID

Received from Mr./Ms.

Telephone / Mobile | Email

**Stamp & Signature of SCSB Branch**

TEAR HERE

**AMBITION MICA LIMITED - BID REVISION FORM - FURTHER PUBLIC OFFER - NR**

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No.of Equity Shares | | | |
| Bid Price | | | |
| Additional Amount Blocked (₹) | | | |

REVISED BID

**Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA**

ASBA Bank A/c No.:

Bank & Branch:

**Name of Sole / First Bidder**

**Acknowledgment Slip for Bidder**

Bid Cum Application Form No.

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### 4.2.1. NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OFSOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

### 4.2.2. BID OPTIONS REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.

(b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

### 4.2.3. PAYMENT DETAILS

All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

Bidder may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the DRHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

### 4.2.4. SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

### 4.3. SUBMISSION OF REVISION FORM/ BID CUM APPLICATION FORM /APPLICATION FORM

**4.3.1. Bidders may submit completed Bid cum Application form / Revision Form in the following manner:-**

| Mode of Bid | Submission of Bid cum Application Form |
|---|---|
| All investors Bids | To the Bid cum Application Collecting Intermediaries as mentioned in the Red herring Prospectus/ Bid cum Application Form |

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

## SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

This being book built issue procedure for fixed price issue is not applicable.

## SECTION 6- ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

### 6.1 SUBMISSION OF BIDS

a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Managers, to register their Bid.

b) In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).

c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the RHP.

### 6.2 ELECTRONIC REGISTRATION OF BIDS

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

### 6.3 BUILD UP OF THE BOOK

a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.

b. Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

**6.4 WITHDRAWAL OF BIDS**

a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

**6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS**

a) **The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:**

1) the Bids accepted by the Designated Intermediaries,

2) the Bids uploaded by the Designated Intermediaries, and

3) the Bid cum Application Forms accepted but not uploaded by the Designated Intermediaries.

b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

**GROUNDS OF REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;

- Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement, as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Where no confirmation is received from SCSB for blocking of funds
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the Bid cum Application Form

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS**

**COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

**BASIS OF ALLOCATION**

a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.20 to Rs 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (Rs.) | Cumulative Quantity | Subscription |
|---|---|---|---|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

**SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

This being Book Built Issue, this section is not applicable for this Issue.

**SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

**7.1 BASIS OF ALLOTMENT**

Allotment will be made in consultation with the SME Platform of BSE Limited (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 oversubscription ratio (number of Bidders in the category x number of Shares applied for).

(b) The number of Shares to be allocated to the successful Bidders 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 Bids where the proportionate allotment works out to less than 3,000 equity shares the allotment will be made as follows:

- Each successful Bidder shall be allotted 3,000 equity shares; and
- The successful Bidder out of the total bidders 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 (b) above.

(d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 3,000 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 3,000 equity shares subject to a minimum allotment of 3,000 equity shares.

(e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders 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 Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3,000 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 DRHP.

(f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Bidders as described below:

i. 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 bidders 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 bidders 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 the Designated Stock Exchange in addition to Book Running Lead Managers and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

## 7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders 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 Bidders who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Bid/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 6 Working Days of the Bid/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 Red Herring Prospectus/ Prospectus. The Designated Stock Exchange may be as disclosed in the Red Herring Prospectus/ 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 Bidders in pursuance of the RHP/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, 2013 and as disclosed in the DRHP.

#### 8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring 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

Within 6 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bids and also for any excess amount blocked on Bids.

#### 8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

### 8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/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 |
|---|---|
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid. |
| Allotment Advice | Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange. |
| Allotment/ Allot/ Allotted | Unless the context otherwise requires, issue / allotment of Equity Shares pursuant to the Issue to successful Applicants. |
| Allottee(s) | Successful Bidders(s) to whom Equity Shares have been allotted/transferred. |
| Application Supported by Blocked Amount Form/ASBA Form | An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus. |
| ASBA / Application Supported by Blocked Amount | An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account |
| ASBA Account | An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form |
| ASBA Application Location(s) / Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Mumbai and Ahemdabad. |
| ASBA form | An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus. |
| Banker(s) to the Issue | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public offer Account will be opened and in this case being ICICI Bank Limited |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Bidders under the Offer and which is described under chapter titled "*Issue Procedure*" beginning on page 276 of this Prospectus. |
| Bid | An indication to make an offer during the Bid/Offer Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form |
| Bid Amount | The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue |
| Bid cum Application Form | An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus |

