



AFFORDABLE ROBOTIC & AUTOMATION LIMITED

Our Company was originally incorporated as "Affordable Robotic & Automation Private Limited" at Pune as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 12, 2010 bearing Corporate Identity Number U29299PN2010PTC135298 issued by Registrar of Companies, Maharashtra, Pune. Subsequently, pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on January 4, 2018, our Company was converted into a Public Limited Company, following which our name was changed to Affordable Robotic & Automation Limited and a Fresh Certificate of Incorporation consequent upon conversion of company to Public Limited, dated February 02, 2018 was issued by Registrar of Companies, Maharashtra, Pune. The Corporate Identification number of our Company is U29299PN2010PLC135298. For details of incorporation, change of registered office of our Company, please refer to chapter titled "Our History and Certain Other Corporate Matters" beginning on page 144 of this Red Herring Prospectus.

Registered Office: Village Wadki, Gat No. 1209, Taluka Haveli, Dist. Pune – 412308, India

Tel. No.: +91-7720018914; **E-mail:** info@arapl.co.in; **Website:** www.arapl.co.in

Contact Person: Harshada Hendre, Company Secretary and Compliance Officer

PROMOTERS OF OUR COMPANY: MILIND PADOLE & MANOHAR PADOLE

THE ISSUE

INITIAL PUBLIC OFFER CONSISTING OF FRESH ISSUE OF 26,81,600* EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) AGGREGATING UP TO [●] LAKHS (THE "ISSUE"), OF WHICH 1,36,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, AGGREGATING RS. [●] 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 25,45,600 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

The Company has undertaken in consultation with the BRLM, a private placement of 10,00,000 Equity Shares for cash consideration aggregating Rs. 750.00 Lakhs ("Pre IPO Placement"). The size of the Issue as disclosed in the Draft Red Herring Prospectus dated April 02, 2018 being Rs. 750.00 Lakhs has been reduced accordingly.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER BUSINESS STANDARD, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER BUSINESS STANDARD AND PUNE EDITION OF THE REGIONAL NEWSPAPER PRABHAT, EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LIMITED, REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

In case of any revisions in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the 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 Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and the terminals of the Syndicate Members (defined herein below).

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 228 of this Red Herring Prospectus. A copy will be delivered for registration to the Registrar as required under Section 32 of the Companies Act, 2013.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. 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"), wherein 49.84% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received or above the Issue Price. All investors (except Anchor Investors) shall participate in this Issue mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing details of their respective bank accounts which will be blocked by SCSBs. For details see "Issue Procedure" on Page 228.

RISKS IN RELATION TO FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 each. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in "Basis for Issue Price" on page 95 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their 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 Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 23 of this Red Herring Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring 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 Red Herring 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of our Company issued through this Red Herring Prospectus are proposed to be listed on the SME platform of Bombay Stock Exchange (BSE SME), in terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time. Our Company has received an In-Principle approval letter dated May 07, 2018 from Bombay Stock Exchange for using its name in the Issue document for listing of our shares on the SME platform of BSE Limited. For the purpose of this Issue, SME platform of BSE Limited shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED
406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra East, Mumbai – 400 051,
Maharashtra, India
Tel: +91-22 6194 6700; **Fax:** +91-22 2659 8690
Website: www.pantomathgroup.com
Email: ipo@pantomathgroup.com
Investor Grievance Id: ipo@pantomathgroup.com
Contact Person: Hardik Bhuta
SEBI Registration No: INM000012110



REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED
C-101, 1st Floor, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400 083, Maharashtra, India
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
Website: www.linkintime.co.in
Email: affordablerobotic.ipo@linkintime.co.in
Investor Grievance Id: affordablerobotic.ipo@linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration Number: INR000004058



BID/ ISSUE PROGRAMME

ISSUE OPENS ON MAY 24, 2018

ISSUE CLOSES ON MAY 28, 2018

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

**Subject to finalization of basis of allotment

Contents

SECTION I – GENERAL	3
DEFINITION AND ABBREVIATION	3
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA.....	20
FORWARD LOOKING STATEMENT.....	22
SECTION II – RISK FACTORS.....	23
SECTION III- INTRODUCTION.....	47
SUMMARY OF INDUSTRY.....	47
SUMMARY OF OUR BUSINESS	53
SUMMARY OF FINANCIAL STATEMENTS	57
THE ISSUE.....	58
GENERAL INFORMATION.....	61
CAPITAL STRUCTURE	72
OBJECT OF THE ISSUE.....	86
BASIS FOR ISSUE PRICE	95
STATEMENT OF POSSIBLE TAX BENEFIT.....	99
SECTION IV- ABOUT THE COMPANY	102
OUR INDUSTRY	102
OUR BUSINESS	121
KEY INDUSTRIES REGULATION AND POLICIES	133
OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS	144
OUR MANAGEMENT	148
OUR PROMOTER AND PROMOTER GROUP	164
OUR GROUP COMPANY.....	168
RELATED PARTY TRANSACTIONS	169
DIVIDEND POLICY.....	170
SECTION V- FINANCIAL STATEMENTS	171
FINANCIAL STATMENTS AS RESTATED	171
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS	172
FINANCIAL INDEBTNESS.....	185
SECTION VI- LEGAL AND OTHER INFORMATION.....	189
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT	189
GOVERNMENT AND OTHER STATUTORY APPROVALS.....	199
OTHER REGULATORY AND STATUTORY DISCLOSURES	205
SECTION VII- ISSUE INFORMATION.....	217
TERMS OF THE ISSUE	217
ISSUE STRUCUTRE	224
ISSUE PROCEDURE.....	228
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	278
SECTION VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION	282
SECTION IX – OTHER INFORMATION.....	328
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION.....	328
DECLARATION	330

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**

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

COMPANY RELATED TERMS

Term	Description
“Affordable Robotic & Automation Limited “or “the Company” ,or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Affordable Robotic & Automation Limited, a Public Limited Company incorporated under the Companies Act, 1956 and having its registered office at Village Wadki, Gat No.1209, Taluka Haveli, Dist. Pune Maharashtra-412308 India.
AOA or Articles or Articles of Association	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013.
Auditor or Statutory Auditor	The statutory auditor of our Company, being M G A M & Company, Chartered Accountants.
Bankers to the Company	Such banks which are disclosed as bankers to our Company in the chapter titled “ <i>General Information</i> ” on page 61 of this Red Herring Prospectus.
Board of Directors/ the Board / our Board	The Board of Directors of our Company, as duly constituted from time to time, including Committee(s) thereof.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Ms. Harshada Hendre
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each fully paid up.
Group Companies	Such Companies as are included in the chapter titled ‘ <i>Our Group Companies</i> ’ beginning on page 168 of this Red Herring Prospectus
ISIN	International Securities Identification Number. In this case being INE692Z01013.
MOA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Peer Reviewed Auditor	Independent Auditor having a valid Peer Review Certificate in our case being Vijay Moondra & Co.
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 164 of this Red Herring Prospectus.
Promoters or our Promoters	Promoters of our Company being Milind Padole and Manohar Padole
Registered Office	Village Wadki, Gat NO.1209, Taluka Haveli, Dist. Pune -

Term	Description
	412308, Maharashtra, India
RoC / Registrar of Companies	Registrar of Companies, PMT Building ,Pune Stock Exchange, 3rd Floor, Deccan Gymkhana,Pune-411004, Maharashtra, India.
Shareholders	Shareholders of our Company
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/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred
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
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least Rs. 1,000 Lakhs, in accordance with the requirements specified in the SEBI ICDR Regulations
Anchor Investor Allocation Notice	Notice or intimation of Allocation of Equity Shares sent to Anchor Investors who have been allocated Equity Shares, and includes any device, intimation or notice sent to Anchor Investors in the event that the Issue Price is higher than the Anchor Investor Allocation Price
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated in terms of the Red Herring Prospectus and Prospectus to the Anchor Investors, which will be decided by our Company, in consultation with the BRLM, on the Anchor Investor Bidding Date
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	One Working Day prior to the Bid/Offer Opening Date on which Bids by Anchor Investors shall be submitted, prior to or after which the members of the Syndicate will not accept any Bids from Anchor Investors and allocation to Anchor Investors shall be completed

Term	Description
Anchor Investor Escrow Account(s)	Accounts opened for the Issue to which funds shall be transferred by Anchor Investors
Anchor Investor Allocation Price	The final price at which Allotment will be made to Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which shall be higher than or equal to the Offer Price
Anchor Investor Pay-in Date	With respect to Anchor Investors, it shall be the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/Issue Closing Date
Anchor Investor Portion	Upto 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorizing 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
ASBA Bidders	Any Bidder except Anchor Investor
ASBA form/ Bid Cum Application	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus
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 and the Karnataka Bank Ltd.
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 “ <i>Issue Procedure</i> ” beginning on 228
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder (other than an Anchor Investor) or on Anchor Investor Bidding Date by an Anchor Investor, 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

Term	Description
	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. However, for Eligible Employees applying in the Employee Reservation Portion the Bid Amount shall be Cap Price multiplied by the number of Equity Shares Bid for by such Eligible Employees mentioned in the Bid cum Application Form net of Employee Discount
Bid cum Application form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus
Bid Cum Application Collecting Intermediaries	<ol style="list-style-type: none"> 1. a SCSB with whom the bank account to be blocked, is maintained 2. a syndicate member (or sub-syndicate member) If any 3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)(‘broker’) if any 4. a depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity) 5. a registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Bid Lot	[●] Equity shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any 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 Pune edition of the regional newspaper Prabhat, each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
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 Pune edition of the Regional newspaper Prabhat, each with wide circulation, and in case of any revision, the extended Bid/Issue 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

Term	Description
	Bidders other than Anchor Investor can submit their Bids, including any revisions thereof. Provided however that the Bidding/Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and Anchor Investor
Bidding/collecting Centre	Centre's at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centre's for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue namely Pantomath Capital Advisors Private Limited
Broker Centers	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 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. In the case of Anchor Investors, CAN shall mean the note or advice or intimation of Allotment of Equity Shares sent to the Anchor Investors to whom Equity Shares have been Allotted
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted
Client ID	Client Identification Number to be maintained with one of the Depositories in relation to demat account
Cut-off Price	Any price within the Price Band finalized by our Company in consultation with BRLM. 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 [●]. No other category of Bidders is entitled to Bid at the Cut-off Price.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of

Term	Description
	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 Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Bidders/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 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 Fresh Issue may give delivery instructions for the transfer of the respective Offered Shares
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 Issue
Designated RTA Locations	Such Centre's of the RTAs where Bidder can submit the Bid 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	SME Platform of BSE Limited
Designated CDP Locations	Such Centre's 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.
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated April 02, 2018 issued in accordance with section 32 of the Companies Act, 2013 and filed with the SME Platform of BSE Limited under SEBI (ICDR) Regulations
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein

Term	Description
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 Issue Price will be finalized and below which no Bids will be accepted
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.
General Information Document/GID	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 and included in “ <i>Issue Procedure</i> ” on page 228 of this Red Herring Prospectus
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	The Initial Public Issue of up to 26,81,600 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each, aggregating up to Rs.[●] comprising the Fresh Issue. Our Company has considered a Pre-IPO placement of Rs. 10,00,000 Equity Shares.
Issue Agreement	The agreement dated March 12, 2018 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus. Unless otherwise stated or the context otherwise implies, the term Issue Price refers to the Issue Price applicable to investors other than Anchor Investors.
Issue Proceeds	The proceeds of the Issue that is available to our Company. For further information about use of Issue Proceeds, see “ <i>Objects of the Issue</i> ” on page 86 of this Red Herring Prospectus
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited.
Market Making Agreement	Market Making Agreement dated April 04, 2018 between our Company, Book Running Lead Manager and Market Maker.
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.

Term	Description
Market Maker Reservation Portion	The Reserved Portion of up to 1,36,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Fund Portion	5 % of the QIB Portion i.e. 62,400 Equity Shares available for allocation to Mutual Funds, out of the QIB Portion
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
BSE SME	The SME Platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
BSE	BSE Limited
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to 25,45,600 Equity Shares of face value of Rs.10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs.[●] by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have applied for Equity Shares for an amount of more than Rs.2,00,000 but not including NRIs other than Eligible NRIs
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
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
Other Investors	Investors other than Retail Individual Investors. These include individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Pay-in Period	The period commencing on the Bid/Issue Opening Date and extending until the closure of the Anchor Investor Pay-in Date.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company,

Term	Description
	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
Pre-IPO Placement	Our Company has considered a Pre-IPO placement of aggregating up to Rs. 750.00 Lakhs with certain investors ("Pre-IPO Placement").
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs. [●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM 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 Pune edition of the regional newspaper Prabhat, each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 32 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 bidders.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on April 09, 2018 amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Bid Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1) (zd) of the SEBI (ICDR) Regulations, 2009.
QIB Portion	The portion of the Issue being 49.84% of the Net Issue, consisting of 12,68,800 Equity Shares, available for Allocation to QIBs, subject to valid Bids being received at or above the Issue Price
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 Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/ Issue Opening Date and will

Term	Description
	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 in this case being ICICI Bank Limited and the Karnataka Bank Limited
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 and the Karnataka Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of BSE Limited 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
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited
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
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i>), who apply for an amount less than or equal to Rs.2,00,000/-
Revision Form	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)
Reservation Portion	The portion of the Issuer 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.
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 Issue 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

Term	Description
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Specified Locations	Bidding centers 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 members	A SEBI Registered member of BSE Limited appointed by the BRLM and/or Syndicate Member to act as a Sub-Syndicate Member in the Issue
Syndicate Agreement	The agreement dated April 09, 2018 entered into among our Company, the BRLM and the Syndicate Members in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriters, namely, Pantomath Stock Brokers Private Limited
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated April 04, 2018 entered into between the Underwriters and our Company
Working Day	<p>(i) Till Bid / Issue Closing Date: All days other than a Saturday, Sunday or a public holiday;</p> <p>(ii) Post Bid / Issue Closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016</p>

TECHNICAL AND INDUSTRY TERMS

Term	Description
ASSOCHAM	The Associated Chambers of Commerce of India
CAGR	Compound Annual Growth Rate
CII	The Confederation of Indian Industry
CPI	Consumer Price Index
COE	Centres of Excellence
DIPP	Department of Industries Policy and Promotion
FCNR	Foreign Currency Non-Resident

Term	Description
FDI	Foreign Direct Investment
EDF	Electronic Development Fund
EEPC	Engineering Export Promotion Council of India
EMC	Electronics Manufacturing Clusters
EPFO	Employees' Provident Fund Organization
ESDM	Indian Electronic System Design and Manufacturing
ESI	Employee State Insurance
GDP	Gross Domestic Product
GST	The Goods and Services Tax
GOI	Government of India
GVA	Gross Value Added
HVAC	Heating Ventilation And Air-Conditioning
IESA	India Electronics & Semiconductor Association
IIoT	Industrial Internet of Things
IMF	International Monetary Fund
IPO	Initial Public Offer
NITK	National Institute of Technology Karnataka
MoD	Ministry of Defence, GoI
MYEA	Mid-Year Economic Analysis
M-SIPS	Modified Special Incentive Package Scheme
MSME	Micro, Small and Medium Enterprises
MoU	Memorandum Of Understanding
OEM	Original Equipment Manufacturers
PMGKY	Pradhan Mantra Garib Kalyan Yojana
PIB	Press Information Bureau
PMS	Preferential Market Access
PMP	Phased Manufacturing Programme
PSU	Public Sector Units
RBI	The Reserve Bank of India
UDAY Scheme	Ministry of Power, GoI initiative which launched Ujwal DISCOM Assurance Yojana (UDAY) approved by the Union Cabinet on 5 th November, 2015 (https://www.uday.gov.in/about.php)
UNIDO	United Nations Industrial Development Organization
WA	Washington Accord
WPI	Wholesale Price Index

CONVENTIONAL AND GENERAL TERMS/ABBREVIATIONS

Term	Description
A.Y./AY	Assessment Year
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AoA	Articles of Association

Term	Description
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as - Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as - Category III foreign portfolio investors under the SEBI FPI Regulations
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Cm	Centimetre
CMD	Chairman and Managing Director
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
CS	Company Secretary
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan

Term	Description
ESPS	Employee Stock Purchase Scheme
F.Y./FY	Financial Year
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FIs	Financial Institutions
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FTP	Foreign Trade Policy
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Net-worth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended.
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR	Indian National Rupee
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time

Term	Description
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 148 of this Red Herring Prospectus
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Ltd.	Limited
MD	Managing Director
MICR	Magnetic Ink Character Recognition
Mn	Million
MoA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non-Banking Finance Company
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
BSE	BSE Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
Pvt.	Private
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC	Registrar of Companies

Term	Description
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SARFAESI	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Sec	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	BSE Limited
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
u/s	Under Section

Term	Description
UIN	Unique Identification Number
UOI	Union of India
US/ U.S. / USA/ United States	United States of America
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
UV	Ultraviolet
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 282 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 171 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factor*” beginning on page 23 of this Red Herring 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 Red Herring 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 172 of this Red Herring 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 Red Herring 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 Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 171 of this Red Herring 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 Red Herring 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 Red Herring 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 Red Herring 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 Red Herring 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 as Restated*” beginning on page 171 of this Red Herring Prospectus.

CURRENCY OF PRESENTATION

In this Red Herring 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 AND MARKET DATA

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Red Herring 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 Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager 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 titled “*Risk Factors*” beginning on page 23 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Further, the extent to which the industry and market data presented in this Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENT

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

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 23 and 172 respectively of this Red Herring 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 Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, 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 BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – RISK FACTORS

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

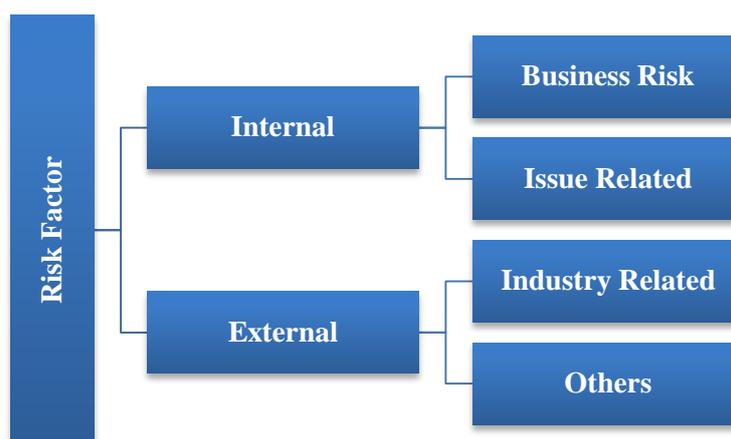
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013 and its applicable Companies Act Rules (as amended from time to time) and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 121, “Our Industry” beginning on page 102 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 172 respectively, of this Red Herring 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; and*
- 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 Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 3 of this Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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



INTERNAL RISKS FACTORS

BUSINESS / COMPANY SPECIFIC RISKS

- Our Company and Promoters-Directors are involved in certain litigation which is currently pending at various stages. Currently, our Company is also involved in a criminal litigation with certain other 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 other than Promoters, Group Companies or Subsidiaries. A classification of legal proceedings is mentioned below:

Also, there is no assurance that in future, we, our promoters, our directors, group companies or subsidiaries 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 189 of this Red Herring Prospectus.

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)
Company							
By the Company	1	Nil	Nil	Nil	Nil	Nil	Not Ascertainable
Against the Company	Nil	Nil	6	1	Nil	Nil	97.59*
Promoters							
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	3	Nil	Nil	Nil	2.80**
Group Companies							
By Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Directors other than promoters							

By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	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.

*In litigations involving labour disputes the amount is unascertainable.

**In one of the tax proceedings the amount has been paid but the challan is not traceable. Hence, we have not included the same in the litigation chapter. For litigation of AY 2007-08 there is partial payment of tax and hence the balance is included in the calculation.

***N.A. = Not Applicable

2. ***Our Company has unpaid Direct and Indirect Tax liability as on 31st December, 2017 amounting to Rs. 955.21 Lakhs, part of this liability is paid in the month of March, 2018. Further, the interest liability on such tax dues are not yet accounted for.***

Our Company has been facing working capital issues due to the nature of the business it operates into. Owing to this, our Company has accumulated unpaid tax liability as on 31st December, 2017 totalling to Rs. 995.74 Lakhs as per Restated Standalone Financial Statements. Of the mentioned amount, Rs. 583.19 Lakhs stands towards Direct Taxes while the remaining amount of Rs. 412.55 Lakhs is towards various Indirect Taxes. However, out of the above mentioned amount, our Company has partly paid its Income Tax dues of Rs. 332.88 Lakhs in the month of March, 2018.

Further, the interest liability as per the relevant Tax laws on the unpaid tax dues are not yet accounted in the books of accounts.

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

Our business is working capital intensive. A significant portion of our working capital is utilized towards trade receivables and trade payables. We intend to continue growing by expanding our business operations. This may result in increase in the quantum of current assets particularly trade receivables and trade payables. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “*Objects of the Issue*” beginning on page 86 of this Red Herring Prospectus.

Further, Summary of our working capital position from Restated Standalone Financial Statements is given below: -

Amount (Rs. In lakhs)

Particulars	For the period ended 31 st Dec, 2017	As at March 31,				
		2017	2016	2015	2014	2013
A. Current Assets						
Inventories	2,545.37	2,565.26	242.00	832.74	825.50	150.45
Trade Receivables	1,256.93	1,619.73	1,928.16	480.39	276.84	425.89

Particulars	For the period ended 31 st Dec, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Cash and Cash Equivalents	137.44	173.95	314.46	272.90	84.44	36.52
Short Term Loans & Advances	387.05	247.59	80.25	157.11	167.19	46.93
Other Current Assets	-	-	-	0.46	0.28	-
B. Current Liabilities						
Trade Payables	1,694.47	1,940.21	809.31	535.94	523.56	488.61
Other Current Liabilities	946.71	1,272.51	1,249.19	790.59	710.45	228.53
Short Term Provisions	715.28	467.85	169.07	41.72	40.83	45.48
Working Capital (A-B)	970.33	925.96	337.30	375.35	79.41	(102.83)
Trade Receivables as % of total current assets	29.05%	35.16%	75.18%	27.56%	20.45%	64.55%
Trade Payables as % of total current liabilities	50.48%	52.71%	36.33%	39.17%	41.07%	64.07%

4. *We have a very limited operating history as a company, which may make it difficult for investors to evaluate our historical performance, current business or future prospects.*

Although, we have been in automation business since 2005, we have incorporated our Company only in year 2010. Further, our multi-level car parking business is still in its initial phase and contributes only approx. 19% of our Total Revenue.