| Term | Description |
|---|---|
| Bid/ Issue Opening Date | The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper Business Standard, all edition of the Hindi national newspaper Business Standard, and all edition of the regional newspaper Western Times, each with wide circulation, and in case of any revision, the extended Bid/Offer Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations. |
| Bid/ Issue Period | The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. |
| Bidder | Any prospective investor who makes a Bid/Application pursuant to the terms of the DRHP/RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant |
| Book Building Process | Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made |
| Book Running Lead Managers or BRLMs | Book Running Lead Managers to the Issue in this case being Pantomath Capital Advisors Private Limited and Small Industries Development Bank of India (SIDBI), SEBI Registered Category I Merchant Bankers |
| Broker Centres | Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of BSE Limited. |
| Business Day | Monday to Friday (except public holiday) |
| CAN or Confirmation of Allocation Note | The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange. |
| Cap Price | The higher end of the Price Band, above which the Offer Price will not be finalised and above which no Bids will be accepted |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account. |
| Collecting Depository Participant or CDPs | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Controlling Branch/Designated Branch | Such branch of the SCSBs which coordinate Bid cum Applications under this Offer by the ASBA Applicants with the Registrar to the Offer and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time |
| Cut-off Price | Offer Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLMs.<br>Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price. |
| Demographic Details | The demographic details of the Bidders such as their address, PAN, occupation and bank account details |
| Depositories | Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL |

| Term | Description |
|---|---|
| Designated Branches | Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (exc Anchor Investor) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| Designated CDP Locations | Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (www.bseindia.com) and updated from time to time |
| Designated Date | The date on which the Collection Banks transfer funds from the public issue Accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue. |
| Designated Intermediary(ies) | Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Offer |
| Designated RTA Locations | Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.bseindia.com) and updated from time to time |
| Designated Stock Exchange | The designated stock exchange as disclosed in the Draft Red herring Prospectus/ Red herring Prospectus/ Prospectus of the issuer |
| Discount | Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009. |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |
| Draft Red Herring Prospectus or DRHP | This Draft Red Herring Prospectus dated September 11, 2017 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer |
| 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 promoters. For further details, Bidder/Applicant may refer to the DRHP |
| Equity Shares | Equity Shares of the Issuer |
| FCNR Account | Foreign Currency Non-Resident Account |
| FII(s) | Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India |
| First/sole Bidder | Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names |
| Floor Price | The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price will be finalised and below which no Bids will be accepted |
| 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 |
| FPIs | Foreign Portfolio Investors as defined under the Securities and Exchange |

| Term | Description |
|---|---|
| | Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| FPO | Further public offering |
| Issue | The Further Public Issue of 30,00,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs. 42 each, aggregating Rs.1260.00 lakhs |
| Issuer/Company | The Issuer proposing the further public offering/further public offering as applicable |
| Maximum RII Allottees | The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time |
| NEFT | National Electronic Fund Transfer |
| Net Offer | The Offer less reservation portion |
| Non-Institutional Category | The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the DRHP/RHP/Prospectus and the Bid cum Application Form |
| Non-Institutional Investors or NIIs | All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than  200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Resident | A person resident outside India, as defined under FEMA and includes FIIs and FPIs |
| NRE Account | Non-Resident External Account |
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the DRHP/RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| 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 |
| Issue Price | The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Offer Price will be decided by our Company in consultation with the BRLMs on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus |
| Other Investors | Investors other than Retail Individual Investors in a Book Built 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 |
| Price Band | Price band of a minimum price of Rs.40 per Equity Share (Floor Price) and the maximum price of Rs.42 per Equity Share (Cap Price) including |

| Term | Description |
|---|---|
| | revisions thereof.<br>The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the BRLMs and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in all edition of the English national newspaper Business standard, all edition of the Hindi national newspaper Business Standard and all edition of the regional newspaper Western Times each with wide circulation |
| Pricing date | The date on which our Company in consultation with the BRLMs, will finalise the Issue Price |
| Prospectus | The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information. |
| Public Issue Account | Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date. |
| Qualified Institutional Buyers or QIBs | Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009. |
| Red Herring Prospectus or RHP | The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto.<br>The Red Herring Prospectus has bee registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date |
| Refund Account(s) | The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made. |
| Refund Bank(s) / Refund Banker(s) | Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited |
| Refund through electronic transfer of funds | Refunds through NECS, direct credit, RTGS or NEFT, as applicable |
| Registrar /Registrar to the Issue | Registrar to the Issue, in this case being Karvy Computershare Private Limited having registered office at Plot nos. 17 – 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500081 |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Bid cum Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Reservation Portion | The portion of the offer reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009 |
| Reserved Category / Categories | Categories of persons eligible for making Bids under reservation portion. |
| Revision Form | Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s) |
| RoC | The Registrar of Companies |
| RTGS | Real Time Gross Settlement |
| SCSB/ Self Certified | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) |

| Term | Description |
|---|---|
| Syndicate Banker | Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries or at such other website as may be prescribed by SEBI from time to time |
| 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 |
| Specified Locations | Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time |
| Stock Exchanges / SE | The stock exchanges as disclosed in the DRHP/RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed |
| Syndicate Agreement | Agreement dated October 9, 2017 entered into amongst the BRLMs, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate |
| Syndicate Members | Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Capital Advisors Private Limited |
| Syndicate or Members of the Syndicate | The BRLMs and the Syndicate Members |
| Underwriter | Pantomath Capital Advisors Private Limited |
| Underwriting Agreement | The agreement dated October 3, 2017 entered into between the Underwriter and our Company |
| Working Day | Till Application / Issue closing date: All days other than a Saturday Sunday or a public holiday<br>Post Application / Issue closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 India |

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 **("FEMA")**. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("**RBI**") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP")**.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP"),** has issued consolidated FDI Policy Circular of 2017 **("FDI Policy 2017")**, which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India **("RBI")** also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time. ; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the

relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any 'fit and proper/due diligence' requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with.. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

**Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FII, FPI, NRI, FVCI, LLPs, DRs and Investment Vehicles under Schedule 1, 2, 2A, 3, 6, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49 % or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

**i. Investment by FIIs under Portfolio Investment Scheme (PIS)**:

With regards to purchase/sale of share/s convertible debentures by a registered FII under PIS the total holding by each FII/SEBI approved sub-account of FII shall not exceed 10 % of the total paid-up equity capital or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs/sub-accounts of FIIs put together shall not exceed 24 % of paid-up equity capital or paid-up value of each series of convertible debentures However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body. For arriving at the ceiling on holdings of FIIs, shares/ convertible debentures acquired both through primary as well as secondary market will be included. However, the ceiling will not include investment made by FII through off-shore Funds, Global Depository receipts and Euro-Convertible Bonds. With regard to convertible debentures, these investments permitted to be made shall not exceed 5 % of the total paid-up equity capital or 5% of the paid-up value of each series of convertible debentures issued by an Indian Company, and shall also not exceed the over-all ceiling limit of 24 % of paid-up equity capital or paid up value of each series of convertible debentures.

**ii. Investment by Registered Foreign Portfolio Investor (RFPI) under Foreign Portfolio Investment (FPI) Scheme**

With respect to purchase/sale of shares or convertible debentures or warrants, a RFPI registered in accordance with SEBI (FPI) Regulations, 2014 as amended in regular intervals may purchase shares or convertible debentures or warrants of an Indian company under FPI scheme. The total holding by each RFPI shall be below 10 % of the total paid-up equity capital or 10 % of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all RFPI put together shall not exceed 24 % of paid-up equity capital or paid up value of each series of convertible debentures. The said limit of 24 % will be called aggregate limit. However, the aggregate limit of 24 % may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its General Body. For arriving at the ceiling on holdings of RFPI, shares or convertible debentures or warrants acquired both through primary as well as secondary market will be included. However, the ceiling will exclude investment made by RFPI through of off-shore Funds, Global Depository Receipts and Euro-Convertible Bonds but include holding of RFPI and deemed RFPI in the investee company for computation of 24 % or enhanced limit.

**iii. Investment by NRI on repatriation and non-repatriation basis under PIS:**

With respect to purchase/sale of shares and/or convertible debentures by a NRI on a stock exchange in India on repatriation and/or non-repatriation basis under PIS is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2000. Further, with regard to limits:

- the paid-up value of shares of an Indian company, purchased by each NRI both on repatriation and on non-repatriation basis, does not exceed 5 % of the paid-up value of shares issued by the company concerned;
- the paid-up value of each series of convertible debentures purchased by each NRI both on repatriation and non-repatriation basis does not exceed 5 % of the paid-up value of each series of convertible debentures issued by the company concerned;
- the aggregate paid-up value of shares of any company purchased by all NRIs does not exceed 10 % of the paid up capital of the company and in the case of purchase of convertible debentures
- the aggregate paid-up value of each series of debentures purchased by all NRIs does not exceed 10 % of the paid-up value of each series of convertible debentures;

  However, the aggregate ceiling of 10 % may be raised to 24 % if a special resolution to that effect is passed by the General Body of the Indian company concerned.