Given, our limited operating history, we may not have sufficient experience as a Company to address the risks frequently encountered by early stage companies, including our ability to successfully completing our orders or maintain adequate control of our costs and expenses. Additionally, combined with the rapidly evolving and competitive nature of our markets, or limited experience as a Company further makes it difficult to evaluate our current business and future prospects. The industry we operate is fragmented in nature whereby we do not have complete information about our competitors and accordingly we may underestimate the supply of our products in the market. Also, we have limited insight into emerging trends that may adversely affect our business, financial condition, results of operations and prospects. We have encountered and will continue to encounter risks and difficulties frequently experienced by growing companies in rapidly changing industries, including unpredictable and volatile revenue and increased expenses as we continue to grow our business. The viability and demand for our products and services may be affected by many factors outside of our control. Accordingly, prospective investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company and should not rely on our results of operations for any prior periods as an indication of our future performance.

5. *Our Revenue have witnessed decline for the F.Y. 2016-17 compared to F.Y. 2015-16.*

Our Revenue from Operations in FY 2016-17 was at Rs. 4,026.61 Lakhs compared to Rs. 4,702.15 Lakhs in FY 2015-16. The decline in revenue has been majorly due to fewer orders compared to previous year, also certain of our orders took longer than expected time for completion. Although we have not witnessed any decline in Revenues for last 5 years, but there can be no assurance that such decline may not occur in future. Declining revenue could cause pressure on profit margin which will impact the overall financial condition.

6. Our Company intends to utilise part of the Net Proceeds from this issue towards expansion by purchase of Plant & Machinery. Company is yet to place orders for such Plant & Machinerics.

As mentioned in the “Objects of the Issue” – beginning on Page 86 of this Red Herring Prospectus, Our Company will be utilising certain portion of the Net Proceeds towards expansion of our assembly line and purchase of machinery for manufacturing Child parts.

Although our company has identified the list of plant and machinery required to be bought for our proposed expansion plan, we are yet to place orders for 100% of the Plant & Machinery worth based Rs. 418.74 Lakhs as detailed in the “Objects of the Issue” beginning on Page 86 of this Red Herring Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management’s views of the desirability of current plans, change in supplier of equipment, among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plant and machinery, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun in the implementation of the Project, which would have a material adverse effect on our business, results of operations and financial condition.

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

Our Company had negative cash flows from our operating, investing and financing activities in the previous years as per the Restated Standalone Financial Statements and the same are summarized as under:

Amount (Rs. In lakhs)

Particulars	For the period ended 31 st Dec, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Cash Flow from / (used in) Operating Activities	528.90	(63.20)	391.58	20.08	(26.31)	293.48
Cash Flow from / (used in) Investing Activities	(562.35)	(168.35)	(203.66)	(277.98)	(70.65)	(220.34)
Cash Flow from / (used in) Financing Activities	(3.06)	91.02	(146.37)	446.36	144.89	(39.45)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

8. Our success and future revenue depend on our ability to secure order while securing order is a lengthy and competitive process, and may not result in actual orders and sales, which would affect our revenue.

We install our automation solutions at our customers’ manufacturing facility. Once the customer is satisfied with the solutions we intend to provide and if it meets our customers’ requirements, then only the approval is given pursuant to which the order is secured. This process can be quite lengthy and competitive, our customers may take longer than the expected time to evaluate our solution, further they may face delay in commissioning their commercial production. Due to this lengthy and uncertain

process, we may experience significant delay in orders which results in an increase of operating expenses and investments cost adversely affecting our business operations.

9. ***Our top 10 customers and top 5 customers contributed substantial portion of our total revenues from operations respectively for the period ended December 31, 2017 and year ended March 31, 2017. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Contribution of our top 10 customers and top 5 customers of our total revenues from operations for the period ended December 31, 2017 and year ended March 31, 2017 is as under:

Particulars	FY 17-18 (Upto Dec'17)	FY 2016-17
Top 10 customers	74.59%	63.84%
Top 5 customers	58.41%	43.06%

Any decline in our quality standards or services, growing competition and any change in the demand, 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, and the loss of business from one or more of them may adversely affect our revenues and results of operations. Also, our business from customers is highly dependent on our continuing relationship with them, the quality of our solution and our ability to 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 their business from us, our results of operations and financial condition may be adversely affected.

10. ***Our Company's failure to maintain the quality to maintain the quality standards of the services and Solution or keep pace with the technological developments could adversely impact our business, results of operations and financial condition.***

Our products depend on inventions and developments as we need to provide advanced automation solution. 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 operation and financial condition. Although we have put in place highly qualified team for the purpose, we cannot assure that our solution will always be able to satisfy our customers' requirements. Any negative publicity regarding our Company or any other unforeseen events could adversely affect our reputation, our operations and our results from operations. While, we believe that we have always provided latest automation solution and also endeavour regularly update our existing technology, 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.

11. ***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.***

We believe that the industry in which we operate face competitive pressures in recruiting and retaining skilled and unskilled labour. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past; there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. 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.

12. *Our application for registration of our corporate logo is currently pending with relevant Trademark Certifying Authority as a result of which we may have lesser recourse to initiate legal proceedings to protect our brand name. This may lead to dilution in the brand value in respect of certain services in which may deal in future.*

We operate in an environment, where generating brand recognition is significant element of our business strategy. Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. We depend on certain brand names and our corporate name and logo that we may not be able to protect and/ or maintain as few of those are currently pending for registration.



At present, we have not applied for the trademark w.r.t to our logo viz., , which is pending. There is no guarantee that the application for registration of our trademark will be accepted in favour of the Company when the same is applied with the certifying authority. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our corporate 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 future prospects.

Therefore, we do not enjoy the statutory protection accorded to a registered trademarks and are subject to various risks arising out of the same, including but not limited to passing off, infringement by a third party. Thereby, our ability to use our logo may be limited and impaired. There can be no assurance that we will be able to register our trademarks or prevent the infringement or passing off from the third party, which can result in loss of business, loss in goodwill and reputation and adversely affect our business, financial condition, results of operations and prospects.

Also, subsequent to the registration of our trademark n case of failure to renew our intellectual property on time, it may also adversely affect our business operations. 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. The material approvals, licences or permits required for our business include trade licence, excise and tax laws, environment laws and shops and establishment licences, among others. See “Government and other Statutory Approvals” on page 199 of this Red Herring Prospectus for further details on the required material approvals for the operation of our business.

13. *We rely on our relationships with OEMs to enhance our solutions and market position, and our failure to continue to develop or maintain such relationships in the future would harm our ability to get business.*

We develop automotive solution for leading OEMs and tier-1 vendors that manufactures automobiles. For each model, OEMs install our automation solution which becomes basis for their production process. Whenever there is a modification in their design or a whole new design is launched, automation solution has to be modified according to the newer production process. So, our relationship with the OEMs is very important for continuously getting business from them. If our relationships with key industry participants were to deteriorate or if our solutions were not approved by our customers, our market position and revenue could be materially and adversely affected.

14. *We have certain contingent liabilities that have not been provided for in our Company's financials which if materialised, could adversely affect our financial condition.*

Our Company has certain contingent liabilities in its Restated Standalone Financial Statements, the details are here under:

(Amount in Rs. Lakhs)

Particulars	31-Dec-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Bank Guarantee	121.47	213.60	-	-	-	-
Income Tax, TDS	12.77	12.19	9.28	8.54	8.48	8.48

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

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

16. Any delay or defaults in receipt of payments or dues from our customers could result in a reduction of our profits.

We regularly commit resources prior to receiving or other payments from our customer. We may be subject to working capital shortages due to delays or defaults in receipt of payments or dues from such customers. If our customers default in their payments or if any order/ assignment in which we have invested significant resources is delayed, cancelled or curtailed, it could have a material adverse effect on our business, financial condition and results of operations.

17. The complexity of our solutions may lead to errors, defects and bugs, which could negatively impact our reputation with customers and result in liability.

Automation solution requires technical and software support which are complex in nature which may contain certain coding, configuration or any other technical errors and defects when installed at customers' manufacturing facility. Our products in the past have not experienced such coding, configuration and/ or any other technical errors and defects. However, there may not be any guarantee of non-occurrence of such events in future. Delivery of automation solution with defects or reliability, quality or compatibility problems could significantly delay or hinder acceptance of the product or result in a costly rework and could damage our reputation.

18. We rely upon third-party licensed software to design our solutions. Our ability to design our solution is largely dependent on these software.

Our solution needs licensed software from third parties. Our technical team has the required expertise for using advanced and updated software which is used in providing the automation solution to OEM and Tier-1 vendors. We are dependent on this software for our regular and continuous operations. While we expect to continue to use this software, we may not be able to receive the expected end result from them which may hamper our ability to provide the expected services. Further, we may not be able to use them on reasonably commercial terms which may affect our operations substantially.

19. We are dependent upon vendors from Pune and Maharashtra for outsourcing the production or procuring small parts. In an eventuality of any unrest, political tension, etc. in these region, our vendors may be unable to deliver us the required materials in a time-bound manner it may have a material adverse effect on our business operations and profitability.

For the year ended March 31, 2017, vendors from Pune and Maharashtra contributed around 68% of our purchases respectively. In the event of any incidents in these regions, there may be delay, inadequacy or default in deliveries of the required materials by any of our vendors and we may not be able to source our child parts on an adequate and timely basis or on commercially acceptable terms. A major disruption to the timely and adequate supplies could adversely affect our business, results of operations and financial condition.

Any problems faced by our vendors in their manufacturing facilities resulting in delays or non-adherence to quality requirements could adversely impact our ability to meet our customer's requirements in time and our operations would be affected to the extent we are unable to line up supplies from alternate suppliers.

20. *Presently, our major focus of revenue is on the automation solution to automotive industry and any adverse business scenario in this industry may adversely affect our business.*

Our Company has been focusing on revenue from automotive industry. Our percentage revenue in F.Y. 2016-17 from automotive industry was at around 81%. However, we are also focusing on increasing revenue from other areas like, multi-level car parking business and Secondary Packaging. Any adverse scenario affecting automobile industry will adversely affect our financial performance. Further, our other businesses are at a nascent stage which may not contribute to our revenue substantially.

21. *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.

22. *Multi-level car parking business of our company is confined to Mumbai and Pune only. We may lose opportunity available elsewhere.*

Along with our existing expertise in automation business, we have added a new vertical viz., automated multi-level car parking. However, at present w.r.t the multi-level car parking business, our operation is confined in the cities like Mumbai and Pune only. We foresee growth opportunity in these regions and hence intend to focus only in these areas in near future. This strategy of ours may lead to loss of business opportunity available in other areas of the country affecting our business adversely.

23. *We have operations outside of India and intend to expand our international operations, which exposes us to significant risks.*

We have limited operations in China and we intend to expand in the United States. The success of our business depends, in large part, on our ability to operate successfully from geographically disparate locations and to further expand our international operations and sales. Operating in international markets requires significant resources and management attention and subjects us to regulatory, economic and political risks that are different from those we face in India. We cannot be sure that further international expansion will be successful and generate enough revenues for our Company. In addition, we face risks in doing business internationally that could expose us to reduced demand for our solution, lower prices for our products or other adverse effects on our operating results.

24. *Commissioning of new segment of business, Secondary Packaging does not have any order book.*

Our Company has recently set up a team specifically for Secondary Packaging business. Our Company is in the process of identifying potential clients and exploring business opportunities in this segment, which is still at a very nascent stage. Currently, we do not have any order book under this segment. However, our Company is in talks with few prospective clients from which we expect orders in next two quarters, but there can be no assurance that such orders will materialise or orders this prospective clients into our business and receive orders in near future under this segment of business which may affect our business and the capital investment which we may have invested may not generate required returns.

- 25. *We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of AFFORDABLE ROBOTIC & AUTOMATION LIMITED from AFFORDABLE ROBOTIC & AUTOMATION PRIVATE LIMITED pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.***

We need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course of our business. Pursuant to our conversion from a private limited company to a public limited company in the year 2018, we need to take necessary steps for transferring the approvals of our company in the new name. Approvals like Consent to Establish the Unit for a product at a particular production capacity issued by Maharashtra Pollution Control Board are currently not traceable by the company. Our 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, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, 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. We cannot assure you that the approvals, licenses, 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. Further, a complete series of approvals is required to be obtained for license to work a factory under the Factories Act, 1948 for which an application dated January 13, 2018 to the Industrial Safety & Health Department of Maharashtra under Labour Ministry has been made and the matter is currently pending. Additionally, our company has not applied for change of name of the approvals as mentioned in material licenses/ approvals for which the Company is yet to apply section of Government and Other Statutory Approvals Chapter. For more information, see chapter “Government and Other Statutory Approvals” on page 199 of this Red Herring Prospectus.

- 26. *We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain. We have a logo which is used for our business purpose. Further the said logo is not applied for registration with the Registrar of Trademarks, Trademark Registry, Mumbai.***
- Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. Currently, we have not applied for registration of our logo. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or 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. In case of failure to renew our intellectual property on time, it may adversely affect our business operations.

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.

The material approvals, licences or permits required for our business include trade licence, excise and tax laws, environment laws and shops and establishment licences, among others. See “Government and other Statutory Approvals” on page 199 of this Red Herring Prospectus for further details on the required material approvals for the operation of our business.

27. *Our automation solution is customer specific and a solution designed cannot be used for multiple customers.*

We specialize in providing automation solution to our customers based on their custom and individual preferences. After receiving orders from customers we dedicate our technically qualified team specially to design automation solution for the customers as per their requirements which are model-specific. A solution designed for a particular model for any customer cannot be used in other models of the same customer or any other customers. This nature of our business requires us to design specifically for each of our orders and we cannot generate repeated sales from one designed automation solution. This may possess operational risk to our business, as completion of any particular order is a lengthy process and requires substantial amount of working capital and human efforts. Our inability to manage them efficiently may possess serious risk to our business.

28. *We rely on third parties to manufacture and procure child parts, which exposes us to a number of risks, including reduced control over manufacturing and delivery timing and potential exposure to price fluctuations, which could result in a loss of revenue or reduced profitability.*

Our Company being in the business of providing automation solutions, we do not manufacture small machining components. Jigs and fixtures requiring child parts and spares in its structure are outsourced to third parties for the purpose of their procurement or are purchased directly through third party vendors owing to which our Company does not have any direct control over the quality and timeliness of the delivery of such child parts and their allied products. Subsequently, we are also exposed to price fluctuations in these parts which may affect our business, profitability and financial condition.

29. *Our success depends on our ability to attract and retain key employees, and our failure to do so could harm our ability to grow our business and execute our business strategies.*

Our performance and success substantially depends on the ability to attract and retain our key employees, including our management team and experienced personnel. Although some of the members of our senior management have been with us for a long period of time, there can be no assurance that any member of our senior management or other key employees will not leave us in the future.

Our success is also highly dependent on our continuous ability to identify, hire, train retain and motivate highly qualified management, technical, sales and marketing personnel. Competition for personnel in the automation industry is intense, and the availability of suitable and qualified candidates is limited. We intend to attract and hire talents from reputed institutes. However, the loss of services of one or more of our key employees, especially our technical team, or our inability to attract and retain qualified engineers, could harm our operational business and consequently financially.

30. *Our growth depends largely on the growth and development of the automobile industry, need of automation of various processes in manufacturing, packaging, and if the market does not develop as we expect, our business prospects may be harmed.*

Our industry is mainly in providing automation solution for manufacturing capital goods for automobile industry. With evolving technologies, industry standards and frequent changing customer demands our business is directly affected. Our success is largely dependent on the growth and evolution of the Automobile industry, hence, our business may suffer as a result of slowing or declining growth in automobile industry. As a result of these factors there may be an adverse effect on the future revenue and income potential of our business.

31. *Our Peer reviewed auditor has given an emphasis on Opinion in its Audit report for the period ended 31st December, 2017.*

In the audit report for Restated Standalone Financial Statements for the period ended December 31, 2017, our peer reviewed auditor has given an Emphasis on Opinion without any qualification, which read as follows:

“Note 9 to the restated standalone financial statements which describes outstanding statutory dues on account of Direct Tax and indirect tax. Since the Statutory Returns under various laws are pending for filing, interest liability on such Net Outstanding Statutory dues could not be ascertained, accordingly we could not comment on the possible impact, if any, on Statement of Profit and Loss for the respective Year/period ended.”

Although our Company has paid part of its tax liability amounting to Rs. 332.88 Lakhs in the month of March, 2018. However, we may not be able to assure you that such qualification will not arise in future and the impact of interest liability as mentioned in the auditor’s comment will not be material.

32. *We have only 1 offshore office or business place to look after our export operations.*

Our business presently caters to both domestic as well as international markets. A small portion of our revenue from operations is derived from international markets. However, we have only 1 offshore office at China which looks after our operations at China. As a result of which we may not be able to capitalize on opportunities offered by the evolving international market in a timely manner. The business operations of our Company are mainly handled from our registered office and corporate office both located at Pune.

33. *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, Directors and their Relatives. While we believe that all such transactions are conducted on arm’s length basis, there can be no assurance that we could not have achieved more favourable 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 in compliance with the applicable law. 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 169 of the Red Herring Prospectus.

34. *We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions.*

Our Company derives less than 5% of revenue from export operations. We provide our service to foreign markets and receive sale proceeds in foreign currency. Our foreign exchange transactions are not hedged. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. As our exposures are not hedged, we are exposed to foreign currency fluctuation risk and may affect our Company’s results of operations.

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

As on December 31, 2017, our Company has unsecured loans amounting to Rs. 101.02 lakhs as per Restated Standalone Financial Statements from related and other parties. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled “*Financial Statements as Restated*” beginning on page 171 of this Red Herring Prospectus.

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

The automation business is growing rapidly and hence it is competitive on account of both the small and large players. Players in this industry generally compete with each other on key attributes such as

technical competence, quality of solutions, strong clientele, pricing and after sales service. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

37. *Our assembly facility is located at Wadki, Pune. Any shutdown or any interruption for a significant period of time, in this facility may in turn adversely affect our business, financial condition and results of operations.*

Our Company has its facility located at Wadki, Pune. Our success depends on our ability to successfully provide quality automation solution to meet our customer specification. Our assembly facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. Further, our manufacturing facility is also subject to operating risk arising from compliance with the directives of relevant government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays or shutdowns due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

38. *We are subject to various laws and regulations relating to the handling and disposal of any hazardous materials and wastes being generated from our assembly facility. If we fail to comply with such laws and regulations, we can be subjected to prosecution, including imprisonment and fines or incur costs that could have a material adverse effect on the success of our business.*

We are required to obtain registrations from the relevant State Pollution Control Board to be able to handle and dispose hazardous and wastes. We are also required to take a number of precautionary measures and follow prescribed practices in this regard.

Further, our company is subject to following certain rules and guidelines, but not limited to:

- a. The Micro, Small and Medium Enterprises Development Act, 2006;
- b. The Maharashtra Industrial Policy 2013;
- c. Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957;
- d. The Factories Act, 1948;
- e. The Environment Protection Act, 1986;
- f. Water (Prevention and Control of Pollution) Act, 1974;
- g. National Environmental Policy, 2006; and
- h. Foreign Exchange Management Act, 1999.

Our failure to comply with these laws could result in us being prosecuted, including our directors and officers responsible for compliance being subjected to imprisonment and fines. We may also be liable for damage caused to the environment. Any such action could adversely affect our business and financial condition.

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

Our facility 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 involves 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.

40. *We generally do business with our customers on tender basis and do not enter into long term contracts with most of them.*

Our business is dependent on our continuing relationships with our customers. Our Company does not have any long-term contract with any customers. Any change in the design pattern of our customer or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

41. *Our Company has made certain inadequate/ lapsed /delayed filings as required under Companies Act, 2013 and under the applicable provisions of Companies Act, 1956.*

Our Company is required to make filings under various rules and regulations as applicable under the Companies Act, 2013 and under the applicable provisions of the Companies Act, 1956. Some of which has not been done within the stipulated time period at some instances. Some of the disclosures have been filed inadequately as would be required under the provisions of Companies Act, 2013. For instance, our Company has lapsed in filing of Form AOC-4 CFS by attaching wrong financials in the form for financial year 2016-17. Further, we have delayed in filing Form MGT-7 and Form AOC-4 CFS for the financial year 2016-17. Due to these delays in filings, our Company had on few occasions paid the requisite late fees. Although, we have not received any show-cause notice in respect of the above, such delay/non-compliance may in the future render us liable to statutory penalties and could have serious consequences on our operations. While this could be attributed to technical lapses and human errors, our Company has now appointed a Company Secretary and is in the process of setting up a system to ensure that requisite filings are done appropriately with the requisite timeline.

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

Our Company uses third party transportation providers for delivery of machines/ robots to the customers. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. In addition there may be loss or damage in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of machines which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

43. *Our insurance coverage may not be adequate.*

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies to insure our cargo such as Standard Fire and Special Perils Policy. 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 loss of profits, losses due to terrorism, etc. Further, 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 further details, please refer chapter titled “*Our Business*” beginning on page 121 of this Red Herring Prospectus.

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

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 916.98 Lakhs as on December 31, 2017 as per Restated Standalone Financial Statements. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the *Financial Indebtedness* please refer to page 185 of this Red Herring Prospectus.

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

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.

There can be no assurance that we will be able to comply with these financial or other loan covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “*Financial Indebtedness*” on page 185 of the Red Herring Prospectus. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

46. *We have taken guarantees from Promoters and members of Promoter Group in relation to debt facilities provided to us.*

We have taken guarantees from Promoters and members of Promoter Group in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees 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 185 of this Red Herring Prospectus.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “*Objects of the Issue*” beginning on page 86 of this Red Herring Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 170 of this Red Herring Prospectus.

49. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 86 of this Red Herring 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 this Issue have not been appraised by any bank or financial institution.*

We intend to use entire Issue Proceeds towards purchase of plant & machinery, meeting working capital requirements, repayment of short term loans and general corporate purposes. Such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the 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 86 of this Red Herring 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 86 of this Red Herring 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 proceeds of this Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide 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.

50. *Our future funds requirements, in the form of 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 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.

51. *Negative publicity could adversely affect our revenue model and profitability*

Our business is dependent on the trust our customers have reposed in the quality of our services. Any negative publicity our Company, service, or our brand due to any other unforeseen events could affect our reputation and our results from operations. Further, our business may also be affected if there is any negative publicity associated with the services which are being rendered by our Company which may indirectly result in erosion of our reputation and goodwill.