**iv. Investment by NRI on Non-repatriation basis**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase and sale of shares and convertible debentures or warrants by a NRI on Non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in the Red Herring Prospectus.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOSIATION

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: | |
| | (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force. | **Act** |
| | (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution. | **Articles** |
| | (c) "Auditors" means and includes those persons appointed as such for the time being of the Company. | **Auditors** |
| | (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company. | **Capital** |
| | (e) *****"The Company" shall mean Ambition Mica Limited | **Company** |
| | (f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963. | **Executor or Administrator** |
| | (g) "Legal Representative" means a person who in law represents the estate of a deceased Member. | **Legal Representative** |
| | (h) Words importing the masculine gender also include the feminine gender. | **Gender** |
| | (i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form. | **In Writing and Written** |
| | (j) The marginal notes hereto shall not affect the | **Marginal notes** |

| Sr. No | Particulars | |
|---|---|---|
| | construction thereof. | |
| | (k) "Meeting" or "General Meeting" means a meeting of members. | **Meeting or General Meeting** |
| | (l) "Month" means a calendar month. | **Month** |
| | (m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act. | **Annual General Meeting** |
| | (n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof. | **Extra-Ordinary General Meeting** |
| | (o) "National Holiday" means and includes a day declared as National Holiday by the Central Government. | **National Holiday** |
| | (p) "Non-retiring Directors" means a director not subject to retirement by rotation. | **Non-retiring Directors** |
| | (q) "Office" means the registered Office for the time being of the Company. | **Office** |
| | (r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act. | **Ordinary and Special Resolution** |
| | (s) "Person" shall be deemed to include corporations and firms as well as individuals. | **Person** |
| | (t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney. | **Proxy** |
| | (u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a)of the Act. | **Register of Members** |
| | (v) "Seal" means the common seal for the time being of the Company. | **Seal** |
| | (w) "Special Resolution" shall have the meanings assigned to it by Section 114of the Act. | **Special Resolution** |
| | (x) Words importing the Singular number include where the context admits or requires the plural number and vice versa. | **Singular number** |
| | (y) "The Statutes" means the Companies Act, 2013and every other Act for the time being in force affecting the Company. | **Statutes** |
| | (z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time. | **These presents** |
| | (aa) "Variation" shall include abrogation; and "vary" shall include abrogate. | **Variation** |
| | (bb) "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** | |

| Sr. No | Particulars | |
|---|---|---|
| **3.** | a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time. | **Authorized Capital.** |
| | 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 64of 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 capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force. | **Non Voting Shares** |
| **7.** | Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit. | **Redeemable Preference Shares** |
| **8.** | The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares. | **Voting rights of preference shares** |
| **9.** | On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions- shall take effect:<br>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the | **Provisions to apply on issue of Redeemable Preference Shares** |

| Sr. No | Particulars | |
|---|---|---|
| | purpose of the redemption;<br>(b) No such Shares shall be redeemed unless they are fully paid;<br>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;<br>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and<br>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital | |
| **10.** | The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce<br>(a) the share capital;<br>(b) any capital redemption reserve account; or<br>(c) any security premium account<br>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted. | **Reduction of capital** |
| **11.** | Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution. | **Debentures** |
| **12.** | The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may | **Issue of Sweat Equity Shares** |

| Sr. No | Particulars | |
|---|---|---|
| | be specified in that sections and rules framed thereunder. | |
| **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-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. | **Consolidation, Sub-Division And Cancellation** |
| **16.** | Subject to compliance with applicable provision of the Act and rules framed 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.<br>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation. | **Modification of rights** |
| **19.** | The rights conferred upon the holders of the Shares | **New Issue of Shares not to** |

| Sr. No | Particulars | |
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| | 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. | **affect rights attached to existing shares of that class.** |
| **20.** | Subject to the provisions of Section 62 of the Act and these 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. | **Shares at the disposal of the 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 sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. | **Shares should be Numbered progressively and no share to be subdivided.** |
| **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 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 | **Directors may allot shares as full paid-up** |

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| | 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 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 | **Share Certificates.** |

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| | 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.<br>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.<br>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. | |
| **30.** | If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.<br>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.<br>The provisions of this Article shall mutatis mutandis apply | **Issue of new certificates in place of those defaced, lost or destroyed.** |

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| | to debentures of the Company. | |
| **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 recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them. | **Company not bound to recognise any interest in share other than that of registered holders.** |
| **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.** |
| | **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 | **Directors may make calls** |

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| | them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.<br>(2) A call may be revoked or postponed at the discretion of the Board.<br>(3) A call may be made payable by installments. | |
| **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 authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors. | **Calls to date from resolution.** |
| **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.** |
| **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, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the | **Proof on trial of suit for money due on shares.** |

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| | 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. | |
| **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 part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided. | **Judgment, decree, partial payment motto proceed for forfeiture.** |
| **45.** | (a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.<br>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company. | **Payments in Anticipation of calls may carry interest** |
| | **LIEN** | |
| **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 | **Company to have Lien on shares.** |

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| | share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The 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 authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned. | **As to enforcing lien by sale.** |
| **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.** |
| | **FORFEITURE AND SURRENDER OF SHARES** | |
| **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 unpaid in respect of any call or | **If call or installment not paid, notice may be given.** |