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

Since, the Issue size is less than Rs.10,000 lakh and as per the provisions of Regulation 16 (1) of the SEBI ICDR Regulations, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide 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.

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

Our success is substantially dependent on the expertise and services of our Directors, Promoter and our Key Managerial Personnel (“KMP”). 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 KMP in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

54. *In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.*

Our Directors and Key Managerial Personnel (“KMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “*Capital Structure*” and “*Our Management*” on pages 72 and 148, respectively, of this Red Herring Prospectus.

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

After completion of the Issue, our Promoters and Promoter Group will collectively own [●] of the Equity Shares. As a result, our Promoter 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 AoA. 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 Promoter 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.

56. *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.

57. *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 and goodwill of our Company. 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.

58. *Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.*

Few of our agreements may not be stamped adequately or 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 due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

59. *Industry publicity could adversely affect our revenue model and profitability*

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although, we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other such problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

60. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the floor price.*

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “*Capital Structure*” beginning on page 72 of this Red Herring Prospectus.

61. *We have issued Equity Shares in the last twelve months, the price of which may be lower than the Issue Price.*

Our Company has issued 50,00,000 Equity Shares in the last twelve months which may be at a price lower than the issue price. For further details of Equity Shares issued, please refer to chapter titled, “*Capital Structure*” beginning on page 72 of this Red Herring Prospectus.

ISSUE SPECIFIC RISKS

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

The Issue Price of our Equity Shares will be determined by book built method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 95 of this Red Herring 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.

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

Any instance of disinvestments of equity shares by our Promoters 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.

64. *QIB and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid*

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

EXTERNAL RISKS FACTORS

INDUSTRY RISKS

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

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

OTHER RISKS

66. 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 Red Herring Prospectus.

As stated in the reports of the Auditor included in this Red Herring Prospectus under chapter “*Financial Statements as restated*” beginning on page 171, the financial statements included in this Red Herring 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 Red Herring 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 Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring 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 Red Herring Prospectus should accordingly be limited.

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

Under the Income-tax Act, 1961, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India except any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the Securities Transaction Tax (“STT”) has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of shares on a stock exchange held for a period of 12 months or less will be subject to short term capital gains tax. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, Section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to STT under Chapter VII of the Finance (No 2) Act, 2004. In this case, this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long term capital gains exceeds Rs. 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of Rs. 1,00,000/- pa. shall be chargeable at the rate of 10%.

Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

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

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

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

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

69. *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.

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

The GoI has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

71. *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.

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

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or

fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

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

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

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

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

PROMINENT NOTES

1. Public Issue of upto 26,81,600 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. [●] per Equity Share ("Issue Price") aggregating upto Rs. [●] Lakhs, of which 1,36,000 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 25,45,600 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 [●]% and [●]%, respectively of the post Issue paid up equity share capital of the Company.

2. Investors may contact the Book Running Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled “*General Information*” beginning on page 61 of this Red Herring Prospectus.
3. The pre-issue net worth of our Company as per Restated Standalone Financial Statements was Rs.1,096.40 lakhs as of December 31, 2017 and Rs.689.62 lakhs for the year ended March 31, 2017. The book value of Equity Share after Issue of Bonus was Rs 17.54 as at December 31, 2017 and Rs. 11.03 as at March 31, 2017 as per the Restated Financial Statements of our Company. For more information, please refer to section titled “*Financial Statements*” beginning on page 171 of this Red Herring Prospectus.
4. The average cost of acquisition per Equity Share by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Milind Manohar Padole	31,24,600	0.40
Manohar Pandurang Padole	31,24,900	0.40

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled “*Capital Structure*” beginning on page 72 of this Red Herring Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer “*Related Party Transaction*” under chapter titled “*Financial Statements as restated*” beginning on page 171 of this Red Herring 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 224 of this Red Herring 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 72, 164, 148 and 169 respectively, of this Red Herring Prospectus, none of our Promoter, Directors or Key Management Personnel has any interest in our Company.
8. Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 72 of this Red Herring 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 95 of the Red Herring 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 Red Herring Prospectus with the Stock Exchange.
12. Our Company was originally incorporated as “Affordable Robotic & Automation Private Limited” at Pune, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 12, 2010 bearing Corporate Identification Number U29299PN2010PTC135298 issued by Registrar of Companies, Pune, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to a Shareholders’ resolution passed at the Extraordinary General Meeting of the Company held on January 24, 2018 and the name of our Company was changed to “Affordable Robotic & Automation Limited” vide a fresh Certificate of Incorporation dated February 2, 2018 issued by the Registrar of Companies, Pune, Maharashtra. The Corporate Identification Number of our Company is U29299PN2010PLC135298.

For further details of Incorporation, change of name of the Registered Office of our Company, please refer to chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 144 of this Red Herring Prospectus.

13. Except as stated in the chapter titled “*Our Group Companies*” beginning on page 168 and chapter titled “*Related Party Transactions*” beginning on page 169 of this Red Herring Prospectus, our Group Companies 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 Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 23 and 171 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO ENGINEERING INDUSTRY

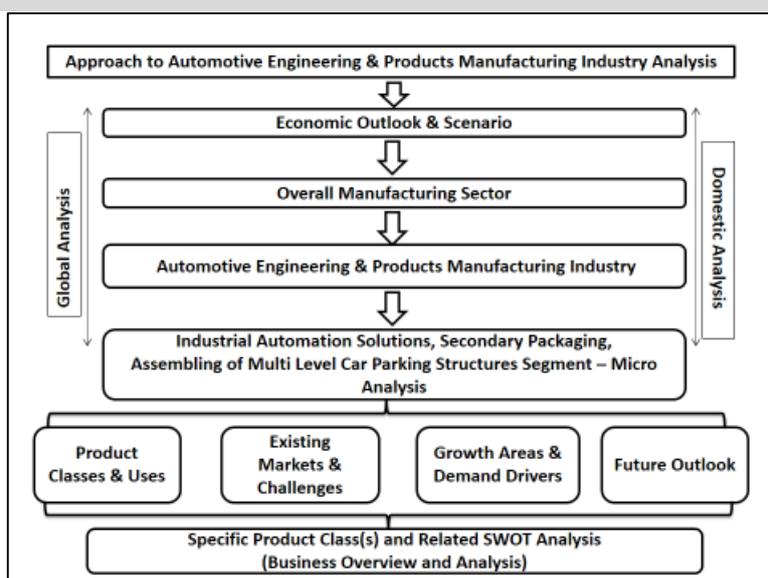
The Indian Engineering sector has witnessed a remarkable growth over the last few years driven by increased investments in infrastructure and industrial production. The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of strategic importance to India’s economy.

India on its quest to become a global superpower has made significant strides towards the development of its engineering sector. The GoI has appointed the EEPC as the apex body in charge of promotion of engineering goods, products and services from India. India exports transport equipment, capital goods, other machinery/equipment and light engineering products such as castings, forgings and fasteners to various countries of the world. The Indian semiconductor industry offers high growth potential areas as the industries which source semiconductors as inputs are themselves witnessing high demand.

India became a permanent member of the WA in June 2014. The country is now a part of an exclusive group of 17 countries who are permanent signatories of the WA, an elite international agreement on engineering studies and mobility of engineers.

(Source: Indian Engineering Analysis - India Brand Equity Foundation - www.ibef.org)

APPROACH TO AUTOMOTIVE ENGINEERING & MANUFACTURING INDUSTRY 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 & Engineering Industry and / or any other industry, may entail legal consequences.

Analysis of Automotive Engineering and products manufacturing industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Automotive Engineering Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Automotive Engineering and products manufacturing 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 “Automotive Engineering and products manufacturing industry”, which in turn encompasses various segments such as Automotive solutions and assembling of car parking structures.

Thus, the micro analysis of such segments should be analysed in the light of “Automotive Engineering and products manufacturing industry” at large. An appropriate view on automation and car parking structures then, calls for the overall economic outlook, performance and expectations of Manufacturing Sector, position of Automotive Engineering and products manufacturing Industry and micro analysis thereof.

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.

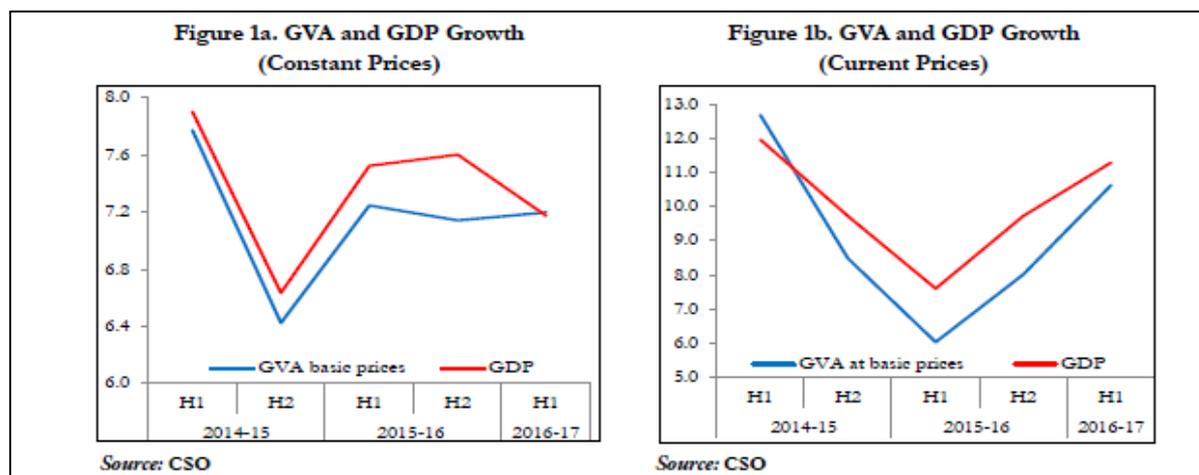
Third, developments in the US, especially the rise of the dollar, will have implications for China's currency and currency policy. If China is able to successfully re-balance its economy, the spill over effects on India and the rest of the world will be positive. On, the other hand, further declines 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 percent 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).



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 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 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\$ 350 billion 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 1.7 percent of GDP in FY 2016 to 3.2 percent of GDP in the second quarter of FY 2017, 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 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 FY 2017. Some of this weakness could be offset through higher public investment, but that would depend on the stance of fiscal policy next year, which has to balance the short-term requirements of an economy recovering from demonetisation against the medium-term necessity of adhering to fiscal discipline—and the need to be seen as doing so. Putting these factors together, we expect real GDP growth to be in the 6¾ to 7½ percent range in FY2018. Even under this forecast, India would remain the fastest growing major economy in the world.

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

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

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

Fiscal outlook

The fiscal outlook for the central government for next year will be marked by three factors. First, the increase in the tax to GDP ratio of about 0.5 percentage points in each of the last two years, owing to the oil windfall will disappear. In fact, excise-related taxes will decline by about 0.1 percentage point of GDP, a swing of about 0.6 percentage points relative to FY 2017.

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 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 labour 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 EPFO; whether the employers' contribution should go to the EPFO or the National Pension Scheme; and whether to contribute to the 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.

SUMMARY OF OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “*Forward-Looking Statements*” beginning on page 22 of this Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “*Risk Factors*” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Financial Information*” beginning on pages 23 and 171, respectively.

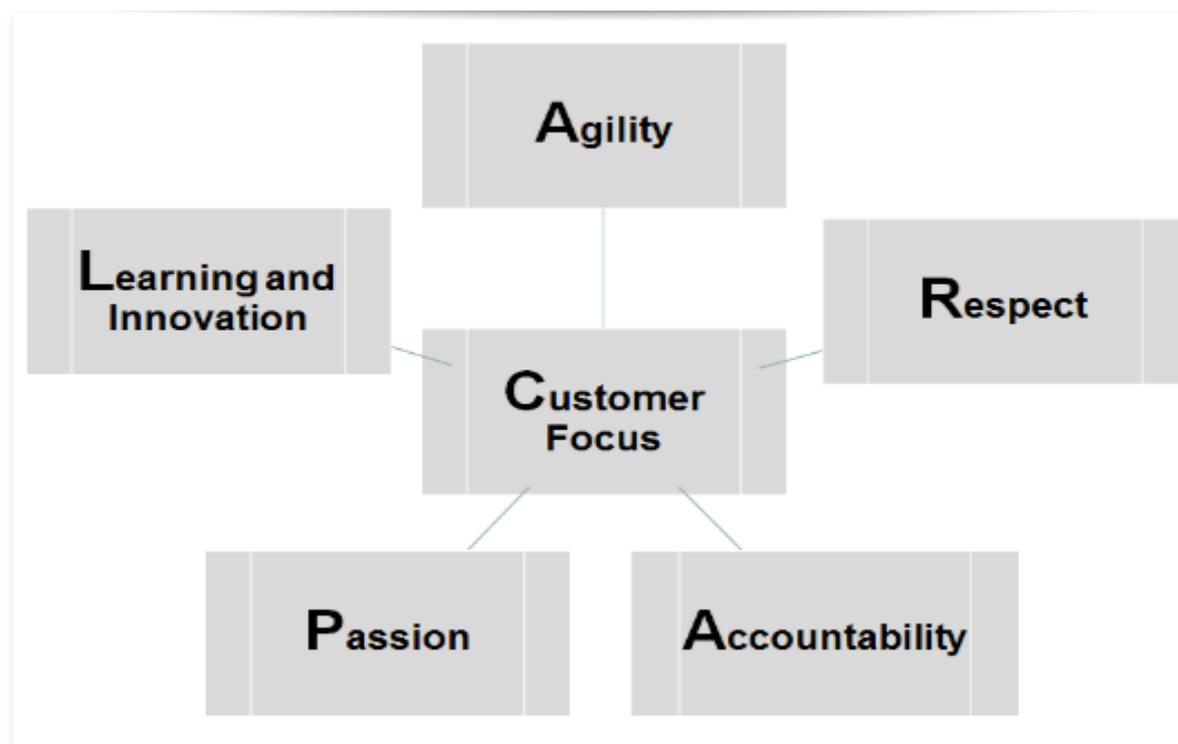
OVERVIEW

Our Company was originally incorporated as “Affordable Robotic & Automation Private Limited” at Pune, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 12, 2010, bearing Corporate Identification Number U29299PN2010PTC135298 issued by Registrar of Companies, Pune, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to a Shareholders’ resolution passed at the Extra-ordinary General Meeting of the Company held on January 24, 2018 and the name of our Company was changed to “Affordable Robotic & Automation Limited” vide a fresh Certificate of Incorporation dated February 2, 2018 issued by the Registrar of Companies, Pune, Maharashtra. The Corporate Identification Number of our Company is U29299PN2010PLC135298.

The business which was started in year 2005 as a proprietorship concern, is in the business of providing turnkey automation solution to automotive, semi-automotive and manufacturing industries. The Company programs and automates the functions of machines used in manufacturing process of automobile industry. The Assembly facility of the Company is situated at Pune, Maharashtra along with the Head office, covering an area of 8,442 sq. meters. The assembly unit is equipped with requisite software, technology, machinery, spares store and other basic amenities for its employees making itself an integrated facility. Our Company is also in the business of assembling and installing automatic multi-level car parking system. This system is preferred by residential complexes, shopping malls and commercial buildings. Our Company has presence in Mumbai and Pune in automated car-parking business. Further, in FY 2017-18, our Company has set-up a new line of business, Secondary Packaging, which is aimed at FMCG industries by way of providing automation service in container packaging of the final packed product.

Our Company is promoted by Mr. Manohar Padole and Mr. Milind Padole. Our individual promoters manage and control the day-to-day affairs of our business operations. Under the leadership of Mr. Milind Padole, our Company has seen remarkable growth in its operational performance. The experience of our promoters and management team is also further reflected in its strong business and financial performance of the Company condition. Our trained and professional experts are *inter alia* involved in (i) engineering & design; (ii) controls & automation; (iii) process study; (iv) robotic application; (v) robotic simulation; (vi) offline programming; (vii) ergonomic study; (viii) layout presentation; (ix) assembly; (x) material handling design; (xi) bulk storage system design; (xii) project management; (xiii) quality and certification; (ix) finance & procurement; (x) HR & administration; (xi) spares & service support; and (xii) training.

Our Company operates on certain core values which are enshrined in the table below. These core values ensures that the Company achieves its end objective without compromising on the quality of the products of the Company.



Further, our Company specializes in analysing the process which is followed in its manufacturing activity and thereby strives to provide quality automation solution to increase the productivity and client’s satisfaction. The Company has an in-house team with technical expertise who does the required programming by using advanced software. Our Company operates with a customer centric approach whereby our Company focuses on continuous training of team which helps us to be innovative and provide quality solution to our customers. We strive to provide the automation solution which is defect free and highly productive. Our customers in automation business are mostly Automobile industries who uses our automation solution in their manufacturing processes. Apart from providing automation solutions, we also manufacture Special Purpose Machine (SPM) as per the requirement of our customers. Foreseeing the growth in car-parking business, our Company by using its automation business expertise has ventured now into automated car parking segment which has allowed the Company to gain renowned clients in its initial phase of the business. We are providing various types of parking facility, namely, Mechanical, Hydraulic, Puzzle, Rotary parking giving our customers a variety of parking options suitable to their needs. Secondary packaging is a new line of business which the company is exploring which will focus on providing the automation solution in packaging of packed final products of FMCG companies. The Company aims to provide highly productive and defect free automated secondary packaging solution to the FMCG sector.

Our Company’s operational presence are as below:

Registered & Manufacturing Office: Gate No. 1209, Near Hotel Vijay Executive, Pune-Saswad Highway, Wadki, Taluka – Haveli, Pune – 412 308, Maharashtra, India

Branch Office: F35, DLF Centre Point, Sector-11, Mathura Road, Faridabad - 121007, Haryana, India.

Sales and Marketing Office:

Pune: F35, DLF Centre Point, Sector-11, Mathura Road, Faridabad - 121007, Haryana, India.

China Office: Office No.-4, 345, Rongmei Road, Songjiang, Dist – Shanghai, Public Republic of China – 210 600

OUR FINANCIAL SNAPSHOT

As per Standalone Restated Financial Statements, summary of our financial position is as under:

(Amount in Rs. Lakhs)

Particulars	For the period ended 31 st Dec, 2017	F.Y. 2016-17	F.Y. 2015-16	F.Y. 2014-15
Total Revenue	4,668.61	4,039.43	4,709.13	2,595.45
EBITDA	802.09	876.72	455.18	143.06
Profit After Tax	406.78	395.63	122.04	14.07

OUR PRODUCTS

Sr. No.	Product	Image	Description
1.	Industrial Automation		Programming and designing the process to be followed by machines/robots used in manufacturing process. With industrial automation, pace of production becomes faster and chances of inaccuracy and error are substantially eliminated, due to sensor based automated process.
2.	Multi-level Car Parking		With different types of parking methods, vehicles are parked in multi-layers. This is an automated system which finds out the available parking slot reducing the cost and area required for constructing parking areas.
3.	Secondary Packaging		This involves packing of multiple packed products into bigger boxes using automated machines. Such automated secondary packaging reduces time of packing and error-free count of products into each box.

RAW MATERIALS

Our Company requires Steel fabrications, Metal Plates, Machined Steel Components, Mechanical, Pneumatic, Hydraulic Parts & Accessories, Electrical & Control Material, Safety Equipment & Devices, and Robots which constitutes as major raw material.

OUR BUSINESS PROCESS

The automation is done through a specialised process. These steps include:

1. Requirement understanding:

To provide an automation solution to any process of manufacturing, there has to be a proper understanding of the process which is followed in manufacturing process. We strive for in depth understanding of the process to provide high quality automation solution as per the requirement of our

customer. Our experience has led us to a position where we can identify potential opportunities, bottlenecks, manufacturing flexibility limitations, etc. Prior to providing the automation services to our customers, we understand their exact requirement by asking them questions regarding their precise requirements which enables us at our end to understand the level of the process orientation and scale of automation that shall be required to meet the customers desire and demand. Our dedicated and experienced technical team. We have a dedicated and experienced technical team who understands the importance of automation accuracy and believe in customer centric approach and customer friendly attitude.

2. Process formulation & Designing:

Once we get a clear understanding of the type of automation required, our Process & Designing team work together for formulating a process flow of the machine with automation which includes 3D drawing of the component, production volume and shift schedule, concept and feasibility studies, modelling and material designing. All this enables us to calculate the cycle time required for the completion of the entire process. This process formulation is done by using advanced and modern software, giving results satisfying the needs of our customer. Once a complete process flow is defined and mutually agreed, then designing of the machine/robot is done. Designing is done keeping in mind the process finalised avoiding any faulty outcome.

3. Simulation:

Simulation is a 3D computerised replica of the process designed, it helps in finding out any error or defect in the process. After the process and designing is finalised, our dedicated simulation team does the simulation of the entire designed process. It helps the customer to visualize the end result of the recommendation, and the tangible relationship it will form with the revised manufacturing process. Simulation allows us to observe a real-like situation in our systems which allows us to make, modify if necessary and meet the customer's requirement.

4. Parts Assembling:

Once the designing is finalised and simulation is approved by the customer, we issue the detailed design of parts and components to various vendors for manufacturing. Manufactured parts after being received by vendors are issued to shop floor for assembly. Further, parts which are directly bought from suppliers are also issued to shop floor. In the shop floor, we conduct a proper quality check for all the parts received. Once they pass the quality criteria, it is further used for assembly as per the design approved.

5. Inspections and Corrections:

We believe that our strength lies in the quality of service we provide to our customers. To ensure that we continue to strengthen this trust which is reposed on us, we conduct an in-depth inspection of the assembled machines with the help of various tools and equipment such as CMM Machine, Laser Tracker, etc. Inspection helps us to identify any shortfall in the machines at the right time and find out any area where improvement or modifications are required. Since inspection is one of the most critical step, we deploy a highly professional and experienced team for this purpose giving utmost importance to customer service. Any necessary corrections required are done immediately before we proceed the machine to trail.

6. Trials:

After the inspection and correction step, machines are ready for use for commercial purpose. However, to ensure that our customers do not face any trouble while operating the machine at their site, we conduct a live trial on our shop floor in the presence of our customer so as to avoid any last minute hustle. With the trial, we explain our customer about the working of the machine and automation, all the queries and doubts of the customer are clarified by our technical team. Once the customer is satisfied with the trial operation, we proceed to final step.

7. Approval and Dispatch:

With the successful completion of trial and satisfaction of the customer meeting their exact requirement, final approval from the customer is taken indicating their satisfaction to their requirement. We prepare to dispatch the automated machines to our customer's site. We ensure proper packaging and safe transit of the machines to the customer and help the customer with the installation of the machine at their site.