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| | 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.** | 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.<br>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited. | **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.** |
| **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 Forfeiture.** |

| Sr. No | Particulars | |
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| | evidence of the facts therein stated as against all persons claiming to be entitled to the shares. | |
| **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 irregularly 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 someperson to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. | **Validity of sale** |
| **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.<br>(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof. | **Execution of the instrument of shares.** |

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| **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.<br>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 Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law. | **Transfer not to be registered except on production of instrument of transfer.** |
| **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—<br>(a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever; | **Directors may refuse to register transfer.** |
| **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 pervious notice in accordance with section | **Closure of Register of Members or** |

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| | 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. | **debentureholder 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 to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post. | **Notice to transferee.** |
| **72.** | (a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.<br>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.<br>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate<br>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons. | **Recognition of legal representative.** |
| **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 | **Titles of Shares of deceased Member** |

| Sr. No | Particulars | |
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| | 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 72of the Companies Act. | |
| **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 | **Company not liable for disregard of a notice** |

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| | effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, 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. | **prohibiting registration of transfer.** |
| **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 no. SH-4 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.** |
| | **NOMINATION** | |
| **81.** | i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013shall apply in respect of such nomination.<br>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014<br>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.<br>iv) lf the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked. | **Nomination** |
| **82.** | A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-<br>(i) to be registered himself as holder of the security, as the case may be; or<br>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; | **Transmission of Securities by nominee** |

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| | (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;<br>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.<br><br>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with. | |
| | **DEMATERIALISATION OF SHARES** | |
| **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 give effectual receipts of any dividends or other moneys payable in respect of share; and | **Receipts of one sufficient.** |
| | (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders. | **Delivery of certificate and giving of notices to first named holders.** |
| | **SHARE WARRANTS** | |

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| **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.<br>(b) Not more than one person shall be recognized as depositor of the Share warrant.<br>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor. | **Deposit of share warrants** |
| **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.<br>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company. | **Privileges and disabilities of the holders of share warrant** |
| **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.<br>a) convert any fully paid-up shares into stock; and<br>b) re-convert any stock into fully paid-up shares of any denomination. | **Conversion of shares into stock or reconversion.** |
| **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 | **Transfer of stock.** |

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| | exceed the nominal amount of the shares from which the stock arose. | |
| **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, over s, cash credit<br>or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose. | **Power to borrow.** |
| **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, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third | **Securing payment or repayment of Moneys borrowed.** |

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| | 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. | |
| **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 calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed. | **Mortgage of uncalled Capital.** |
| **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 surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. | **Indemnity may be given.** |
| | **MEETINGS OF MEMBERS** | |
| **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 requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members | **Extra-Ordinary General Meeting by Board and by requisition** |
| | (b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. | **When a Director or any two Members may call an Extra Ordinary General Meeting** |
| **102.** | No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business | **Meeting not to transact business not mentioned in** |

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| | which has not been mentioned in the notice or notices upon which it was convened. | **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, 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. | **Chairman of General 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.** | a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.<br>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.<br>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.<br>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. | **Chairman with consent may adjourn meeting.** |
| **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 | **Number of votes each member entitled.** |

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| | voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a 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.** | a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.<br>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members. | **Votes of joint members.** |
| **116.** | Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles | **Votes may be given by proxy or by representative** |

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| **117.** | A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company. | **Representation of a body corporate.** |
| **118.** | (a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable. | **Members paying money in advance.** |
| | (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken. | **Members not prohibited if share not held for any specified period.** |
| **119.** | Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof. | **Votes in respect of shares of deceased or insolvent members.** |
| **120.** | No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. | **No votes by proxy on show of hands.** |
| **121.** | The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time 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 | **Appointment of a Proxy.** |

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| | be treated as valid. | |
| **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.** |
| | **DIRECTORS** | |
| **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.** | A Director of the Company shall not be bound to hold any Qualification Shares in the Company. | **Qualification shares.** |
| **128.** | (a) Subject to the provisions of the Companies Act, 2013and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement<br>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.<br>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.<br>(d) The Nominee Director/s shall, notwithstanding | **Nominee Directors.** |

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| | 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. | |
| **129.** | 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.** |
| **130.** | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting. | **Additional Director** |
| **131.** | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him. | **Directors power to fill casual vacancies.** |
| **132.** | 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.** |
| **133.** | 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** | |
| **134.** | (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.<br>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. | **Meetings of Directors.** |
| **135.** | a) The Directors may from time to time elect from among | **Chairperson** |