SUMMARY OF FINANCIAL STATEMENTS

Particulars	Page No.
Summary of Restated Standalone Financial Statements	A1 – A3
Summary of Restated Consolidated Financial Statements	A4 – A6

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

BALANCE SHEET

(Amount in Lakhs Rs.)

PARTICULARS	As at the Year end/Period ended					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
A) EQUITY AND LIABILITIES						
1. Shareholders' Funds						
(a) Share Capital	625.00	125.00	125.00	25.00	25.00	25.00
(b) Reserves & Surplus	471.40	564.62	168.99	146.96	134.45	53.26
	1,096.40	689.62	293.99	171.96	159.45	78.26
2. Non Current Liabilities						
(a) Long Term Borrowings	626.51	283.69	144.35	185.92	49.72	37.22
(b) Other Long Term Liabilities	57.61	72.40	-	-	-	-
(c) Long Term Provisions	62.91	50.97	31.96	20.93	13.49	9.00
	747.03	407.07	176.31	206.85	63.21	46.22
3. Current Liabilities						
(a) Short Term Borrowings	354.93	613.69	542.09	538.79	172.99	29.13
(b) Trade Payables	1,694.47	1,940.21	809.31	535.94	523.56	488.61
(c) Other Current Liabilities	946.71	1,272.51	1,249.19	790.59	710.45	228.53
(d) Short Term Provisions	715.28	467.85	169.07	41.72	40.83	45.48
	3,711.39	4,294.26	2,769.66	1,907.04	1,447.83	791.74
Total	5,554.82	5,390.95	3,239.97	2,285.85	1,670.49	916.22
B) ASSETS						
1. Non Current Assets						
(a) Fixed Assets						
i) Tangible Assets						
(i) Gross Block	1,421.08	904.28	731.00	266.41	213.94	184.25
(ii) Depreciation	416.63	293.56	190.29	90.33	28.07	14.54
(iii) Net Block	1,004.44	610.72	540.70	176.09	185.87	169.71
ii) Intangible Assets	6.01	8.71	19.66	21.04	3.01	-
iii) Capital Work in Progress	11.52	-	-	255.52	-	-
	1,021.97	619.43	560.37	452.65	188.88	169.71
(b) Non-Current Investment	60.74	14.45	-	-	-	-
(c) Deferred Tax Assets (Net)	78.08	77.45	37.37	10.54	3.59	2.28
(d) Long Term Loans and Advances	67.25	73.08	77.36	79.07	123.77	84.43
(e) Other Non Current Assets	-	-	-	-	-	-
	206.06	164.98	114.74	89.61	127.36	86.72
2. Current Assets						
(a) Inventories	2,545.37	2,565.26	242.00	832.74	825.50	150.45
(b) Trade Receivables	1,256.93	1,619.73	1,928.16	480.39	276.84	425.89
(c) Cash and Cash equivalents	137.44	173.95	314.46	272.90	84.44	36.52
(d) Short-Term Loans and Advances	387.05	247.59	80.25	157.11	167.19	46.93
(e) Other Current Assets	-	-	-	0.46	0.28	-
	4,326.78	4,606.54	2,564.87	1,743.60	1,354.24	659.79
Total	5,554.82	5,390.96	3,239.97	2,285.85	1,670.49	916.22
For Vijay Moondra & Co			For and on Behalf of Directors			
Chartered Accountants						
FRN : -112308W						
(CA Vinit Moondra)			(Director)		(Director)	
M. No. 119398)						
Date: 22nd March 2018						
Place: Ahmedabad						

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

STATEMENT OF PROFIT AND LOSS

(Amount in Lakhs Rs.)

PARTICULARS	For the Year/Period ended					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
1 Revenue From Operation (Gross)	4,664.88	4,026.61	4,702.15	2,590.31	2,417.99	1,725.79
Less: Excise Duty, indirect tax	-	-	-	-	-	-
Revenue From Operation (Net)	4,664.88	4,026.61	4,702.15	2,590.31	2,417.99	1,725.79
2 Other Income	3.73	12.82	6.98	5.14	5.30	1.49
Total Revenue (1+2)	4,668.61	4,039.43	4,709.13	2,595.45	2,423.29	1,727.28
3 Expenditure						
(a) Cost of Material Consumed	2,682.71	1,995.36	3,089.00	1,606.61	1,559.97	1,193.41
(b) Employee Benefit Expenses	739.90	746.68	607.23	497.09	357.54	261.54
(c) Finance Cost	87.11	119.92	108.10	55.65	11.47	10.58
(d) Depreciation and Amortisation Expenses	123.07	103.27	99.97	60.68	13.53	7.20
(e) Other Expenses	443.91	420.66	557.72	348.69	358.92	191.21
Total Expenditure 3(a) to 3(b)	4,076.70	3,385.89	4,462.02	2,568.72	2,301.43	1,663.94
5 Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)	591.91	653.54	247.12	26.73	121.85	63.35
6 Exceptional item	-	-	-	-	-	-
Profit/(Loss) Before Tax (5-6)	591.91	653.54	247.12	26.73	121.85	63.35
8 Tax Expense:						
(a) Tax Expense for Current Year	185.75	297.99	151.92	19.60	41.97	22.43
(b) Short/(Excess) Provision of Earlier Year	-	-	-	-	-	-
(c) Deferred Tax	(0.62)	(40.08)	(26.84)	(6.95)	(1.31)	(2.44)
Net Current Tax Expenses	185.13	257.91	125.08	12.65	40.66	19.99
Profit/(Loss) for the Year (7-8)	406.78	395.63	122.04	14.07	81.20	43.35

For Vijay Moondra & Co
Chartered Accountants
FRN : -112308W

For and on Behalf of Directors

(CA Vinit Moondra)
M. No. 119398
Date: 22nd March 2018
Place: Ahmedabad

(Director)

Director

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

CASH FLOW STATEMENT

(Amount in Lakhs Rs.)

PARTICULARS	FOR THE YEAR/PERIOD ENDED					
	31-12-2017 Rupees	31-03-2017 Rupees	31-03-2016 Rupees	31-03-2015 Rupees	31-03-2014 Rupees	31-03-2013 Rupees
A) Cash Flow From Operating Activities :						
Net Profit before tax	591.91	653.54	247.12	26.73	121.85	63.35
Adjustment for :						
Depreciation	123.07	103.27	99.97	60.68	13.53	7.20
Interest Paid	87.11	119.92	108.10	55.65	11.47	10.58
Interest Income	(3.73)	(4.14)	(2.32)	(3.34)	(1.27)	(1.23)
Dividend Income	-	-	-	-	(0.13)	-
Prior Period Income adjusted with Reserves	-	-	-	-	-	(4.04)
Operating profit before working capital changes	798.36	872.58	452.86	139.72	145.47	75.85
Changes in Working Capital						
(Increase)/Decrease in Inventories	19.90	(2,323.26)	590.74	(7.24)	(675.05)	37.78
(Increase)/Decrease in Trade Receivables	362.80	308.42	(1,447.76)	(203.55)	149.05	(318.96)
(Increase)/Decrease in Short Term Loans & Advances	(139.46)	(167.34)	76.86	10.08	(120.26)	71.13
(Increase)/Decrease in Other Current Assets	-	-	0.46	(0.18)	(0.28)	-
Increase/(Decrease) in Trade Payables	(245.74)	1,130.91	273.37	12.38	34.95	392.72
Increase/(Decrease) in Other Current Liabilities	(325.79)	23.31	458.61	80.14	481.92	76.00
Increase/(Decrease) in Short Term Provisions	70.98	17.33	10.21	9.43	0.64	(44.92)
Increase/(Decrease) in Long Term Provisions and liabilities	(2.85)	91.41	11.03	7.44	4.49	9.00
Cash generated from operations	538.20	(46.64)	426.35	48.22	20.94	298.58
Less:- Income Taxes paid	(9.29)	(16.55)	(34.77)	(28.14)	(47.25)	(5.10)
Net cash flow from operating activities	528.90	(63.20)	391.58	20.08	(26.31)	293.48
B) Cash Flow From Investing Activities :						
Purchase of Fixed Assets including of CWIP	(525.62)	(162.33)	(207.69)	(326.03)	(32.70)	(137.14)
Share Capital Increase Expenses	-	-	-	-	-	-
Investment made/Sold during the year	(46.28)	(14.45)	-	-	-	-
Dividend Income	-	-	-	-	0.13	-
Increase/(Decrease) in Long Term Loans and Advances	5.83	4.29	1.71	44.70	(39.34)	(84.43)
Interest Income	3.73	4.14	2.32	3.34	1.27	1.23
Net cash flow from investing activities	B (562.35)	(168.35)	(203.66)	(277.98)	(70.65)	(220.34)
C) Cash Flow From Financing Activities :						
Increase/(Decrease) in Short Term Borrowings	(258.76)	71.61	3.29	365.80	143.86	(42.00)
Increase/(Decrease) in Long Term Borrowings	342.82	139.34	(41.56)	136.20	12.50	13.13
Interest Paid	(87.11)	(119.92)	(108.10)	(55.65)	(11.47)	(10.58)
Net cash flow from financing activities	C (3.06)	91.02	(146.37)	446.36	144.89	(39.45)
Net Increase/(Decrease) In Cash & Cash Equivalents	(A+B+C) (36.51)	(140.51)	41.56	188.46	47.92	33.69
Cash equivalents at the beginning of the year	173.95	314.46	272.90	84.44	36.52	2.82
Cash equivalents at the end of the year	137.44	173.95	314.46	272.90	84.44	36.52

Notes :-

	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
1. Component of Cash and Cash equivalents						
Cash on hand	26.27	29.64	14.69	82.99	44.20	31.40
Balance With banks	0.90	22.51	7.87	15.45	0.68	2.57
Other Bank Balance	110.27	121.79	291.90	174.46	39.55	2.55
	137.44	173.95	314.46	272.90	84.44	36.52

2.00 Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

For Vijay Moondra & Co

Chartered Accountants

FRN : -112308W

For and on Behalf of Directors

(CA Vinit Moondra)

M. No. 119398)

Date: 22nd March 2018

Place: Ahmedabad

(Director)

(Director)

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

RESTATED CONSOLIDATED BALANCE SHEET

(Amount in Lakhs Rs.)

PARTICULARS	As at the Period /Year ended	
	31-12-2017	31-03-2017
A) EQUITY AND LIABILITIES		
1. Shareholders' Funds		
(a) Share Capital	625.00	125.00
(b) Reserves & Surplus	416.82	540.68
	1,041.82	665.68
2. Non Current Liabilities		
(a) Long Term Borrowings	626.51	283.69
(b) Deferred Tax Liabilities (Net)	-	-
(c) Other Long Term Liabilities	57.61	72.40
(d) Long Term Provisions	62.91	50.97
	747.03	407.07
3. Current Liabilities		
(a) Short Term Borrowings	392.66	613.69
(b) Trade Payables	1,742.63	2,054.36
(c) Other Current Liabilities	949.39	1,261.52
(d) Short Term Provisions	760.39	496.32
	3,845.07	4,425.90
Total	5,633.91	5,498.64
B) ASSETS		
1. Non Current Assets		
(a) Fixed Assets		
i) Tangible Assets		
(i) Gross Block	1,421.08	904.28
(ii) Depreciation	416.63	293.56
(iii) Net Block	1,004.44	610.72
ii) Intangible Assets	6.01	8.71
iii) Capital Work in Progress	11.52	-
	1,021.97	619.43
(b) Deferred Tax Assets (Net)	78.08	77.45
(c) Long Term Loans and Advances	67.25	73.08
	145.32	150.53
2. Current Assets		
(a) Inventories	2,638.98	2,650.72
(b) Trade Receivables	1,259.05	1,628.20
(c) Cash and Cash equivalents	147.67	181.41
(d) Short-Term Loans and Advances	417.29	256.80
(e) Other Current Assets	3.64	11.56
	4,466.61	4,728.69
Total	5,633.91	5,498.64
For Vijay Moondra & Co		
Chartered Accountants		For and on Behalf of Directors
FRN : - 112308W		
(CA Vinit Moondra)	Director	Director
M. No. 119398		
Date: 22nd March, 2018		
Place:Ahmedabad		

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in Lakhs Rs.)

PARTICULARS	For the Period/Year ended	
	31-12-2017	31-03-2017
1 Revenue From Operation (Gross)	5,594.79	4,920.05
Less: Excise Duty, indirect tax	923.98	777.17
Revenue From Operation (Net)	4,670.81	4,142.88
2 Other Income	3.75	12.89
Total Revenue (1+2)	4,674.56	4,155.77
3 Expenditure		
(a) Cost of Material Consumed	2,688.85	2,085.45
(b) Employee Benefit Expenses	701.11	687.16
(c) Finance Cost	87.20	119.92
(d) Depreciation and Amortisation Expenses	123.07	103.27
(e) Other Expenses	512.89	529.56
Total Expenditure 3(a) to 3(e)	4,113.12	3,525.35
5 Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)	561.44	630.41
6 Exceptional item (Prior Period Items)	-	-
Profit/(Loss) Before Tax (5-6)	561.44	630.41
8 Tax Expense:		
(a) Tax Expense for Current Year	185.74	298.81
(b) Short/(Excess) Provision of Earlier Year	-	-
(c) Deferred Tax	(0.63)	(40.08)
Net Current Tax Expenses (a+b+c)	185.12	258.72
Profit/(Loss) for the Year (7-8)	376.32	371.69

For Vijay Moondra & Co
Chartered Accountants
FRN : - 112308W

For and on Behalf of Directors

(CA Vinit Moondra)
M. No. 119398
Date: 22nd March, 2018
Place: Ahmedabad

Director

Director

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

RESTATED CONSOLIDATED CASH FLOW STATEMENT

(Amount in Lakhs Rs.)

PARTICULARS	For the Period/Year Ended	
	31-12-2017	31-03-2017
A) Cash Flow From Operating Activities :		
Net Profit before tax	561.44	630.41
Adjustment for :		
Depreciation	123.07	103.27
Interest Paid	87.20	119.92
Interest Income	(3.73)	(4.14)
Operating profit before working capital changes	767.98	849.46
Changes in Working Capital		
(Increase)/Decrease in Inventories	11.73	(2,408.72)
(Increase)/Decrease in Trade Receivables	369.15	299.95
(Increase)/Decrease in Short Term Loans & Advances	(160.48)	(176.55)
(Increase)/Decrease in Other Current Assets	7.92	(11.56)
Increase/(Decrease) in Trade Payables	(311.73)	1,245.06
Increase/(Decrease) in Other Current Liabilities	(312.13)	500.53
Increase/(Decrease) in Short Term Provisions	68.81	(443.23)
Increase/(Decrease) in Long Term Provisions	(2.85)	91.41
Cash generated from operations	438.39	(53.64)
Less:- Income Taxes paid	(5.68)	(16.54)
Net cash flow from operating activities	432.71	(70.18)
B) Cash Flow From Investing Activities :		
Purchase of Fixed Assets	(514.10)	(162.33)
Sale of Fixed Assets	3.50	-
Increase/(Decrease) in Long Term Loans and Advances	5.83	4.29
Interest Income	3.73	4.14
Net cash flow from investing activities	(501.04)	(153.90)
C) Cash Flow From Financing Activities :		
Proceeds from Issue of Share Capital	-	-
Increase/(Decrease) in Short Term Borrowings	(221.03)	71.61
Increase/(Decrease) in Long Term Borrowings	342.82	139.34
Interest Paid	(87.20)	(119.92)
Net cash flow from financing activities	34.59	91.02
Net Increase/(Decrease) In Cash & Cash Equivalents	(A+B+C)	(33.74)
Cash equivalents at the beginning of the year	181.41	314.46
Cash equivalents at the end of the year	147.67	181.41

Notes :-

	31-12-2017	31-03-2017
1. Component of Cash and Cash equivalents		
Cash on hand	26.26	29.65
Balance With banks	11.14	29.98
Other Bank Balance	110.27	121.79
	147.67	181.41
2. Cash flows are reported using the indirect method,whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.		

For Vijay Moondra & Co

Chartered Accountants

FRN :- 112308W

For and on Behalf of Directors

(CA Vinit Moondra)

M. No. 119398

Date: 22nd March, 2018

Place:Ahmedabad

Director

Director

THE ISSUE

The following table summarizes the Issuer details:

Particulars	Details of Equity Shares
Public Issue of Equity Shares by our Company	Upto 26,81,600* Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating to Rs. [●] Lakhs
Of Which:	
Market Maker Reservation Portion	1,36,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at a price of Rs. [●]/- per share aggregating Rs. [●] Lakhs.
Net Issue to Public	25,45,600 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at a price of Rs. [●]/- per share aggregating Rs. [●] Lakhs.
<i>Of which</i>	
QIB Portion	12,68,800 Equity shares of face value of Rs. 10/- each fully paid of the Company for cash at a price of Rs. [●]/- per share aggregating Rs. [●] Lakhs; shall be available for allocation to QIB
Of which	
Available for allocation to Mutual Funds only (5% of the QIB portion)	62,400 Equity Shares of Face Value of Rs. 10/- each of the Company
Balance for all QIBs including Mutual Funds	12,06,400 Equity Shares of Face Value of Rs. 10/- each of the Company
Retail Portion	8,92,800 Equity Shares of face value of Rs. 10/- each fully paid of the Company at a cash price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs will be available for allocation to Investors applying with application value of up to Rs. 2.00 Lakhs
Non-Institutional Portion	3,84,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of [●]/- per Equity Share aggregating Rs. [●] lakhs will be available for allocation to Investors applying with application value of above Rs. 2,00,000/-
Pre and Post Issue Equity Shares	

Equity Shares outstanding prior to the Issue	74,98,000 Equity Shares of face value of Rs.10/- each of the Company
Equity Shares outstanding after the Issue	[●] Equity Shares of face value of Rs.10/- each of the Company
Use of proceeds of this Issue	For details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 86 of this Red Herring Prospectus for information on use of Issue Proceeds.

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

Notes:-

The Issue has been authorized by the Board of Directors of our Company *vide* a resolution passed at its meeting held on February 08, 2018 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 February 09, 2018.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. The present issue is being made by our Company in terms of Regulation 106M(2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-issue paid-up equity share capital of our Company are being issued to the public for subscription.

- 1) *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.*
- 2) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non- Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*
- 3) *The Issue is being made through the Book Building Process, wherein not more than 49.84% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. Further not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.*
- 4) *The Company has undertaken in consultation with the BRLM, a private placement of 10,00,000 Equity Shares for cash consideration aggregating Rs. 750.00 Lakhs (“Pre IPO Placement”). The size of the Issue as disclosed in the Draft Red Hearing Prospectus dated April 02, 2018 being 36,67,200 Equity Shares has been reduced accordingly.*

For further details please refer to section titled 'Issue Information' beginning on page 217 of this Red Herring Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated as “Affordable Robotic & Automation Private Limited” at Pune, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 12, 2010, bearing Corporate Identification Number U29299PN2010PTC135298 issued by Registrar of Companies, Pune, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to a Shareholders’ resolution passed at the Extra ordinary General Meeting of the Company held on January 24, 2018 and the name of our Company was changed to “Affordable Robotic & Automation Limited” vide a fresh Certificate of Incorporation dated February 2, 2018 issued by the Registrar of Companies, Pune, Maharashtra. The Corporate Identification Number of our Company is U29299PN2010PLC135298.

For further details of Incorporation, Change of Name and Registered Office of our company, please refer to chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 144 of this Red Herring Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Affordable Robotic & Automation Limited
Village Wadki, Gat No.1209, Taluka Haveli,
Dist. Pune – 412308, Maharashtra, India
Tel.: +91 7720018914
Fax. NA

Email: info@arapl.co.in

Website: www.arapl.co.in

Corporate Identification Number: U29299PN2010PLC135298

REGISTRAR OF COMPANIES

Registrar of Companies, Pune

PTM Building, Pune Stock Exchange,
3rd floor, Deccan Gymkhana,
Pune- 411004, Maharashtra, India

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

SME Platform of BSE Limited (“BSE”)

P. J. Towers, Dalal Street,
Fort, Mumbai – 400001
Maharashtra, India

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age (in Years)	DIN	Address	Designation
1.	Milind Padole	45	02140324	BL-M, FL-003, Konark Pooram, PH-IV SN-7/1 Kondhwa KD., Pune – 411048	Managing Director

Sr. No.	Name	Age (in Years)	DIN	Address	Designation
2.	Manohar Padole	75	02738236	C/3/21 Oxford Village Comforts, Condominium Wanawadi, Pune – 411040	Whole-time Director
3.	Rahul Padole	20	07891092	Flat No. 601, Lily Building, Flower Valley CHS Wanwadi Pune – 411040, Maharashtra, India	Additional Director
4.	Bhagirathi Padole	71	08048862	C 3/21 Oxford Comfort Salunkhe Vihar Road, Pune City Wanowarie Pune 411040, Maharashtra, India	Additional Director (Non-Executive)
5.	Ajay Deshmukh	50	02834231	Flat No 5, Jalada Tulsibagwale Colony, Sahakarnagar, Pune – 411009, Maharashtra, India	Additional Independent Director
6.	Rohan Akolkar	29	08054900	Building No. 4, Flat No.111, Meenatai Thakare Nagar, Near Alankar Police Chowky, Karvenagar, Navsahyadr, Pune – 411052, Maharashtra, India	Additional Independent Director
7.	Bharat Jhamvar	45	00211297	481/4B Shahu College Rd, Shri Kripa Hsg. Soc, Smit Kiran, Parvati Darshan, Pune – 411009, Maharashtra, India	Additional Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 148 of this Red Herring Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Harshada Hendre

Affordable Robotic & Automation Limited

Village Wadki, Gat No.1209, Taluka Haveli,

Dist. Pune – 412308 Maharashtra, India

Tel.: +91 7720018914

Email id: cs@arapl.co.in

Website: www.arapl.co.in

CHIEF FINANCIAL OFFICER

Sengunthar Dakshnamurty Kalidass

Affordable Robotic & Automation Limited

Village Wadki, Gat No.1209, Taluka Haveli,

Dist. Pune – 412308 Maharashtra, India

Tel.: +91 7720018914

Email id: murthy@arapl.co.in / cfo@arapl.co.in

Website: www.arapl.co.in

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-issue or post-issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

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

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

For all Issue related queries and for redressal of complaints, bidders may also write to the BRLM. All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the BRLM, who shall respond to the same.

STATUTORY AUDITOR

MGAM & Company

Chartered Accountants

Flat no.8, First floor, B wing, Indraneel Apartments
Sur no.63/2B/4 Pune Satara Road, Parvati,
Pune - 411009

Tel No.: 020-2429495

Email: mgamcompany@gmail.com

Contact Person: M.R. Gupta

Membership No.: 048796

Firm Registration Number: 145934W

PEER REVIEWED AUDITOR

Vijay Moondra & Co.

Chartered Accountants

201-202, Sarap, Opp Navjivan Press,
Ashram Road, Ahmedabad – 380014
Gujarat, India

Tel No.: 079-27541569

Fax.: 079-27540550

Email Id.: vk_moondra@rediffmail.com

Contact Person: Vinit Moondra

Membership No.: 119398

Firm Registration Number: 112308W

M/s. Vijay Moondra & Co. Chartered Accountants holds a peer reviewed certificate issued by the Institute of Chartered Accountants of India.

BOOK RUNNING LEAD MANAGER

Pantomath Capital Advisors Private Limited

406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East)

Mumbai- 400051, Maharashtra, India
Tel: +91 22 6194 6700
Fax: + 91 22 2659 8690
Email: ipo@pantomathgroup.com
Website: www.pantomathgroup.com
Contact Person: Hardik Bhuta
SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai 400083, Maharashtra, India.
Tel: 022-49186200
Fax: 022-49186195
Email: affordablerobotic.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

LEGAL ADVISOR TO THE ISSUE

M V Kini, Law Firm
Kini House, Near Citi Bank,
D. N. Road, Fort, Mumbai - 400 001, Maharashtra, India
Tel: +91 22 2261 2527/28/29
Fax: +91 22 2261 2530
E-mail: vidisha@mvkini.com
Contact Person: Vidisha Krishan
Website: www.mvkini.com

BANKER TO THE COMPANY

Axis Bank Ltd.
Corporate Banking Branch (CBB),
214215, 2nd Floor, City Mall,
University Road,
Pune – 411007
Maharashtra, India
Tel.: 020-66223751
Email Id.: cbbpune.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Shailendra Kumar

PUBLIC ISSUE BANK / BANKER TO THE ISSUE/ REFUND BANKER

ICICI Bank Limited
Capital Market Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road, Backbay Reclamation,
Churchgate, Mumbai – 400 020,
Maharashtra, India
Tel: +91 22 2266818932/ 923/ 924

Fax: +91 22 22611138
Email: shweta.surana@icicibank.com
Contact Person: Shweta Surana
Website: www.icicibank.com
SEBI Registration Number: INBI00000004

SYNDICATE MEMBER

Pantomath Stock Brokers Private Limited

406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East), Mumbai- 400 051,
Maharashtra, India

Tel: +91 22 42577000

Fax: +91 22 26598690

E-mail: broking@pantomathgroup.com

Contact Person: Mahavir Toshniwal

Website: www.pantomathbroking.com

SEBI Registration Number: INZ000068338

DESIGNATED INTERMEDIARIES

Self Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on [http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBsfor- Syndicate-ASBA](http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBsfor-Syndicate-ASBA). For details on Designated Branches of SCSBs collecting the Application Form, please refer to the above-mentioned SEBI 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 Limited (“BSE”), 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 and Share Transfer Agents

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 BSE, 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, 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.

IPO GRADING

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

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Book Running Lead Manager (“BRLM”) to this Issue, a statement of inter se allocation of responsibilities among BRLMs is not applicable.

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. [●] lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on restated financials for the year ended March 31, 2017, 2016, 2015, 2014 and 2013 and for the period ended December 31, 2017 as included in the Red Herring Prospectus, our Company has not obtained any expert opinion.

BOOK BUILDING PROCESS

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the BRLM 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 Prabhat Newspaper, Marathi being the regional language of Maharashtra, 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 BRLM 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 Manager in this case being Pantomath Capital Advisors Private Limited, the Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with BSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;
- The Registrar to the Issue and;
- The Designated Intermediaries

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein 49.84 % of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to

their Bids. Further not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

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 BRLMs and the Stock Exchange.

All Bidders 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. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investors Bidding Date.

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 228 of this Red Herring 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, 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 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 Manager 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 228 of this Red Herring 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, 1961 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 Depository 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 Red Herring 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	Thursday, May 24, 2018
Bid/Issue Closing Date	Monday, May 28, 2018
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Thursday, May 31, 2018
Initiation of Refunds	On or before Friday, June 01, 2018
Credit of Equity Shares to Demat Accounts of Allottees	On or before Monday, June 04, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday, June 05, 2018

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. 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 Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager 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.

UNDERWRITER

Our Company and Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated April 04, 2018 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite 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 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India Tel: +91 22 61946700 Fax: +91 22 26598690 Email: ipo@pantomathgroup.com Contact Person: Hardik Bhuta SEBI Registration Number: INM000012110	Upto 26,81,600	[●]	100%
Total	Upto 26,81,600	[●]	100%

**Includes 1,36,000 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.*

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into an agreement dated April 04, 2018, with the following Market Maker, duly registered with SME Platform of BSE to fulfil the obligations of Market Making:-

Pantomath Stock Brokers Private Limited

406-408, Keshava Premises, Behind Family Court,
 Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
 Maharashtra, India

Tel: +91 22 4257 7000

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 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 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 price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time. 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. [●]/-. However, the investors with holdings of value less than Rs. [●]/- 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 IPO price of [●]/- the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be Rs. [●]/- until the same, would be revised by BSE.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the 1,36,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this issue over and above 1,36,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, **Pantomath Stock Brokers Private Limited** is acting as the sole Market Maker.
7. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
 - I. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - II. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
 - III. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.
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 Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

10. SME Platform of BSE will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. SME Platform of BSE 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 from time to time.

CAPITAL STRUCTURE

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

Amount (Rs.in Lakhs except share data)

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	120,00,000 Equity Shares of face value of Rs. 10/- each	1200.00	
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	74,98,000 Equity Shares of face value of Rs. 10/- each	749.80	
C.	Present Issue in terms of this Red Herring Prospectus		
	Upto 26,81,600 Equity Shares of face value of Rs.10/- each	268.16	[●]
	Consisting :		
	Reservation for Market Maker – Upto 1,36,000 Equity Shares of face value of Rs. 10/- at price of Rs. [●]/- per Equity Share reserved as Market Maker portion	13.60	[●]
	Net Issue to the Public – Upto 25,45,600 Equity Shares of face value of Rs. 10/- each at a price of Rs [●]/- per Equity Share	254.56	[●]
	Of the Net Issue to the Public		
	QIB Portion being 49.84% of the Net Issue aggregating upto 12,68,800 Equity Shares of Rs. 10/- each at a price of [●] per Equity Share	126.88	[●]
	Non – Institutional Portion of not less than 15% of the Net Issue aggregating to not less than 3,84,000 Equity Share	38.40	[●]
	Retail Portion of not less than 35% of the Net Issue aggregating to not less than 8,92,800 Equity Shares	892.80	[●]
D.	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	Upto [●] Equity Shares of face value of Rs. 10/- each	[●]	
E.	Securities Premium Account		
	Before the Issue	811.20	
	After the Issue	[●]	

The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on February 08, 2018 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 February 09, 2018.

The Company has 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 Red Herring Prospectus.

Our Company has undertaken a Pre-IPO placement of 10,00,000 Equity Shares for cash consideration aggregating upto Rs. 750.00 lakhs with certain investors (“Pre-IPO Placement”).

NOTES TO THE CAPITAL STRUCTURE

1. Details of changes in authorized Share Capital:

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

Sr. No.	Change in authorized share capital	Date of AGM/EGM Resolution	AGM/EGM
1	Rs. 5,00,000/- consisting of 50,000 Equity Shares of Rs. 10/- each	At the time of Incorporation	-
2	Rs. 5,00,000 consisting of 50,000 Equity Shares of Rs. 10/- each to Rs. 50,00,000 consisting of 5,00,000 Equity shares of Rs. 10/- each	March 15, 2012	EGM
3	Rs. 50,00,000 consisting of 5,00,000 Equity Shares of Rs. 10/- each to Rs. 3,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each	June 18, 2015	EGM
4	Rs. 3,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each to Rs. 10,00,00,000 consisting of 90,00,000 Equity shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each	October 4, 2017	EGM
5	Reclassification of Authorised Share Capital from Rs. 10,00,00,000/- consisting of 90,00,000 Equity shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each to Rs. 10,00,00,000/- consisting of 1,00,00,000 Equity Shares of Rs. 10/- each	January 04, 2018	EGM
6	Rs. 10,00,00,000/- consisting of 1,00,00,000 Equity Shares of Rs. 10/- each to Rs. 12,00,00,000/- consisting of 1,20,00,000 Equity Shares of RS. 10/- each	February 5, 2018	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.)
On Incorporation	50,000	10	10	Cash	Subscription to Memorandum of Association ⁽¹⁾	50,000	5,00,000
March 31, 2012	2,00,000	10	10	Cash	Further Issue of Shares ⁽²⁾	2,50,000	25,00,000
February 2, 2016	10,00,000	10	NA	Nil	Bonus Issue ⁽³⁾	12,50,000	1,25,00,000
October 04, 2017	50,00,000	10	NA	Nil	Bonus Issue ⁽⁴⁾	62,50,000	6,25,00,000
February 8, 2018	2,48,000	10	75	Cash	Private Placement	64,98,000	6,49,80,000
April 26, 2018	10,00,000	10	75	Cash	Private Placement	74,98,000	7,49,80,000

1. Initial Subscribers to Memorandum of Association subscribed 50,000 Equity Shares of face value of Rs. 10/-each fully paid at par as on January 01, 2010as per the details given below:

Sr. No.	Name of Allottee	No. of shares Allotted
1.	Milind Padole	49,990
2.	Manohar Padole	10
	Total	50,000

2. Further issue of 2,00,000 Equity Shares of face value of Rs. 10/- fully paid up at par as on March 31, 2012 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Milind Padole	1,24,999
2.	Manohar Padole	75,001
	Total	2,00,000

3. Bonus issue of 10,00,000 Equity Shares of face value of Rs. 10/- fully paid up in the ratio of 4 Equity Share for every 1 Equity Share held allotted on February 02, 2016 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Milind Padole	5,00,000
2.	Manohar Padole	5,00,000
	Total	10,00,000

4. Bonus issue of 50,00,000 Equity Shares of face value of Rs. 10/- fully paid up in the ratio of 4 Equity Share for every 1 Equity Share held allotted on October 04, 2017as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Milind Padole	25,00,000
2.	Manohar Padole	25,00,000
	Total	50,00,000

5. Private Placement 2,48,000 Equity Shares issued at a price of Rs. 75/- each including a premium of Rs. 65/- each on February 08, 2018 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Pantomath Fund Managers LLP	48,000
2.	Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I	2,00,000
	Total	2,48,000

6. Private Placement 10,00,000 Equity Shares issued at a price of Rs. 75/- each including a premium of Rs. 65/- each on April 26, 2018 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Vijay Kedia	10,00,000

Sr. No	Name of Allottee	No. of Shares Allotted
	Total	10,00,000

3. We have not issued any Equity Shares for consideration other than cash except as follows:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
February 02, 2016	10,00,000	10	NA	Bonus Issue	Capitalization of reserves	Milind Padole	5,00,000
						Manohar Padole	5,00,000
October 04, 2017	50,00,000	10	NA	Bonus Issue	Capitalization of reserves	Milind Padole	25,00,000
						Manohar Padole	25,00,000

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-232 of the Companies Act, 2013.

5. We have not revalued our 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 Red Herring Prospectus except as given below:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
October 04, 2017	50,00,000	10	-	Bonus Issue	Capitalization of reserves	Milind Padole	25,00,000
						Manohar Padole	25,00,000

We have allotted 2,48,000 and 10,00,000 Equity Shares of Face Value of Rs. 10/- each at a Premium of Rs. 65 per Equity Share on February 08, 2018 and April 26, 2018 respectively. However, we cannot assure that such allotment is above or below the issue price, which will be discovered through Book Building Process and will be finalized by our Company in Consultation with Book Running Lead Manager.

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

i. Build Up of Promoter's shareholdings

As on the date of this Red Herring Prospectus, our Promoters, Milind Padole and Manohar Padole holds 31,24,600 and 31,24,900 Equity Shares respectively of our Company. None of the shares held by our promoters are subject to any pledge.

a. Milind Padole

Date of Allotment and made fully paid up / Transfer	No. of Equity Shares at face value	Face value per Share (Rs.)	Issue / Acquisition / Transfer price Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post – issue shareholding %
January 01, 2010	49,990	10	10	Subscription to MOA	0.67%	[●]
July 22, 2010	(49,989)	10	10	Transfer of Shares	-0.67%	-
March 31, 2012	1,24,999	10	10	Further Issue of Shares	1.67%	[●]
February 2, 2016	5,00,000	10	Nil	Bonus Issue	6.67%	[●]
October 04, 2017	(-100)	10	NA	Transfer by Gift Deed	Negligible	[●]
October 04, 2017	(-100)	10	NA	Transfer by Gift Deed	Negligible	[●]
October 04, 2017	(-100)	10	NA	Transfer by Gift Deed	Negligible	[●]
October 04, 2017	(-100)	10	NA	Transfer by Gift Deed	Negligible	[●]
October 04, 2017	2500000	10	NA	Bonus Issue	33.34%	[●]
Total	31,24,600					

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

b. Manohar Padole

Date of Allotment and made fully paid up / Transfer	No. of Equity Shares at face value	Face value per Share (Rs.)	Issue / Acquisition / Transfer price Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post – issue shareholding %
January 01, 2010	10	10	10	Subscription to MOA	Negligible	[●]
July 22, 2010	49,989	10	10	Transfer of Shares	0.67%	[●]
March 31, 2012	75,001	10	10	Further Issue of Shares	1.00%	[●]
February 2, 2016	5,00,000	10	Nil	Bonus Issue	6.67%	[●]
October 04, 2017	25,00,000	10	NA	Bonus Issue	33.34%	[●]
October 04, 2017	(-100)	10	NA	Transfer by Gift Deed	Negligible	-
Total	31,24,900					

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

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

for a period of one year from the date of Allotment (“**Promoters’ Contribution**”).

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

Promoters	No. of Equity Shares Locked in	Face Value (in `)	Issue/ Acquisition Price	Date of Allotment /Acquisition and when made fully paid-up	Nature of Allotment/ Transfer	Consideration (Cash/other than cash)	Percent age of post-Issue paid-up capital	Source of Promoter Contribution
Milind Padole	1,24,999	10	10	March 31, 2012	Further Allotment	Cash	[•]	Savings
	5,00,000	10	NA	February 02, 2016	Bonus Issue	Other than Cash	[•]	NA
	14,60,001	10	NA	October 04, 2017	Bonus Issue	Other than Cash	[•]	NA
TOTAL	20,85,000						[•]	

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 Promoters’ contribution in terms of Regulation 33 of the SEBI ICDR 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 Red Herring 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 Red Herring Prospectus at a price lower than the Issue Price;
- c. No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the issue price.
- d. The Equity Shares held by the Promoter and offered for minimum Promoters’ contribution are pledge;
- e. All the Equity Shares of our Company held by the Promoters are in the process of being dematerialized; 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.

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

iii Details of share capital locked in for one year

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

iv. Other requirements in respect of lock-in

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

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

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

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

We further confirm that our Promoters' Contribution of [●] % of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

8. Except as mentioned below, there were no shares purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last 6 (six) months:

Date of Allotment/transfer	Name of Allottee/Transferee	Number of Shares Allotted/Transferred	Face Value	Issue Price/Transfer Price	Reason of Allotment/Transfer
October 04, 2017	Milind Padole	25,00,000	10	NA	Bonus Issue
	Manohar Padole	25,00,000	10	NA	
October 04, 2017	Rahul Padole	100	10	NA	Transfer by Gift Deed
October 04, 2017	Shabri Padole	100	10	NA	Transfer by Gift Deed
October 04, 2017	Bhagirathi Padole	100	10	NA	Transfer by Gift Deed
October 04, 2017	Minakshi Headao	100	10	NA	Transfer by Gift Deed

Date of Allotment/transfer	Name of Allottee/Transferee	Number of Shares Allotted/Transferred	Face Value	Issue Price/Transfer Price	Reason of Allotment/Transfer
October 04, 2017	Manju Padole	100	10	NA	Transfer by Gift Deed

9. Our Shareholding Pattern

The table below presents the shareholding pattern of our Company as on date of this Red Herring Prospectus.

Summary of Shareholding Pattern as on date of this Red Herring Prospectus

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 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
A	Promoter and Promoter Group	7	62,50,000	-	-	62,50,000	83.36%	62,50,000	83.36%	-	83.36%	-	-	-	-	62,49,900
B	Public	3	12,48,000	-	-	12,48,000	16.64%	2,48,000	16.64%	-	16.64%	-	-	-	-	2,48,000
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
E	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	10	74,98,000	-	-	74,98,000	100.00%	74,98,000	100.00%	-	100.00%			-	-	64,97,900

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

** All Pre IPO Equity shares of our Company will be locked in as mentioned above prior to listing of shares on BSE SME.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.

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

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)
	Promoters				
1	Milind Padole	31,24,600	41.67%	31,24,600	[●]
2	Manohar Padole	31,24,900	41.68%	31,24,900	[●]
	Sub total (A)	62,49,500	83.35%	62,49,500	[●]
	Promoter Group				[●]
3	Rahul Padole	100	Negligible	100	[●]
4	Shabri Padole	100	Negligible	100	[●]
5	Bhagirathi Padole	100	Negligible	100	[●]
6	Minakshi Headao	100	Negligible	100	[●]
7	Manju Padole	100	Negligible	100	[●]
	Sub total (B)	500	0.01%	500	[●]
	Total (A+B)	62,50,000	100	62,50,000	[●]

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.)
Milind Manohar Padole	31,24,600	0.40
Manohar Pandurang Padole	31,24,900	0.40

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

Sr. No	Particulars	Number of Equity Shares	% of Total Paid-Up Capital
1	Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I	2,00,000	2.67%
2	Vijay Kedia	10,00,000	13.34%

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 Red Herring Prospectus are set forth below:

a. Particulars of the top ten shareholders as on the date of filing this Red Herring Prospectus:

Sr. No	Particulars	Number of Equity Shares	% of Total Paid-Up Capital
1.	Milind Padole	31,24,600	41.67%
2.	Manohar Padole	31,24,900	41.68%
3.	Vijay Kedia	10,00,000	13.34%
4.	Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I	2,00,000	2.67%
5.	Pantomath Fund Managers LLP	48,000	0.64%
6.	Rahul Padole	100	Negligible

Sr. No	Particulars	Number of Equity Shares	% of Total Paid-Up Capital
7.	Shabri Padole	100	Negligible
8.	Bhagirathi Padole	100	Negligible
9.	Minakshi Headao	100	Negligible
10.	Manju Padole	100	Negligible
	Total	74,98,000	100

*As on date of filing this Red Herring Prospectus, there are only 10 Shareholders of Company.

b. Particulars of top ten shareholders ten days prior to the date of filing this Red Herring Prospectus:

Sr. No	Particulars	Number of Equity Shares	% of Total Paid-Up Capital
1.	Milind Padole	31,24,600	41.67%
2.	Manohar Padole	31,24,900	41.68%
3.	Vijay Kedia	10,00,000	13.34%
4.	Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I	2,00,000	2.67%
5.	Pantomath Fund Managers LLP	48,000	0.64%
6.	Rahul Padole	100	Negligible
7.	Shabri Padole	100	Negligible
8.	Bhagirathi Padole	100	Negligible]
9.	Minakshi Headao	100	Negligible
10.	Manju Padole	100	Negligible
	Total	64,98,000	100

c. Particulars of the top ten shareholders two years prior to the date of filing of this Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the existing total Paid-Up Capital
1	Milind Padole	6,25,000	50%
2	Manohar Padole	6,25,000	50%
	Total	12,50,000	100.00

*There were only 2 shareholders, two years prior to the date of filing of Red Herring Prospectus

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. Our Book Running Lead Manager, PCAPL do not hold any Equity Shares of our Company as on the date of the Red Herring Prospectus. However, Pantomath Fund Managers LLP and Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I, associates of PCAPL hold 48,000 Equity shares and 2,00,000 Equity shares respectively of our Company. Please note that the allotment of Equity Shares to above said associates of PCAPL is in compliance with Regulation 21A of the Securities and Exchange Board of India (Merchant Bankers) Regulations 1992, as amended, and the PCAPL confirms that (i) it has not become a promoter or associate (as defined therein) of the Company.

16. The BRLM, Syndicate Members and any persons related to the BRLM and Syndicate Members (other than Mutual Funds sponsored by entities related to the BRLM) cannot apply in the Issue under the Anchor Investor Portion. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the Net 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.

17. Under-subscription in the net issue, 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 Book Running Lead Manager and the BSE.
18. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
19. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
20. There are no Equity Shares against which depository receipts have been issued.
21. Other than the Equity Shares, there is no other class of securities issued by our Company.
22. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Red Herring 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.
23. 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 Red Herring Prospectus.
24. Our Company, our Promoters, our Directors and the Book Running Lead Manager 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.
25. There are no safety net arrangements for this public issue.
26. 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.
27. All the Equity Shares of our Company are fully paid up as on the date of this Red Herring 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. We have 10 shareholders as on the date of filing of this Red Herring Prospectus.
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 Red Herring 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 for the period ended December 31, 2017 and financial years ended March 31, 2013, 2014, 2015, 2016, 2017 please refer to paragraph titled “Details of Related Parties Transactions as Restated” in the chapter titled *‘Financial Statements as restated’* on page 171 of the Red Herring Prospectus.

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 148 of the Red Herring Prospectus.

OBJECT OF THE ISSUE

Requirement of Funds:

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be [●] lakhs (the “Net Proceeds”).

We intend to utilize the Net Proceeds from Issue towards the following objects:

1. Purchase of New Plant and Machinery;
2. Repayment of certain Long Term Borrowings availed by our Company;
3. Funding the Working Capital requirements of our Company; and
4. General Corporate Purposes

(Collectively referred to as “Objects”)

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

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

ISSUE PROCEEDS

Particulars	Amount (Rs. in lakhs)
Gross Proceeds from the Issue	[●]
Less- Issue related expenses	[●]
Net Proceeds	[●]

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 (Rs. in lakhs)	Percentage of Gross Proceeds	Percentage of Net Proceeds
1.	Purchase of New Plant and Machinery	418.72	[●]	[●]
2.	Funding the Working Capital Requirements of our Company	1750.00	[●]	[●]
3.	Repayment of certain Long Term Borrowings availed by our Company	449.71	[●]	[●]
4.	General Corporate Purposes	[●]	[●]	[●]

**To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.*

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 Red Herring Prospectus, our Company has not deployed any funds towards the objects of the Issue.