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| | 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.<br>b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time. | |
| **136.** | Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote. | **Questions at Board meeting how decided.** |
| **137.** | 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** |
| **138.** | 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.** |
| **139.** | 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.** |
| **140.** | a) A committee may elect a Chairperson of its meetings.<br>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. | **Chairperson of Committee Meetings** |
| **141.** | a) A committee may meet and adjourn as it thinks fit.<br>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote. | **Meetings of the Committee** |
| **142.** | 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 | **Acts of Board or Committee shall be valid** |

| Sr. No | Particulars | |
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| | any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them 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. | **notwithstanding defect in appointment.** |
| | **RETIREMENT AND ROTATION OF DIRECTORS** | |
| **143.** | 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** | |
| **144.** | 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** |
| **145.** | Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say | **Certain powers of the Board** |
| | (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India. | **To acquire any property , rights etc.** |
| | (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy. | **To take on Lease.** |
| | (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, | **To erect & construct.** |

| Sr. No | Particulars | | |
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| | | 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. | |
| | (4) | At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. | **To pay for property.** |
| | (5) | To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power. | **To insure properties of the Company.** |
| | (6) | To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit. | **To open Bank accounts.** |
| | (7) | To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit. | **To secure contracts by way of mortgage.** |
| | (8) | To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon. | **To accept surrender of shares.** |
| | (9) | To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees. | **To appoint trustees for the Company.** |

| Sr. No | Particulars | |
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| | (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or 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.** |
| | (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency. | **Bankruptcy &Insolvency** |
| | (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company. | **To issue receipts & give discharge.** |
| | (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name. | **To invest and deal with money of the Company.** |
| | (14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon; | **To give Security by way of indemnity.** |
| | (15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise. | **To determine signing powers.** |
| | (16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company. | **Commission or share in profits.** |
| | (17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company. | **Bonus etc. to employees.** |
| | (18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the | **Transfer to Reserve Funds.** |

| Sr. No | Particulars | |
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| | 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. | |
| | (19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause. | **To appoint and remove officers and other employees.** |
| | (20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys | **To appoint Attorneys.** |

| Sr. No | Particulars | |
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| | of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them. | |
| | (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient. | **To enter into contracts.** |
| | (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees. | **To make rules.** |
| | (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company. | **To effect contracts etc.** |
| | (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests. | **To apply & obtain concessions licenses etc.** |
| | (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents. | **To pay commissions or interest.** |
| | (26) To redeem preference shares. | **To redeem preference** |

| Sr. No | Particulars | |
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| | | **shares.** |
| | (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to 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.** |
| | (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.<br>(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act. | |
| | (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise. | |
| | (31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.<br>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.<br>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary | |

| Sr. No | Particulars | |
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| | or expedient.<br>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.<br>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.<br>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.<br>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.<br>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with. | |
| | **MANAGING AND WHOLE-TIME DIRECTORS** | |
| **146.** | a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.<br>b) The Managing Director or Managing Directors 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 | **Powers to appoint Managing/ Wholetime Directors.** |

| Sr. No | Particulars | |
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| | Director or Whole-time Director. | |
| **147.** | 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. | **Remuneration of Managing or Wholetime Director.** |
| **148.** | (1) Subject to control, direction and supervision of the Board of Directors, the day-today management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.<br>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.<br>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.<br>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.<br>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company. | **Powers and duties of Managing Director or Whole-time Director.** |

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| | **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer** | |
| **149.** | a) Subject to the provisions of the Act,—<br>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;<br>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.<br>**b)** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer. | **Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer** |
| | **THE SEAL** | |
| **150.** | (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.<br>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India. | **The seal, its custody and use.** |
| **151.** | 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** | |
| **152.** | (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.<br>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. | **Division of profits.** |

| Sr. No | Particulars | |
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| | (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. | |
| **153.** | The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting. | **The company in General Meeting may declare Dividends.** |
| **154.** | a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.<br>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. | **Transfer to reserves** |
| **155.** | 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.** |
| **156.** | 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.** |
| **157.** | 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.** |
| **158.** | 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.** |
| **159.** | 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 .** |

| Sr. No | Particulars | |
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| **160.** | 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 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. | **No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.** |
| **161.** | 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.** |
| **162.** | 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.** |
| **163.** | a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.<br>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. | **Dividends how remitted.** |
| **164.** | 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.** |
| **165.** | No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company. | **No interest on Dividends.** |
| | **CAPITALIZATION** | |
| **166.** | (1) The Company in General Meeting may, upon the recommendation of the Board, resolve:<br>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and<br>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.<br>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:<br>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;<br>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or<br>(iii) partly in the way specified in sub-clause (i) and partly | **Capitalization.** |

| Sr. No | Particulars | |
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| | in that specified in sub-clause (ii).<br>(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.<br>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation. | |
| **167.** | (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —<br>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and<br>(b) generally to do all acts and things required to give effect thereto.<br>(2) The Board shall have full power -<br>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also<br>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.<br>(3) Any agreement made under such authority shall be effective and binding on all such members.<br>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit. | **Fractional Certificates.** |
| **168.** | (1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.<br>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a | **Inspection of Minutes Books of General Meetings.** |