(Rs. in lakhs)

Sr. No	Particulars	Amount to be funded from the Net Proceeds(In Lakhs)	Estimated Utilization of Net Proceeds (Financial Year 2018)	Estimated Utilization of Net Proceeds (Financial Year 2019)
1.	Purchase of New Plant and Machinery	418.72	-	418.72
2.	Funding the Working Capital Requirements of our Company	1750.00	-	1750.00
3.	Repayment of certain Long Term Borrowings availed by our Company	449.71	-	449.71
4.	General Corporate Purposes*	[●]	-	[●]

*To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

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

Purchase of New Plant and Machinery will be funded entirely through Net Proceeds of the Issue. Similarly, Long Term Borrowings would be repaid entirely from the Net Proceeds. However, the working capital requirements will be met through the Net Proceeds to the extent of Rs. 1750.00 lakhs and balance through internal accruals/ net worth and short term bank finance. Further details of funding of the Objects is given below:

(Rs in lakhs)

Objects of the Issue	Amount Required	IPO Proceeds	Internal Accruals/ Net worth	Short Term Cash Credit Facility
Purchase of New Plant and Machinery	418.72	418.72	-	-
Funding the Working Capital Requirements of our Company	4309.28	1750.00	1359.28	1200.00
Repayment of certain Long Term Borrowings availed by our Company	449.71	449.71	-	-
General Corporate Purposes*	[●]	[●]	-	-

*To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

**Our Company has been sanctioned Cash Credit Limit of Rs. 1200.00 lakhs (Existing Limit of Rs. 500.00 lakhs of Karnataka Bank has been taken over by Axis Bank Limited and a fresh sanction of Rs. 700.00 lakhs has been granted) by Axis Bank Limited vide sanction letter dated February 28, 2018. The tenor of the said limit is One Year.

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 Manager or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

Details of the Objects

1. Purchase of New Plant and Machinery:

Currently, we manufacture some of the parts of our final product in-house and rest of the parts are manufactured by third party manufacturers for us. We intend to purchase New Plant and Machinery to increase our existing capacity as well as to commence in-house production of some of those outsourced parts in order to reduce the production time as well as to have an enhanced quality control over our manufacturing activity.

Our current manufacturing facility along with our Head Office is situated on the land which is spread across an area of 8,442 Square Meters. We propose to install the proposed New Plant and Machinery at the space available on that land only.

Estimated Cost

The total estimated cost of New Plant and Machinery is Rs. 418.72 lakhs. The total cost for setting up of New Plant and Machinery has been estimated by our management in accordance with our business plan approved by our Board of Directors pursuant to its meeting dated May 09, 2018 and quotations received from third party suppliers.

The detailed list of New Plant and Machinery to be acquired by the company is as follows:

Sr. No.	Particulars	Quantity	Rate (Rs. in Lakhs)	Amount (Rs. in Lakhs)	Suppliers	Date of Quotation
1.	SGEOT Crane 5 M.Ton	5	22.10	110.48	Ramasa Crane Private Limited	February 15, 2018
2.	Mechanical Recovery Blast Room, Model-MRBR- 704530	1	17.80	17.80	New Aerowheel Surface Finishing Solutions	February 05, 2018
3.	Paint Baking System, Model- BS- 704530	1	14.05	14.05	New Aerowheel Surface Finishing Solutions	February 05, 2018
4.	Semi Down Draft Type Paint Booth, Model-PSB- 704530	1	11.75	11.75	New Aero wheel Surface Finishing Solutions	February 05, 2018
5.	FS- CURTIS Screw Air Compressor	1	8.26	8.26	New Aero wheel Surface Finishing Solutions	February 05, 2018
6.	Roll Forming Line	1	45.50	45.50	Techno Crafts	March 10, 2018

Sr. No.	Particulars	Quantity	Rate (Rs. in Lakhs)	Amount (Rs. in Lakhs)	Suppliers	Date of Quotation
7.	Rotary Grinding Machine (900*3000 mm)	1	20.00	20.00	Techno Crafts	March 10, 2018
8.	Band Saw Machine 300 MM	1	25.00	25.00	Techno Crafts	March 10, 2018
9.	Cable Tray Making Machine	1	30.00	30.00	Techno Crafts	March 10, 2018
10.	Hydraulic Shearing Machine 3M x 4MM	1	15.00	15.00	Techno Crafts	March 10, 2018
11.	ERMAKSAN POWER-BEND FALCON 6100 x 220 TN HYD. PRESS BRAKE	1	70.40	70.40	Accura Machine Tools Private Limited	February 07, 2018
12.	CNC Profile Cutting Machine	1	50.48	50.48	Pro-Arc Welding & Cutting Systems Private Limited	January 05, 2018
	Total			418.72		

No second-hand machinery or material is proposed to be purchased out of the aforesaid objects. The abovementioned Plant and Machinery is proposed to be acquired in a ready-to use condition.

We have not entered into any definitive agreements with the suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the machinery at the same costs. The quantity of the machinery is based on the estimates of our management. Our Company shall have the flexibility to deploy the machinery and material at additional manufacturing facility, according to the business requirements of such facility, which are dynamic, which may evolve with the passage of time and based on the estimates of our management.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above.

2. Funding the working capital requirements of our Company:

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and financing from various banks. As on March 31, 2016 and March 31, 2017, the amount outstanding on our Company's fund based working capital facility was Rs. 542.09 lakhs and Rs. 613.69 lakhs respectively as per restated standalone financial statements. As on March 31, 2017, our sanctioned working capital facilities comprised of fund based limit of Rs. 500.00 lakhs. For further details, please refer to the chapter titled "Financial Indebtedness" beginning on page 185 of this Red Herring Prospectus.

Our Company's existing working capital requirement and funding on the basis of Restated Financial Information as of March 31, 2016 and March 31, 2017:

(Rs. in lakhs)

Particulars	March 31, 2016	March 31, 2017
Current Assets		
Inventories (Raw Material)	242.00	2565.26

Particulars	March 31, 2016	March 31, 2017
Trade Receivables	1928.16	1619.73
Cash and Bank Balances	314.46	173.95
Other Current Assets -Loans and Advances	80.25	247.59
Total (A)	2564.87	4606.53
Current Liabilities		
Trade Payables	809.31	1940.21
Advance from Customers	692.65	1088.50
Other Current Liabilities & Short Term Provisions	725.61	608.84
Total (B)	2227.57	3637.55
Total Working Capital (A)-(B)	337.30	968.98
Existing Funding Pattern		
Working Capital funding from Banks	337.30	613.69
Internal accruals/Net Worth	-	355.29

Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated May 09, 2018 has approved the business plan for the Fiscals 2018 and for the Fiscal 2019. The projected working capital requirements for Fiscal 2018 and Fiscal 2019 is stated below:

(Rs. in lakhs)

Particulars	March 31, 2018 (Estimated)	March 31, 2019 (Estimated)
Current Assets (A)		
Inventories- Raw material	2711.25	3578.85
Trade Receivables	2147.53	3060.22
Cash and Bank Balances	224.64	223.67
Short term Loans & Advances and Other Current Assets	310.96	379.13
Total (A)	5394.38	7241.87
Current Liabilities (B)		
Trade Payables	1416.45	1590.01
Advance from Customers	1211.70	858.56
Other Current Liabilities & Short term Provision	590.84	484.02
Total (B)	3218.99	2932.59
Total Working Capital (A)-(B)	2175.39	4309.28
Funding Pattern		
IPO Proceeds	-	1750.00
Working capital loan from bank	500.00	1200.00
Internal Accruals/Net worth	1675.39	1359.28

Assumption for working capital requirements

(In months)

Particulars	Holding Level for March 31, 2016	Holding Level for March 31, 2017	Holding Level for March 31, 2018 (Estimated)	Holding Level for March 31, 2019 (Estimated)
Current Assets				
Inventories- Raw Material	0.94	15.43	10.00	11.00
Trade Receivables	4.92	4.83	4.00	4.75
Current Liabilities				
Trade Payables	2.92	5.39	5.00	4

Justification for “Holding Period” levels

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

Assets- Current Assets	
Inventories- Raw Material	We have assumed raw material Inventory period of 10.00 months and 11.00 months for the FY 2017-18 and 2018-19 respectively, which is lower than FY 2016-17 levels, as we are proposing to purchase New Plant and Machinery from the Net Proceeds to manufacture some of the parts in-house and to increase our production which would result into faster clearance of our raw material inventory.
Trade receivables	Financial Year 2017-18- We have assumed trade receivable period of 4.00 months for the FY 2017-18 as against 4.83 months for FY 2016-17 as we intend to quickly realise our debtors to fund our estimated working capital requirements for the FY 2017-18. Financial Year 2018-19- Since, we are proposing our initial public offering in the FY 2018-19, we would be able to fund part of our increased estimated working capital requirements from the issue proceeds and therefore, we intend to liberalise our credit policy from 4.00 months in the FY 2017-18 to 4.75 months in the FY 2018-19 to increase our Revenue from Operations.
Liabilities–Current Liabilities	
Trade Payables	In FY 2017-18 and for FY 2018-19, the credit period is expected to be 5.00 months and 4.00 months respectively, as, going forward we intend to reduce our creditors days by infusing funds from the Net Proceeds to avail better credit terms from the creditors.

Our Company proposes to utilize Rs. 1750.00 lakhs of the Net Proceeds in FY 2018-19 towards our working capital requirements. The balance portion of our working capital requirement for the FY 2018-19 will be arranged from existing Bank loans and Internal Accruals/ Net Worth.

3. Repayment/ Pre-payment of certain Long Term Borrowings availed by our Company:

We avail majority of our fund requirements in the ordinary course of business from various banks, financial institutions and unsecured loans from related parties. For further details of the loans availed by our Company, see chapter titled “Financial Indebtedness” on page 185 of this Red Herring Prospectus.

M/s. MGAM & Company, Chartered Accountants vide Certificate dated March 23, 2018 has confirmed that as on March 23, 2018 our company had Rs. 449.71 lakhs of Secured Loan outstanding from Axis Bank Limited, which is proposed to be repaid/ pre-paid from the Net Proceeds. We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness. We believe that reducing our indebtedness will result in enhanced equity base, reduce our financial costs, improve our profitability and improve our leverage capacity.

The details of the proposed repayment of the loans are provided below:

Name of Lender	Amount Outstanding as on March 23, 2018 (in lakhs)	Nature of facility	Rate of Interest (%)	Security	Term	Purpose	Utilisation	Repayment from the Net Proceeds of the Issue (Rs. in lakhs)
Axis Bank Limited	449.71	Long Term Working Capital Demand Loan	9.50%	First Hypothecation Charge on the entire movable assets of the company	31 Months	Working Capital	Working Capital	449.71

4. General Corporate Purposes:

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) strategic initiatives
- (ii) brand building and strengthening of marketing activities; and
- (iii) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

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. [●] Lakhs.

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	[●]	[●]	[●]
Regulatory fees	[●]	[●]	[●]
Marketing and Other Expenses	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

**As on the date of this Red Herring Prospectus, our Company has incurred Rs. 28.70 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.

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 utilization 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 Red Herring 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 authorized 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 Net Proceeds will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Management Personnel or Group Companies, except in the normal course of business and in compliance with applicable law.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager, on the basis of an 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 [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer sections titled “Risk Factors” and “Financial Statements” and chapter titled “Our Business” beginning on pages 23, 171, and 121 respectively of this Red Herring Prospectus, to have an informed view before making an investment decision. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

QUALITATIVE FACTORS

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

- Quality of solutions
- Experienced Promoters and Management
- In-house facilities
- Scope of expansion
- Innovation of automation solution
- Technological Skills
- Strong Customer service

For further details, refer to heading “Our Competitive Strengths” under chapter titled “Our Business” beginning on page 121 of this Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Years 2015, 2016 and 2017 and for the period ended December 31, 2017 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

On the basis of standalone restated financials:

Year/ Period Ended	Basic & Diluted EPS (Rs.)	Weight
March 31, 2017	6.33	3
March 31, 2016	1.95	2
March 31, 2015	0.23	1
Weighted Average		3.85
December 31, 2017 *		6.51

*Not Annualized

On the basis of consolidated restated financials:

Year/ Period Ended	Basic & Diluted EPS (Rs.)	Weight
March 31, 2017	5.95	N.A*
March 31, 2016	N.A*	N.A*
March 31, 2015	N.A*	N.A*
Weighted Average		N.A*
December 31, 2017 **		6.02

*Since our Company started its Joint Venture ARAPL Intelligent Equipment Shanghai Co. Ltd in the financial year 2016-17, restated consolidated financial statements have been prepared only for the financial year 2016-17 and for the period ended December 31, 2017, therefore Basic & Diluted EPS for FY 2015-16 and for FY 2014-15 and weighted average EPS on consolidated basis are not applicable.

***Not Annualized*

Note:-

- The earnings per share has been computed by dividing net profit (loss) as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period / year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-.
 - EPS is calculated after adjusting for issuance of 4 bonus share for every 1 share held affected on October 04, 2018 on proportionate basis. For details, see the section “*Capital Structure*” on page 72 of this Red Herring Prospectus.
- 2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. [●] per Equity Share of Rs. 10 each fully paid up.**

Based on Restated Standalone Financials		
Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
P/E ratio based on Basic & Diluted EPS for FY 2016-17	[●]	[●]
P/E ratio based on Weighted Average Basic & Diluted EPS	[●]	[●]
Based on Restated Consolidated Financials		
Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
P/E ratio based on Basic & Diluted EPS for FY 2016-17	[●]	[●]
P/E ratio based on Weighted Average Basic & Diluted EPS	[●]	[●]
Industry*		
Highest		N.A
Lowest		N.A
Average		N.A

* We believe that there are no listed Companies in India which are engaged in the business of providing turnkey automation solution to automotive, semi-automotive and manufacturing industries. Further there are no listed entities which are focused exclusively on the segment in which we operate.

3. Return on Net worth (RoNW)

On the basis of standalone restated financials:

Year/ Period Ended	RoNW (%)	Weight
March 31, 2017	57.37	3
March 31, 2016	41.51	2
March 31, 2015	8.18	1
Weighted average		43.89%
December 31, 2017*		37.10%

**Not Annualized*

On the basis of consolidated restated financials:

Year/ Period Ended	RoNW (%)	Weight
March 31, 2017	55.84%	N.A*
March 31, 2016	N.A*	N.A*
March 31, 2015	N.A*	N.A*
Weighted average		N.A*
<i>December 31, 2017**</i>		36.12%

**Since our Company started its Joint Venture ARAPL Intelligent Equipment Shanghai Co. Ltd in in the financial year 2016-17, restated consolidated financial statements have been prepared only for the financial year 2016-17 and for the period ended December 31, 2017, therefore RoNW for FY 2015-16 & 2014-15 and weighted average RoNW on consolidated basis are not applicable.*

***Not Annualized*

Note:

The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year/period. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.

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

On the basis of standalone restated financials:

To maintain pre-issue basic EPS

- a. At the floor price – [●]%
- b. At the cap price – [●]%

To maintain pre-issue diluted EPS

- a. At the floor price – [●]%
- b. At the cap price – [●]%

On the basis of consolidated restated financials:

To maintain pre-issue basic EPS

- a. At the floor price – [●]%
- b. At the cap price – [●]%

To maintain pre-issue diluted EPS

- a. At the floor price – [●]%
- b. At the cap price – [●]%

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

NAV per Equity Share	Based on Standalone Restated Financial Statements
Net Asset Value per Equity Share as of March 31, 2017	11.03
Net Asset Value per Equity Share as of December 31, 2017	17.54
Net Asset Value per Equity Share after the Issue-At Floor Price	[●]
Net Asset Value per Equity Share after the Issue-At Cap Price	[●]
Issue Price per equity share	[●]

NAV per Equity Share	Based on Consolidated Restated Financial Statements
Net Asset Value per Equity Share as of March 31, 2017	10.65

NAV per Equity Share	Based on Consolidated Restated Financial Statements
Net Asset Value per Equity Share as of December 31, 2017	16.67
Net Asset Value per Equity Share after the Issue-At Floor Price	[●]
Net Asset Value per Equity Share after the Issue-At Cap Price	[●]
Issue Price per equity share	[●]

Notes-

Net Asset Value per Equity Share has been calculated as net worth as per Restated Financial Statements divided by number of equity shares outstanding at the end of the period.

Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company. Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

EPS is calculated after adjusting for issuance of 4 bonus share for every 1 share held affected on October 04, 2018 on proportionate basis. For details, see the section “Capital Structure” on page 72 of this Red Herring Prospectus.

6. Comparison with other listed companies

We believe that there are no listed Companies in India which are engaged in the business of providing turnkey automation solution to automotive, semi-automotive and manufacturing industries. Further there are no listed entities which are focused exclusively on the segment in which we operate. Hence, it is not possible to provide an industry comparison in relation to our Company.

Notes:

The Issue Price of Affordable Robotic And Automation Limited will be Rs. [●] per Equity Share. Affordable Robotic And Automation Limited is a Book Built issue and price band for the same shall be published 5 working days before opening of the Issue in English and Hindi national newspapers and one regional newspaper with wide circulation.

The Issue Price of Rs. [●] will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with Risk Factors and Financial Statements, as Restated beginning on pages 23 and 171, respectively, to have a more informed view. The trading price of Equity Shares could decline due to factors mentioned in Risk Factors beginning on page 23 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE TAX BENEFIT

To,
The Board of Directors
AFFORDABLE ROBOTIC & AUTOMATION LIMITED
(Formerly known as Affordable Robotic & Automation Private Limited)
VILLAGE WADKI, GAT NO.1209,
TALUKA HAVELI, DIST. PUNE
PUNE MH 412308 INDIA

Dear Sirs,

Sub: Statement of possible Special tax benefit ('the Statement') available to AFFORDABLE ROBOTIC & AUTOMATION LIMITED and its shareholders prepared in accordance with the requirements under Schedule VIII Part A Clause (VII) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the 'Regulations')

We hereby confirm that the enclosed annexure, prepared by **AFFORDABLE ROBOTIC & AUTOMATION LIMITED** ('the Company') provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income Tax Act, 1961 (the "Act") as amended time to time, 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 and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, these benefits are not exhaustive and the preparation of the contents stated 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 hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, 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 issue.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, 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.

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

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

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

For Vijay Moondra & Co
Chartered Accountants
FRN : -112308W

(CA Vinit Moondra)
M. No. 119398)
Date: 22nd March 2018
Place: Ahmedabad

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 ('the Act')

- Special Tax Benefits available to the Company under the Act:

There are no special Tax Benefits available to the Company.

- Special Tax Benefits available to the shareholders of the Company under the Act:

There are no special Tax Benefits available to the shareholders of the Company.

Notes:

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
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.
3. The above statement of possible tax benefits are as per the current direct tax laws relevant for the assessment year 2018-19.
4. This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
5. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the nonresident has fiscal domicile.
6. 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.

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 23 and 171 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO ENGINEERING INDUSTRY

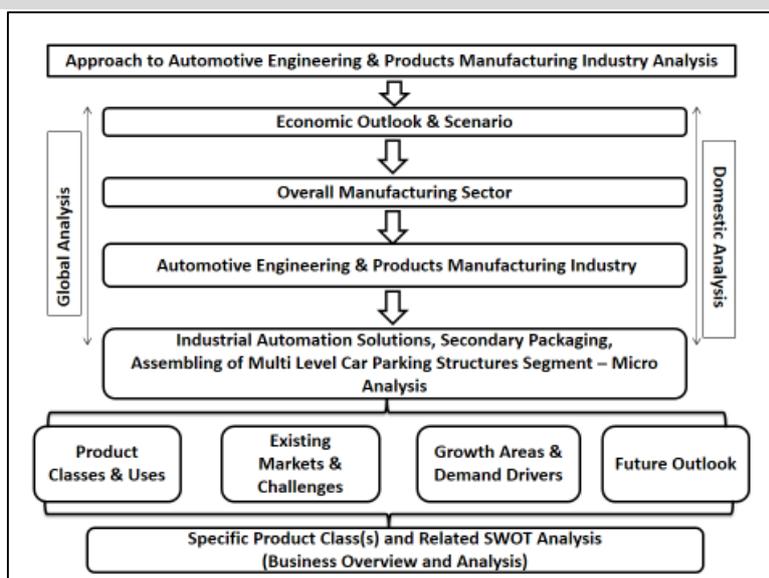
The Indian Engineering sector has witnessed a remarkable growth over the last few years driven by increased investments in infrastructure and industrial production. The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of strategic importance to India’s economy.

India on its quest to become a global superpower has made significant strides towards the development of its engineering sector. The GoI has appointed the EEPC as the apex body in charge of promotion of engineering goods, products and services from India. India exports transport equipment, capital goods, other machinery/equipment and light engineering products such as castings, forgings and fasteners to various countries of the world. The Indian semiconductor industry offers high growth potential areas as the industries which source semiconductors as inputs are themselves witnessing high demand.

India became a permanent member of the WA in June 2014. The country is now a part of an exclusive group of 17 countries who are permanent signatories of the WA, an elite international agreement on engineering studies and mobility of engineers.

(Source: *Indian Engineering Analysis - India Brand Equity Foundation - www.ibef.org*)

APPROACH TO AUTOMOTIVE ENGINEERING & MANUFACTURING INDUSTRY 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 & Engineering Industry and / or any other industry, may entail legal consequences.

Analysis of Automotive Engineering and products manufacturing industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Automotive Engineering Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Automotive Engineering and products manufacturing 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 “Automotive Engineering and products manufacturing industry”, which in turn encompasses various segments such as Automotive solutions and assembling of car parking structures.

Thus, the micro analysis of such segments should be analysed in the light of “Automotive Engineering and products manufacturing industry” at large. An appropriate view on automation and car parking structures then, calls for the overall economic outlook, performance and expectations of Manufacturing Sector, position of Automotive Engineering and products manufacturing Industry and micro analysis thereof.

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.

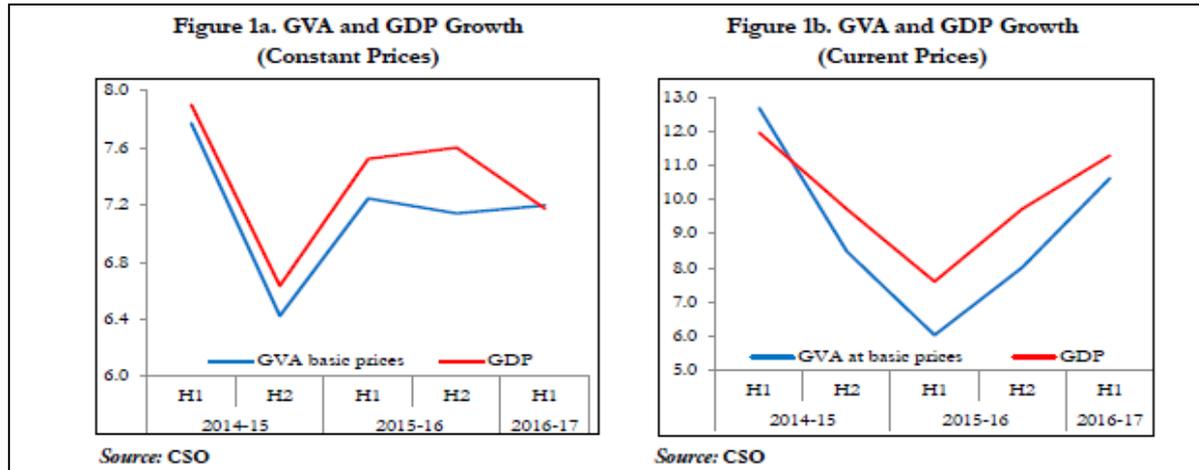
Third, developments in the US, especially the rise of the dollar, will have implications for China’s currency and currency policy. If China is able to successfully re-balance its economy, the spill over effects on India and the rest of the world will be positive. On, the other hand, further declines 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).



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 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 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 risen from around US\$ 350 billion 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 1.7 percent of GDP in FY 2016 to 3.2 percent of GDP in the second quarter of FY 2017, 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 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 FY 2017. Some of this weakness could be offset through higher public investment, but that would depend on the stance of fiscal policy next year, which has to balance the short-term requirements of an economy recovering from demonetisation against the medium-term necessity of adhering to fiscal discipline—and the need to be seen as doing so. Putting these factors together, we expect real GDP growth to be in the 6¾ to 7½ percent range in FY2018. Even under this forecast, India would remain the fastest growing major economy in the world.

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

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

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

Fiscal outlook

The fiscal outlook for the central government for next year will be marked by three factors. First, the increase in the tax to GDP ratio of about 0.5 percentage points in each of the last two years, owing to the oil windfall will disappear. In fact, excise-related taxes will decline by about 0.1 percentage point of GDP, a swing of about 0.6 percentage points relative to FY 2017.

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 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 labour 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 EPFO; whether the employers' contribution should go to the EPFO or the National Pension Scheme; and whether to contribute to the 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.

GLOBAL MANUFACTURING INDUSTRY

World manufacturing growth

World manufacturing growth accelerated in the third quarter of 2017, as economic recovery strengthened worldwide. Positive results reported in the First half of this year carried over into the third quarter. Steady progress over several consecutive quarters characterizes both industrialized and developing and emerging industrial economies, and prospects for sustained global industrial growth in forthcoming

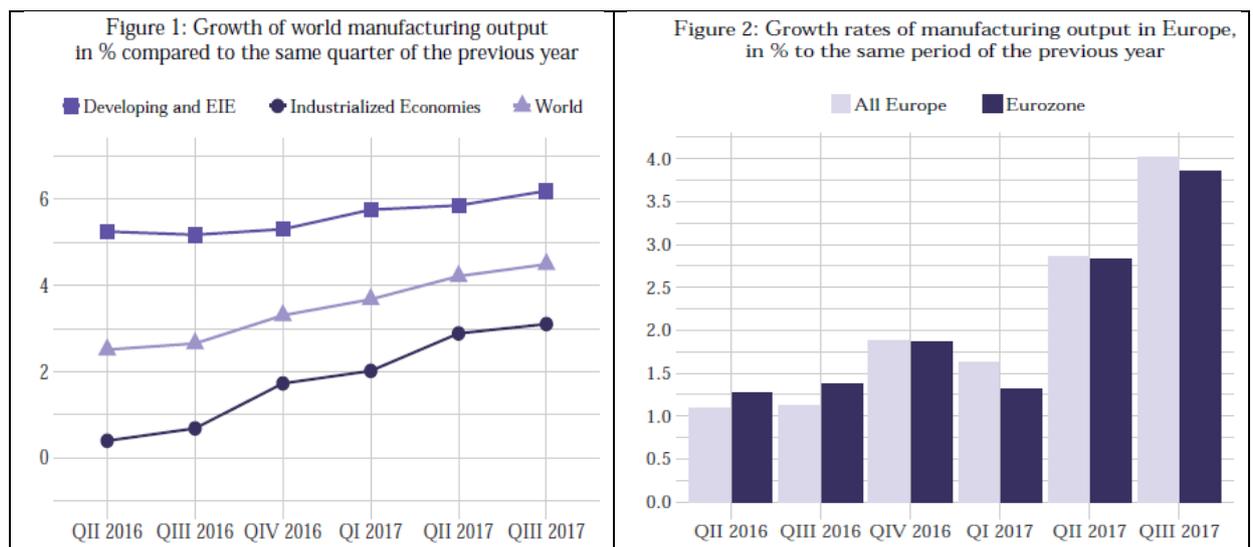
periods are good (Figure 1). For the first time in several years, industrial growth moved back to the positive zone in all of the major economies.

The driving forces behind the positive developments in global manufacturing were improving business conditions, rising consumer spending, promising investment plans directed towards developing economies and healthy external demand support activities. On the other hand, risks for global growth such as concerns where Brexit negotiations will lead to, changes in global trade arrangements or high geopolitical uncertainty have not yet dissipated.

Global manufacturing output rose by 4.5 per cent in the third quarter of 2017 compared to the same period of the previous year. This impressive gain was based on an already strong growth throughout the first half of 2017. The disaggregated data points to the thriving performance of major industrialized economies with a significant share in global manufacturing output, namely the United States, Japan, Germany, the Republic of Korea, Italy as well as Brazil. The manufacturing output of China, the world's largest manufacturer, continued to register a high growth rate in the third quarter.

Industrialized economies as a whole exhibited record-breaking growth at 3.1 per cent in the third quarter of 2017 - the highest manufacturing output growth in a year-by-year comparison in the post-crisis period. Such growth was attributable to Europe's dynamic recovery, where a 4.0 per cent growth was achieved. East Asian industrialized economies experienced a healthy 4.5 per cent year-by-year upward trend and the nearly two-year consecutive slump has all but been forgotten. Relative lower growth was observed in the North America region, where manufacturing output expanded by a mere 1.4 per cent.

A reversal of negative trends in Argentina and Brazil has had a considerable impact on recovery in the Latin America region. Manufacturing output of the region rose by 2.5 per cent in the third quarter of 2017, which also resulted in an accelerated growth rate of developing and emerging industrial economies as a whole at 6.2 per cent. A relatively higher increase was achieved by Asia's developing economies with a 6.5 per cent expansion recorded in the third quarter on a year-to-year basis. The manufacturing production of African regions remained in the positive zone of high growth despite the weak foundation of these countries' manufacturing industries. According to UNIDO's latest estimates, African manufacturing experienced a 6.4 per cent year-to-year gain in the third quarter of 2017. Entering the second half of the year 2017, recovery in global manufacturing has evolved from being relatively modest to becoming more dynamic. Improvements were recorded in both industrialized economies and developing and emerging industrial economies.



Industrialized economies

The manufacturing output of industrialized economies has followed a progressively improving upward trend over the last quarters. All industrialized regions, namely Europe, North America and East Asia, were characterized by robust dynamics in the third quarter and took a step towards a steady future. The latest data revealed an acceleration of growth in the manufacturing sector of European economies during the third quarter of 2017 in a year-by-year comparison, beating expectations. Improved business and consumer confidence complemented by strong domestic and external demand resulted in new business and export orders. All of these factors provide tremendous opportunities to investors and signal that Europe's manufacturing sector is gradually stabilizing.

Taking a closer look at specific numbers, Europe's manufacturing sector as a whole stepped up production by 4.0 per cent in the third quarter of 2017, while the growth rate in the eurozone countries increased by 3.9 per cent compared to the same period of the previous year. In both cases, the result meant a 1.0 per cent jump from the previous quarter's results

The major economies of the Eurozone recorded strong growth in the third quarter of 2017. Manufacturing output rose by 4.6 per cent in Germany, 3.8 per cent in Italy and 2.8 per cent in France comparing year-to-year developments. Spain, another leading Eurozone economy, achieved a 3.3 per cent growth rate. The manufacturing output of other economies of the single currency block seemingly remained healthy in the third quarter and continued on the trajectory of continuous improvement. The highest growth of over 8.0 per cent was observed in Slovenia and Lithuania.

Among other economies, manufacturing output grew by 5.8 per cent in Austria, 4.7 per cent in Belgium, 5.2 per cent in Portugal and 3.8 per cent in Slovakia. Among individual economies beyond the euro zone, the Swiss manufacturing sector experienced the strongest increase in the last 10 years and expanded sharply by 8.7 per cent compared to the same period of the previous year. The rapid surge from an upwardly revised 3.3 per cent gain in the previous quarter was primarily boosted by the manufacturing of pharmaceuticals and of computer, electronic and optical products. The manufacturing output in the United Kingdom rose by 2.7 per cent compared to the same period of the previous year. Another exceptionally positive result was observed in Sweden with a 5.8 per cent growth rate. Higher growth rates above 5.0 per cent were also observed in Czechia and Hungary.

North America's overall manufacturing growth was lower than in other industrialized regions at 1.4 per cent. The United States' manufacturers have recently picked up as the dollar dropped in value, making U.S. goods cheaper in foreign markets and boosting exports. However, a 1.2 per cent growth in the U.S.' total manufacturing production in the third quarter of 2017 represents a slight slowdown, given the performance of the U.S.' manufacturing sector in the second quarter. A solid performance was witnessed in Canadian manufacturing, where production expanded by 3.2 per cent.

Strong global growth continued to drive manufacturing activity in industrialized East Asian economies during the third quarter, leading the manufacturing production to expand by 4.5 per cent. Japan's manufacturing output rose by 4.7 per cent compared to the same period of the previous year. Despite the slightly lower figure in the third quarter, Japan has maintained an uninterrupted period of high growth for several consecutive quarters. Growth momentum strengthened in Malaysia, where manufacturing output recorded a 7.0 per cent increase in the third quarter of 2017. A particularly strong two-digit growth rate was observed in Singapore, while the Republic of Korea and Taiwan, Province of China's manufacturing production expanded only moderately by 1.4 per and 3.3 per cent, respectively.

The manufacturing recovery in Russia remained largely on track in the third quarter of 2017, with a nearly 1.0 per cent expansion recorded on a year-to-year basis. A similar growth rate was also observed in Norway which further reduced its contraction rate.

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

Developing and Emerging Industrial Economies

The combination of good results in all developing and emerging industrial regions helped the developing and emerging industrial economies as a whole achieve a 6.2 per cent growth in the third quarter of 2017 (Figure 3). The recovery of Latin America continues unabated, the growth momentum is also largely holding up across the Asian economies and production in Africa is further promoting from boosted investor confidence.

Manufacturing activity in China has stabilized at the same pace of growth since the beginning of 2017 7.3 per cent increase on a year-by-year basis. The development of advanced manufacturing industries and the new investment plan in the environment has led to an overall upgrade of China's manufacturing industry. Latin America has made positive developments in the manufacturing sector, following the resumption of growth in the second quarter. Brazilian manufacturers are finally emerging from the deep recession with an upward trend of 2.8 per cent recorded in the third quarter of 2017. The largest expansion was observed in the manufacturing of motor vehicles, trailers and semi-trailers. Meanwhile, Argentina has overcome a severe decline in economic growth with the country's manufacturing activity recording a growth of 4.4 per cent – its best performance over the last six years. Looking at other countries in the region, Mexico's manufacturing production retained a positive increase of nearly 3.5 per cent, Chile recorded a moderate upturn of 1.5 per cent, while manufacturing output in Peru and Ecuador decreased in comparison to the same period of 2016.

An impressive growth rate was observed in Asia and the Pacific region. Viet Nam, one of Asia's fast growing economies, continued to attract sizeable foreign direct investment in-ows. Its manufacturing sector was supported by strong demand for electronics and retained a solid pace in the third quarter, expanding by 12.8 per cent. However, the long-term trajectory of double-digit year-to-year growth in manufacturing was interrupted at the beginning of 2017 due to weakened exports. A positive development in growth was also observed in Indonesia, where manufacturing production accelerated and registered a 5.5 per cent gain in the third quarter of 2017. Similarly, the slowed performance of India's manufacturing sector in the last quarter improved slightly, with a moderate 2.2 per cent increase. In Thailand, manufacturing output rose by 4.2 per cent, which was mainly supported by a higher output of the automotive industry. As regards the manufacturing output of other economies from the region, Pakistan and Mongolia performed well, but the Philippines and Jordan's manufacturing sector contracted in a year-by-year comparison.

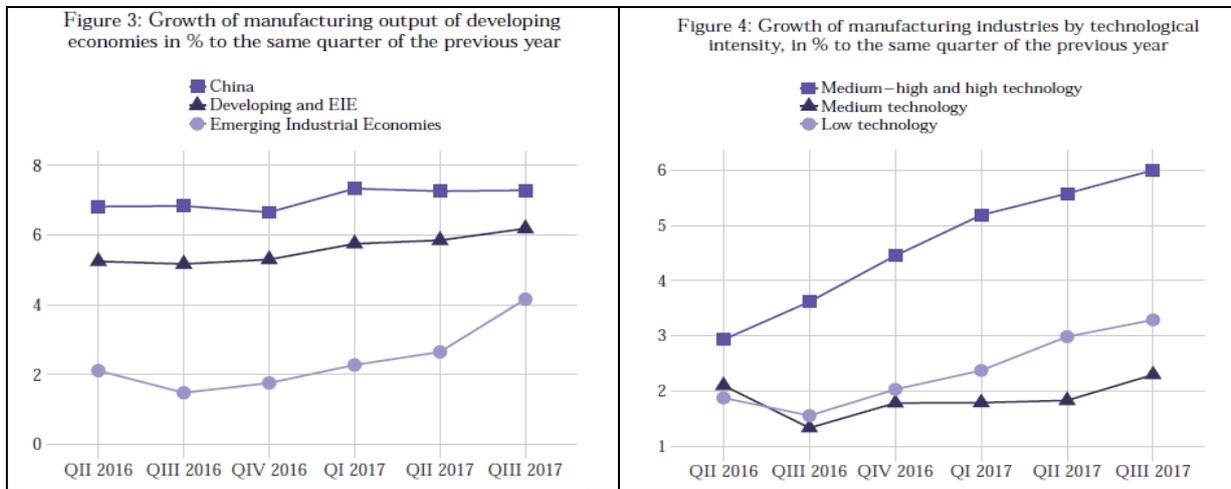
Among Africa's economies, South Africa, the region's most industrialized country, has been performing below its potential since the final quarter of 2016 and has entered a recession. Following three quarters of depressed manufacturing production in a row, South Africa's manufacturing sector showed marginal positive growth in the third quarter of 2017. However, its current growth is still too weak to project whether the recession will be overcome by the end of the year. Similarly, Tunisia's manufacturing output rose by 2.4 per cent following a period of contraction. A positive growth rate was also registered in Egypt and Morocco, while Senegal and Nigeria's manufacturing output fell compared to the same period of the previous year. However, it should be noted that estimates for Africa are based on limited data, revealing high instability and volatility.

Among other developing economies, the manufacturing output of Eastern European countries registered relatively higher growth rates in the third quarter of 2017. Manufacturing output rose by 8.2 per cent in Poland, 4.7 per cent in Belarus, 5.8 per cent in Bulgaria, 8.5 per cent in Serbia and over 9.0 per cent in Romania, Latvia and Bosnia and Herzegovina. Turkey's manufacturing sector also performed well and exceeded 10.0 per cent growth rate.

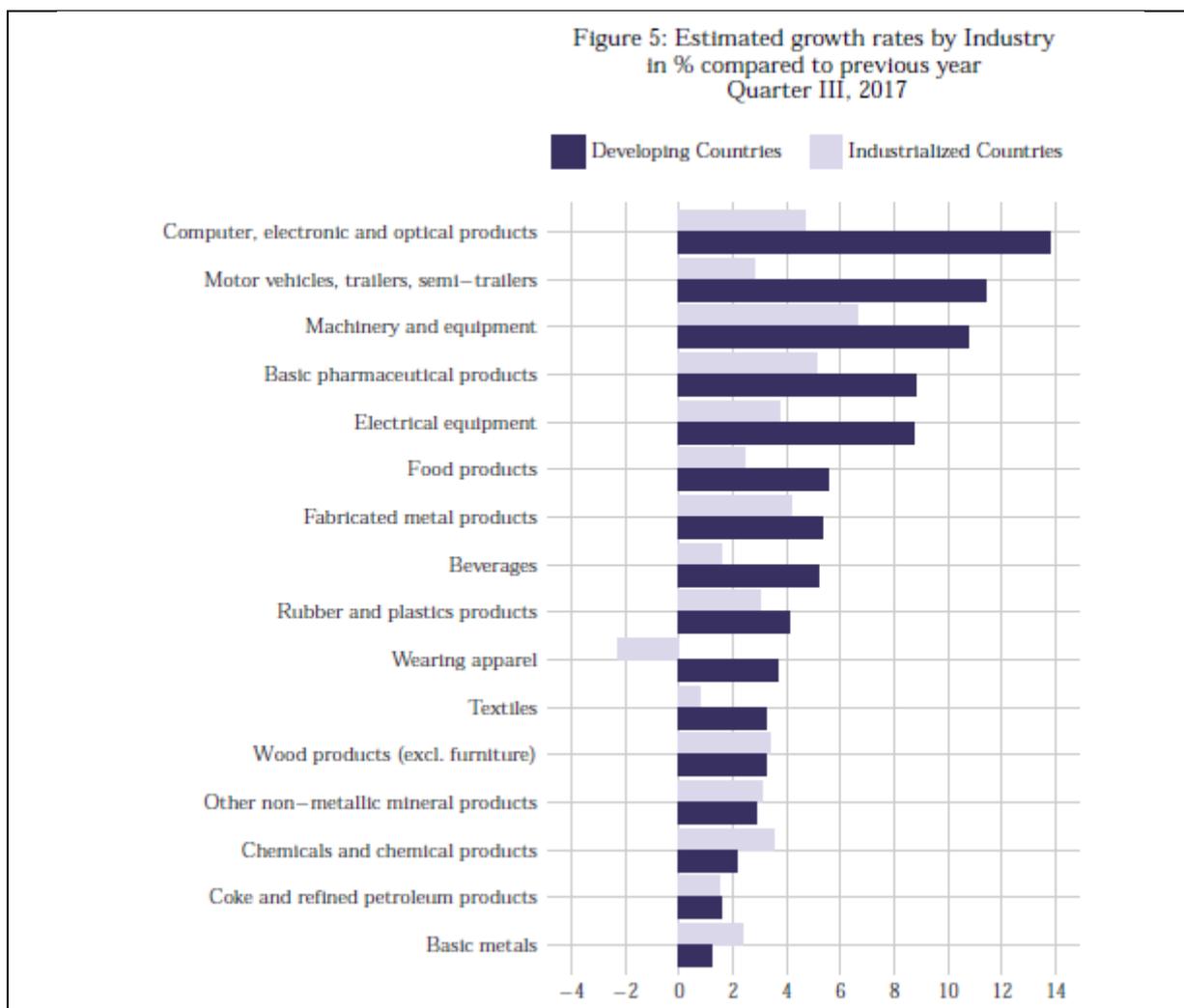
Findings by Industry Groups

Global manufacturing production maintained a positive growth rate in all industries in the third quarter of 2017. Advanced manufacturing such as automation, robotics and digital products have been experiencing a steady expansion at the global level. Shifting from low technology to high technology manufacturing industries plays a key role in promoting innovation in the long term and, moreover, determines the positioning of economies within the global market. Therefore, the competition between advanced and emerging economies in high-tech leadership will be compelling and crucial for both groups.

In the wake of the fourth industrial revolution, embracing emerging technologies brings global manufacturing production to a new level. The high growth rate in medium high and high technology industries observed in the third quarter of 2017 led to an increase in high value goods, indicating a high level of consumer confidence (Figure 4). UNIDO data largely support this pro-technology approach.



Medium high and high technology manufacturing industries have repeatedly held top positions when looking at year-by-year comparisons - these industries witnessed a 6.0 per cent growth rate, a record-breaking result in the last Five years. When reviewing the individual top industries, the manufacturing of computers, electronics and optical products grew by 8.3 per cent, the production of machinery and equipment rose by 8.0 per cent, the manufacturing of pharmaceutical products by 6.7 per cent (which recorded a visibly accelerated growth rate compared to the results of the previous quarter), the production of electrical equipment by 6.1 per cent and the manufacturing of motor vehicles by 5.9 per cent. The production in all of the above- mentioned industries was dominated by developing and emerging industrial economies compared with industrialized economies (Figure 5).



As regards medium technology manufacturing industries, 2.3 per cent growth was registered worldwide in the third quarter of 2017. The global manufacturing of rubber and plastic products increased by 3.4 per cent in a year-by-year comparison, while the manufacturing of non-metallic mineral products recorded a growth rate of 3.0 per cent. The global manufacturing of basic metals rose at a moderate pace of 1.6 per cent. In low technology manufacturing industries, overall global production rose by 3.3 per cent in the third quarter of 2017 compared to the same period of the previous year. The global manufacturing of fabricated metal products grew by 4.6 per cent, followed by the manufacturing of furniture with a 4.3 per cent increase. Relatively high growth rates were maintained worldwide in the production of basic consumer goods - the global manufacturing of food products rose by 3.8 per cent, beverages by 3.4 per cent and the global manufacturing of both textile and wearing apparel increased by slightly over 2.5 per cent. The growth rate of the manufacturing of paper products expanded by 2.4 per cent, while coke and refined petroleum products and printing remained below 2.0 per cent.

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

INDIAN MANUFACTURING SECTOR

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Shri. 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.

Market Size

The Gross Value Added (GVA) at basic constant (2011-12) prices from the manufacturing sector in India grew 7.9 per cent year-on-year in 2016-17, as per the 2nd provisional estimate of annual national income published by the GoI. Under the 'Make in India' initiative, the GoI aims to increase the share of the manufacturing sector to the GDP to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. 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.

Cumulative, FDI in India's manufacturing sector reached US\$ 70.51 billion by June 2017.