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| | 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. | |
| **169.** | a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.<br>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting. | **Inspection of Accounts** |
| | **FOREIGN REGISTER** | |
| **170.** | The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers. | **Foreign Register.** |
| | **DOCUMENTS AND SERVICE OF NOTICES** | |
| **171.** | Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed. | **Signing of documents & notices to be served or given.** |
| **172.** | Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company. | **Authentication of documents and proceedings.** |
| | **WINDING UP** | |
| **173.** | Subject to the provisions of Chapter XX of the Act and rules made thereunder—<br>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.<br>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.<br>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability. | |
| | **INDEMNITY** | |
| **174.** | 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 | **Directors' and others right to indemnity.** |

| Sr. No | Particulars | |
|---|---|---|
| | 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. | |
| **175.** | Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any lossor damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty. | **Not responsible for acts of others** |
| | **SECRECY** | |
| **176.** | (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 | **Access to property** |

| Sr. No | Particulars | |
|---|---|---|
| | 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. | **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 the draft Red Herring 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 were attached to the copy of the Red Herring Prospectus 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 Shop No.10, Ground Floor, Raghav Residency Opp. Naroda G.E.B., Dehgam Road, Naroda Ahmedabad – 382330, Gujarat, India from date of filing the draft Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

**Material Contracts**

1. Further Issue Agreement dated September 28, 2017 between our Company and the BRLMs.
2. Agreement dated September 28, 2017 between our Company and Karvy Computershare Private Limited., Registrar to the Issue.
3. Underwriting Agreement dated October 3, 2017 between our Company and Underwriter viz. BRLMs.
4. Market Making Agreement dated October 3, 2017 between our Company, Market Maker and the Book Running Lead Managers.
5. Agreement dated October 3, 2017 amongst our Company, the BRLMs, Public Issue Bank and the Registrar to the Issue.
6. Syndicate Agreement dated October 9, 2017 amongst our Company, the BRLMs, Syndicate Member to the Issue.
7. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated April 8, 2015
8. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated April 8, 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 July 26, 2017 authorizing the further Issue
3. Special Resolution of the shareholders passed at the EGM dated August 19, 2017 authorizing the further Issue.
4. Statement of Tax Benefits dated October 4, 2017 issued by our Peer Reviewed Auditor. N.K. Aswani & Co, Chartered Accountants.
5. Report of the Peer Reviewed Auditor, N.K. Aswani & Co, Chartered Accountants dated October 4, 2017 on the Restated Financial Statements for the period ended September 30, 2017 and for the financial year ended as on March 31, 2017, 2016, 2015, 2014, 2013 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Reviewed Auditors, Legal Advisor to the further Issue, Book Running Lead Managers, Registrar to the further Issue, Syndicate member, Underwriter, Market Maker, Bankers to the Company, Bankers to the further Issue/Refund Banker to the further Issue to act in their respective capacities.
7. Copy of In-Principle approval from BSE Ltd. *vide* letter dated November 3, 2017 to use the name of BSE Ltd. in this offer document for listing of Equity Shares on SME Exchange of BSE LTD.
8. Due Diligence Certificate dated September 29, 2017 from Book Running Lead Manager, PCAPL to BSE Limited.

None of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time, 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 Red Herring 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 |
|---|---|
| **Govindbhai Patel**<br>*Managing Director*<br>*DIN:* **:** 02927165 | Sd/- |
| **Rameshkumar Patel**<br>*Whole Time Director*<br>*DIN:* **:** 06393942 | Sd/- |
| **Monghiben Patel**<br>*Non Executive Director*<br>*DIN:* : 07125342 | Sd/- |
| **Pareshkumar Patel**<br>*Independent Director*<br>*DIN:* 07128422 | Sd/- |
| **Abhishek Patel**<br>*Independent Director*<br>*DIN:* 06581734 | Sd/- |
| **Vinod Patel**<br>*Independent Director*<br>*DIN:* : 07136584 | Sd/- |

Signed by Chief Financial Officer and Company Secretary and Compliance officer of the Company.

Sd/-

**Bhaveshkumar Patel**
**Chief Financial Officer**

Sd/-

**Gauravkumar Jani**
**Company Secretary and Compliance Officer**

**Place:** Ahmedabad
**Date:** November 23, 2017.

**Annexure A**

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**

| Sr. No | Issue Name | Issue Size (Cr) | Issue Price (Rs.) | Listing date | Opening price on listing date | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 1. | Worth Peripherals Limited | 18.28 | 43.00 | September 27, 2017 | 51.60 | 74.88% (6.25%) | Not Applicable | Not Applicable |
| 2. | R M Drip and Sprinklers Systems Limited | 11.46 | 57.00 | October 4, 2017 | 57.1 | 38% (5.13%) | Not Applicable | Not Applicable |
| 3. | Shree Tirupati Balajee FIBC Limited | 10.80 | 40.00 | October 5, 2017 | 45.00 | 15% (5.70%) | Not Applicable | Not Applicable |
| 4. | Innovative Tyres and Tubes Limited | 28.33 | 45.00 | October 5, 2017 | 54.00 | 4% (5.70%) | Not Applicable | Not Applicable |
| 5. | Poojawestern Metaliks Limited | 5.47 | 36.00 | October 5, 2017 | 39.50 | 36% (6.63%) | Not Applicable | Not Applicable |
| 6. | Airo Lam Limited | 15.21 | 38.00 | October 6, 2017 | 45.60 | 29.74%(4.73%) | Not Applicable | Not Applicable |
| 7. | Goldstar Power Limited | 7.25 | 25.00 | October 10, 2017 | 27.30 | 4.00%(2.86%) | Not Applicable | Not Applicable |
| 8. | IRIS Business Services Limited | 16.01 | 32.00 | October 11, 2017 | 34.00 | 73.44%(4.45%) | Not Applicable | Not Applicable |
| 9. | Tirupati Forge Limited | 5.22 | 29.00 | October 12, 2017 | 34.80 | 72.41%(2.23%) | Not Applicable | Not Applicable |
| 10. | Beta Drugs Limited | 19.52 | 85.00 | October 12, 2017 | 102.00 | 38.24%(2.23%) | Not Applicable | Not Applicable |

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

## SUMMARY STATEMENT OF DISCLOSURE

| Financial year | Total no. of IPO | Total funds raised (Rs. Cr) | Nos of IPOs trading at discount on 30th Calendar day from listing date | | | Nos of IPOs trading at premium on 30th Calendar day from listing date | | | Nos of IPOs trading at discount on 180th Calendar day from listing date | | | Nos of IPOs trading at premium on 180th Calendar day from listing date | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 15-16 | ***9 | 54.01 | - | - | 1 | 3 | 2 | 3 | - | 1 | 1 | 4 | 3 | - |
| 16-17 | ****24$ | 204.56 | - | - | 5 | 6 | 3 | 9 | - | 1 | 5 | 11 | 1 | 6 |
| 17-18 | *****20$$ | 326.13 | - | - | 2 | 6 | 6 | 6 | - | 1 | - | 2 | - | 1 |

***The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2 015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

****The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos (India) Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Chemcrux Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016, November 16, 2016 December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017, March 28, 2017, March 31, 2017 and March 31, 2017 respectively.

*****The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited and Beta Drugs Limited, were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 4, 2017, October 5, 2017, October 5, 2017, October 5, 2017, October 6, 2017, October 10, 2017, October 11, 2017, October 12, 2017 and October 12, 2017 respectively. .

$. As on 30th trading day the closing price of the scripts Ruby Cables Limited and Shashijit Infraprojects Limited were at par with the issue price. Hence, they are not considered for counting the number of IPOs trading at discount and premium.

$$ The scripts of Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited and Beta Drugs Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180Days, 180 Days, 180 Days, 180 Days, 180 Days, 30 Days, 30 Days, 30 Days and 30 Days respectively from the date of listing.

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY SIDBI**

| Sr. No | Issue Name | Issue Size (Cr) | Issue Price (Rs.) | Listing date | Opening price on listing date | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 1. | Perfect Infraengineers Ltd | 5.77 | 23 | November 20, 2015 | 26 | 0.43% (-0.10%) | -24.34%(-8.29%) | -18.91% (0.62%) |
| 2. | Shree Tirupati Balajee FIBC Limited | 10.80 | 40.00 | October 5, 2017 | 45.00 | 15.25% (6.62%) | Not Applicable | Not Applicable |

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

5. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
6. Prices on BSE/NSE are considered for all of the above calculations
7. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
8. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.
9. As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

**SUMMARY STATEMENT OF DISCLOSURE**

| Financial year | Total no. of IPO | Total funds raised (Rs. Cr) | Nos of IPOs trading at discount on 30th Calendar day from listing date | | | Nos of IPOs trading at premium on 30th Calendar day from listing date | | | Nos of IPOs trading at discount on 180th Calendar day from listing date | | | Nos of IPOs trading at premium on 180th Calendar day from listing date | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 15-16 | *1 | 5.77 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 0 |
| 16-17 | NIL | | | | | | | | | | | | | |
| 17-18 | **1$ | 10.80 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |

*The scrip of Perfect Infraengineers Ltd was listed on November 20, 2015.

** The scrip of Shree Tirupati Balajee FIBC Limited was listed on October 5, 2017

$The scrip of Shree Tirupati Balajee FIBC Limited has not completed 180 days from the date of listing.