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:

- JSW Energy has signed a MoU with the Government of Gujarat, for setting up an electric vehicle (EV) manufacturing unit in Gujarat at an estimated cost of Rs 4,000 crore (US\$ 608.88 million).
- With an aim to increase its presence in India, Denmark-based heating ventilation and air-conditioning (HVAC) giant, Danfoss, is planning to take its manufacturing localisation to 50 per cent as well as double its supplier base in India by 2020.
- Cochin Shipyard Ltd, which recently completed its IPO, will utilize the funds from the issue to implement expansion projects worth Rs 2,800 crore (US\$ 437.3 million), which are already in its pipeline.
- Indian biscuits giant, Britannia Industries Ltd (BIL), is setting up its largest plant ever, in Ranjangaon, Maharashtra, with an investment of Rs 1,000 crore (US\$ 156.89 million). The plant will have an annual capacity of 120,000 tonne and will be completed by FY19.
- IKEA, a Swedish furniture company, aims to manufacture more than 30 per cent of its products in India in the coming years, stated Mr Patrik Antoni, Deputy Country Manager, IKEA.
- Volvo India Pvt Ltd, Swedish luxury car manufacturer, will start assembly operations near Bengaluru in India by the end of 2017. The company is targeting to double its share in India's luxury car segment to 10 per cent by 2020.
- Larsen & Toubro (L&T) has bagged a contract worth US\$ 669.34 million from the MoDs, GoI, to supply 100 artillery of 155mm/52 caliber tracked self-propelled guns for the Indian Army, under the Make in India initiative.
- Berger Paints has entered into a partnership with Chugoku Marine Paints (CMP), thereby marking its entry into the marine paints segment, which has an estimated market size of Rs 250 crore (US\$ 38.82 million) and is expected to grow at 25 per cent annually for the next five years.
- SAIC Motor Corp, China's largest automaker, has signed a deal to buy General Motors (GM) India's Halol plant in Gujarat.
- Dabur India Ltd set up its largest manufacturing plant globally, spread over 30 acres, at a cost of Rs 250 crore (US\$ 38.82 million), in Tezpur, Assam, which will produce Dabur's complete range of ayurvedic medicines, health supplements, and personal care products among others.

- Apple Inc is looking to expand its Taiwanese contract manufacturer, Wistron's, production facility in Bengaluru, India, where it started manufacturing iPhone SE in May, 2017.
- 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.
- 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.
- Honda Motorcycle & Scooter India plans to invest around Rs 600 crore (US\$ 90 million) to add a new line to produce additional 600,000 units at its Narsapura facility in Karnataka.
- 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.
- Tata Advanced Systems is collaborating with the world's largest defence contractor Lockheed Martin to manufacture the F-16 fighter jets in India.

Government Initiatives

In a bid to push the 'Make in India' initiative to the global level, Shri. 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 GoI 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 GoI 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 FIPB by 2017-18.
- The GoI has launched a PMP aimed at adding more smartphone components under the “*Make in India*” initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The GoI is in talks with stakeholders to further ease FDI in defence under the automatic route to 51 per cent from the current 49 per cent, in order to give a boost to the Make in India initiative and to generate employment.
- The Ministry of Heavy Industries and Public Enterprises, GoI, has approved the setting up of four CoE in areas of textile machinery, machine tools, welding technology and smart pumps, which will help raise the technology depth of the Indian Capital Goods Industry.
- The MoD, GoI, approved the “Strategic Partnership” model which will enable private companies to tie up with foreign players for manufacturing submarines, fighter jets, helicopters and armoured vehicles.
- The Union Cabinet has approved the 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).

Road Ahead

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.

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the GST will make India a common market with a GDP of US\$ 2 trillion along with a population of 1.2 billion people, which will be a big draw for investors.

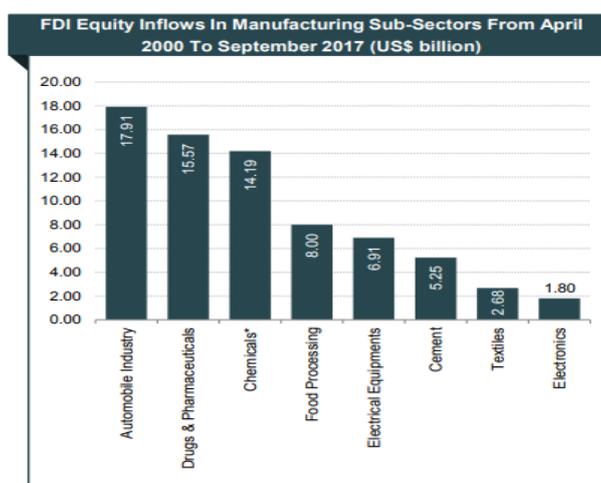
With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in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

Exchange Rate Used: INR 1 = US\$ 0.015 as on October 30, 2017

(Source: Indian Manufacturing Industry Analysis - India Brand Equity Foundation - www.ibef.org)

FOREIGN INVESTMENT FLOWING INTO MANUFACTURING SECTOR

- 100 per cent FDI is approved in the sector through the automatic route under the current FDI Policy.
- In August 2017, Department of Industrial Policy and Promotion released the consolidated FDI Policy and a new industrial policy is expected by October 2017. This will improve technology transfer in the sector as well as investment opportunities in startups.
- The FDI equity inflows to the Indian manufacturing sector have been increasing over the years with US\$ 6.91 billion coming in 2016-17.
- For the period between April 2000-Sep, 2017
 - Automobile sub-sector received FDI inflows of US\$ 17.91 billion
 - Drug and pharmaceutical manufacturing has received US\$ 15.57 billion
 - Chemical manufacturing sector (excluding fertilizers) received inflows totalling to US\$ 14.19 billion
- Out of the 10 highest FDI investment avenues, these three have been manufacturing activities.



(Source: Indian Manufacturing Industry Analysis - India Brand Equity Foundation - www.ibef.org)

KEY TRENDS IN INDIAN MANUFACTURING SECTOR

- **Major Investments and Expansion Into New Markets:** As per India Manufacturing Barometer 2017*, more than 50 per cent of respondents in the industry are planning major investments and 62 per cent are planning to expand into foreign markets. Along with major investments consolidation is happening in sectors like cement.
- **Additive Manufacturing:** Popularly known as 3D printing, this new manufacturing technology uses digital models to create products by printing layers of materials. This has huge potential in India with the rise of mega projects coming up. Indian IT major Wipro in collaboration with EOS manufactured India's first additive manufacturing engineered component for ISRO's GSAT19 communications satellite launch in June 2017.
- **Industrial Internet of Things (IIOT) and Industry 4.0:** With the rise of IoT in consumer tech, manufacturing sector has also started implementing this new network of sensors and actuators for data collection, monitoring, decision making and process optimisation over internet infrastructure. Data is a huge component of this whole setup and Indian companies have a lot of potential in this area with many large companies already betting on big data and analytics. As an example, Indian Railways will be rolling out locomotives with solutions like remote diagnostics and proactive predictive maintenance and these trains will be part of a wider ecosystem connected to industrial internet.
- **Advanced Robotics:** While standalone robotic workstations are already common place even in Indian companies, advanced robotics use enhanced senses, dexterity, and intelligence to automate tasks or work alongside humans.
- **Innovation:** Reliance Industries is using big data and analytics to optimise its operations and write applications for customers, based on more than 30 years of data. As of November 2016, the Ministry of Textiles signed MoUs with 20 e-commerce firms to engage with various handloom and handicraft clusters.
- **Focus on backward integration:** During Textiles India 2017, the Ministry of Textiles signed 65 MoUs. MoUs were signed between various domestic and international organisations from industry and government; three of the MoUs signed are G2G MoUs. The MoUs signed relate to exchange of information and documentation, Research and Development, commercialisation of handloom products and silk production, cooperation in Geo textiles, skill development, supply of cotton and trade promotion with overseas partners, etc.
- **Focus on forward integration:** In 2015, Maruti Suzuki launched its premium retail outlets named 'Nexa' to differentiate from its old retail outlets. This strategy has been adopted to market cars that are more premium than the budget ones Maruti has been known for. With this they can operate in two segments with one established brand name.
- **Collaboration:** The GoI has been pushing for greater technology transfers and collaborations along with more FDI and domestic production. Tata Advanced Systems is collaborating with the world's largest defence contractor Lockheed Martin to manufacture the F-16 fighter jets in India while the Adani Group has also entered the sector by forming a joint venture with Israel-based Elbit Systems.

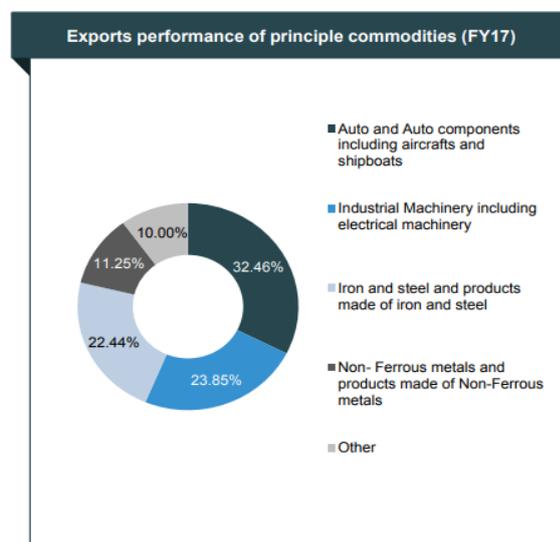
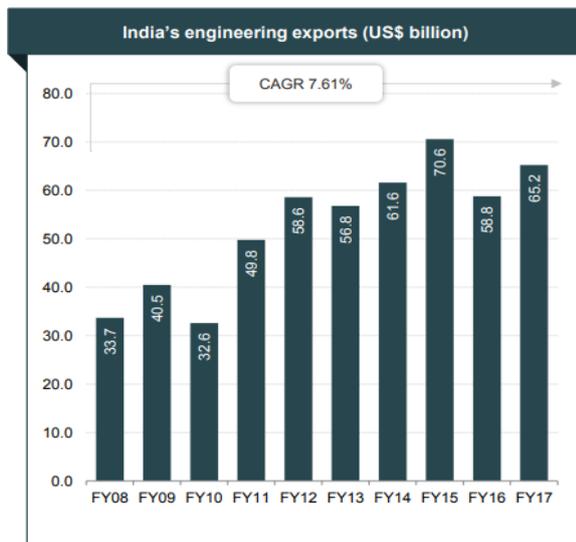
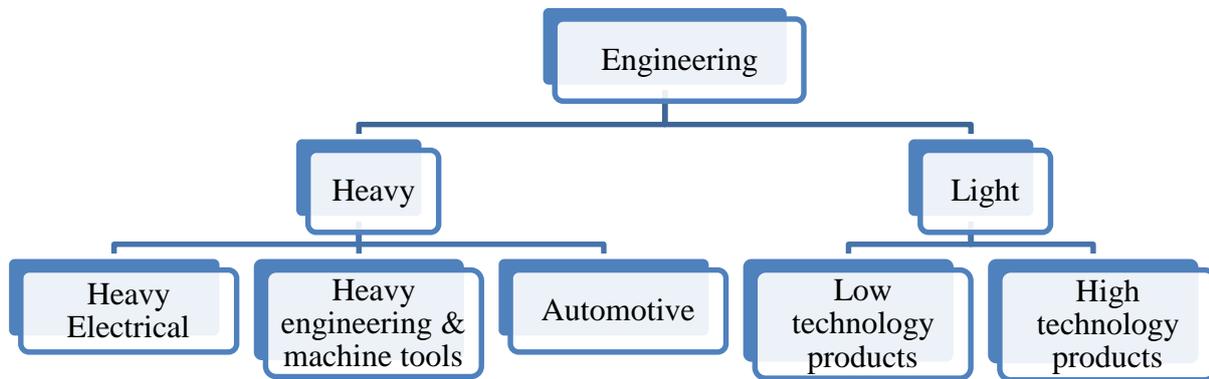
(Source: Indian Manufacturing Industry Analysis - India Brand Equity Foundation - www.ibef.org)

INDIAN ENGINEERING INDUSTRY

Engineering exports from India stood at US\$ 65.23 billion in FY17. Engineering exports for the period of April-December 2017-18 was US\$ 56,091.89 million as against US\$ 45,696.36 million in the same period previous year. During FY08–FY17, engineering exports from India registered growth at a CAGR of 7.61 per cent. Engineering exports include transport equipment, capital goods, other

machinery/equipment and light engineering products such as castings, forgings and fasteners. With the revival of demand for iron and steel in China and the US, India's engineering exports reached US\$65.2 billion in FY17.

Transport equipment (which includes Auto and auto component including Aircraft and ship boats) is the leading contributor to engineering exports. The segment accounted for 32.46 per cent of the total engineering exports from India in FY17. Exports of iron and steel products accounted for a market share of around 22.44 per cent, in the overall exports, while industrial machinery including electrical machinery accounted for 23.85 per cent of the total engineering exports in FY17. Other commodities includes medical and scientific instruments, hand tools and cutting tools, bicycle parts, office equipment, prime mica and mica products, etc. and accounted for a share of 10 per cent of the total engineering exports from India in FY17. Attractive markets for Indian engineering products are USA, China, Germany, U.K., Canada, France, Russia, Japan, Australia, South Korea, Saudi Arabia and Southern Africa.



(Source: Indian Engineering Analysis - India Brand Equity Foundation - www.ibef.org)

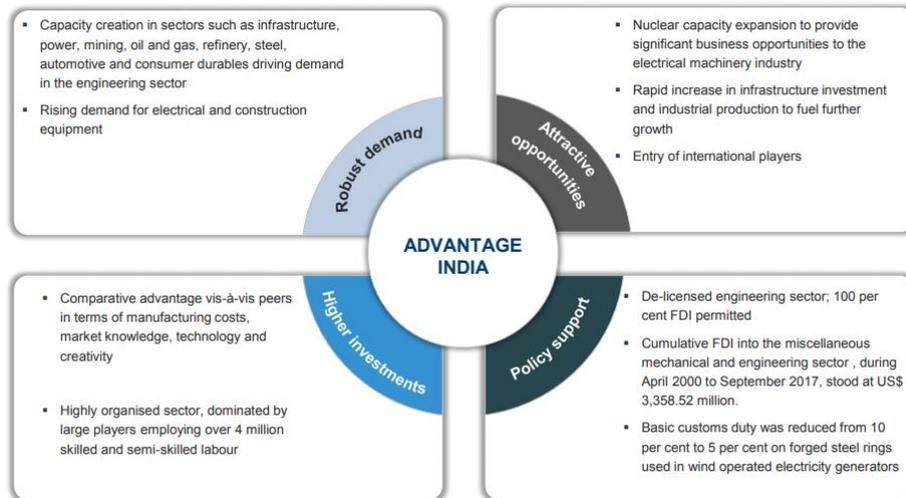
GROWTH DRIVERS

- **Demand-side drivers:**
 - Capacity addition for power generation
 - Increase in infrastructure spending
 - Rise in exports which is touched US\$ 65.23bn during FY17
- **Policy:**

- De-licensing
- Reduction in tariff and customs
- Supportive government policies leading to higher investments
- **Investments:**
 - Increasing FDI inflows
 - Higher M&A
 - Easy credit facilities for manufacturing companies

(Source: *Indian Engineering Analysis - India Brand Equity Foundation - www.ibef.org*)

ADVANTAGES



(Source: *Indian Engineering Analysis - India Brand Equity Foundation - www.ibef.org*)

KEY SEGMENTS - AUTOMOTIVE

- **Passenger & utility vehicles:**
 - Currently, there are 16 manufacturers of passenger cars and multi-utility vehicles, 13 manufacturers of commercial vehicles and 16 manufacturers of 2 wheelers and 3 wheelers Total production in the automobiles sector stood at approximately 21.4 million units in April-December 2017.
 - In April-December 2017, sales of passenger vehicles went up by 8.13 per cent, whereas the sales of utility vehicles rose by 19.43 per cent.
- **Auto components:**
 - The auto components industry has more than 500 companies in the organised sector and about 10,000 entities in the unorganised sector.
 - During 2016-17, exports of auto components increased at a CAGR of 9.96 per cent, from US\$ 5.1 billion in FY09 to US\$ 10.9 billion in FY17.
 - In March 2017, Wipro opened an automotive engineering centre in Detroit North America, to serve as a hub to support automotive engineering and IT requirements of OEMs and tier-I suppliers.
- **Agriculture machinery:**
 - Agricultural tractors dominate the agriculture machinery sector
 - The Indian tractor industry is the world's largest and accounts for one-third of the global production, and is the cheapest producer world over providing room for more exports in tractors.
 - Indian tractors are exported to the US, Malaysia, Turkey and Africa
 - In November 2016, the Central Government directed the states of Punjab, Haryana and U.P. to promote use of agri-equipment for effective management of crop residue.

(Source: *Indian Engineering Analysis - India Brand Equity Foundation - www.ibef.org*)

MARKET SIZE OF ENGINEERING SECTOR

The capital goods and engineering turnover in India is expected to reach US\$ 125.4 billion by FY17.

India exports its engineering goods mostly to the US and Europe, which accounts for over 60 per cent of the total exports. Recently, India's engineering exports to Japan and South Korea have also increased with shipments to these two countries rising by 16 and 60 per cent respectively. Sri Lanka, Nepal and Bangladesh have also emerged as the major destinations for India's engineering exports.

According to the IESA, the ESDM market is expected to grow at a CAGR of 16-23 per cent to reach US\$ 228 billion by 2020 from \$100 billion in 2016-17. According to a study by ASSOCHAM and NEC Technologies, the demand for electronic products in India is expected to grow at a CAGR of 41 per cent during 2017-20 to US\$ 400 billion by 2020.

According to data from the Engineering Export Promotion Council of India, engineering exports from India grew 11.33 per cent year-on-year to reach US\$ 65.23 billion in FY 2016-17. Exports of electrical machinery rose to US\$ 4.6 billion in FY 2016-17 from US\$ 3.7 billion in FY 2015-16.

(Source: *Indian Engineering Analysis - India Brand Equity Foundation* - www.ibef.org)

INVESTMENTS

The engineering sector in India attracts immense interest from foreign players as it enjoys a comparative advantage in terms of manufacturing costs, technology and innovation. The above, coupled with favourable regulatory policies and growth in the manufacturing sector has enabled several foreign players to invest in India.

The FDI inflows into India's miscellaneous mechanical and engineering industries during April 2000 to June 2017 stood at around US\$ 3.34 billion, as per data released by the DIPP.

In the recent past there have been many major investments and developments in the Indian engineering and design sector:

- With an aim to increase its presence in India, Denmark-based heating ventilation and air-conditioning (HVAC) giant, Danfoss, is planning to take its manufacturing localisation to 50 per cent as well as double its supplier base in India by 2020.
- Larsen and Toubro Ltd (L&T) has been awarded with projects worth Rs 2,170 crore (US\$ 336.93 million), which includes an order worth Rs 1,169 crore (US\$ 181.51 million) from Oman Electricity Transmission Company SAOC.
- South Korean electronics major, LG, is planning to make India as its export hub, on the back of improved ties between South Korea and India, as per Mr Ki Wan Kim, Managing Director, LG Electronics India (LGEI).
- Warburg Pincus is in advance talks with Tata Technologies to acquire up to 40 per cent minority stake for about Rs 2,300 crore (US\$ 357.11 million).
- Hexagon Capability Centre India (HCCI) in collaboration with NITK, Surathkal, launched first-of-its-kind NextGen 3D Lab costing Rs 7.7 crore (US\$ 1.15 million) at NITK Campus. The lab aims at making budding engineers industry-ready by the time they graduate.
- Engineering and construction major L&T entered into a joint venture with European defence major Matra BAE Dynamics Alenia (MBDA) Missile Systems for development of missiles in India. L&T will own 51 per cent stake in the JV named L&T MBDA Missile Systems and the rest 49 with the European partner.

- American plane maker Boeing Corporation has launched the Boeing India Engineering & Technology Center in Bengaluru. The centre will employ hundreds of locals who will work to support Boeing, including its information technology & data analytics, engineering, research and technology, and tests.
- Reliance Defence and Engineering Ltd said it has signed an agreement with the US Navy for undertaking service, maintenance and repair of Seventh Fleet of US Navy at the Reliance Shipyard at Pipavav in Gujarat.

(Source: Indian Engineering Analysis - India Brand Equity Foundation - www.ibef.org)

GOVERNMENT INITIATIVES

The Indian engineering sector is of strategic importance to the economy owing to its intense integration with other industry segments. The sector has been de-licensed and enjoys 100 per cent FDI. With the aim to boost the manufacturing sector, the government has relaxed the excise duties on factory gate tax, capital goods, consumer durables and vehicles.

- In the Union Budget 2017-18, the GoI increased the allocation for incentive schemes like the M-SIPS and the EDF to Rs 745 crore (US\$ 111 million) for providing a boost to the semiconductor as well as the electronics manufacturing industry.
- The Union Cabinet has approved incentives up to Rs 10,000 crore (US\$ 1.47 billion) for investors by amending the M-SIPS scheme, in order to further incentivise investments in electronics sector, create employment opportunities and reduce dependence on imports by 2020.
- The Ministry of Electronics and Information Technology plans to revise its policy framework, which would involve the government taking a more active role in developing the sector by providing initial capital, with the aim to attract more private players and make India a global semiconductor hub.
- The GoI is planning to merge 6 engineering consulting PSUs to create a mega consultancy firm that can take up projects across sectors and compete with the likes of Bechtel of the US and domestic majors like Larsen & Toubro (L&T).

(Source: Indian Engineering Analysis - India Brand Equity Foundation - www.ibef.org)

ROAD AHEAD

The engineering sector is a growing market. Spending on engineering services is projected to increase to US\$ 1.1 trillion by 2020. The government, in consultation with semiconductor industry, has increased focus on the ESDM sector in last few years. Some of the initiatives outlined in the National Electronics policy and the National Telecom policy are already in the process of implementation, such as PMS, EMC and M-SIPS.

India's capital good sector is expected to triple in size to Rs 7.5 trillion (US\$ 116 billion) and add 21 million jobs by 2025.

Exchange Rate Used: INR 1 = INR 1 = US\$ 0.015 as of October 30, 2017.

References: Media reports, Press releases, EEPIC India, PIB, DIPP, CII.

(Source: Indian Engineering Analysis - India Brand Equity Foundation - www.ibef.org)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “*Forward-Looking Statements*” beginning on page 22 of this Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “*Risk Factors*” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Financial Information*” beginning on pages 23 and 171, respectively.

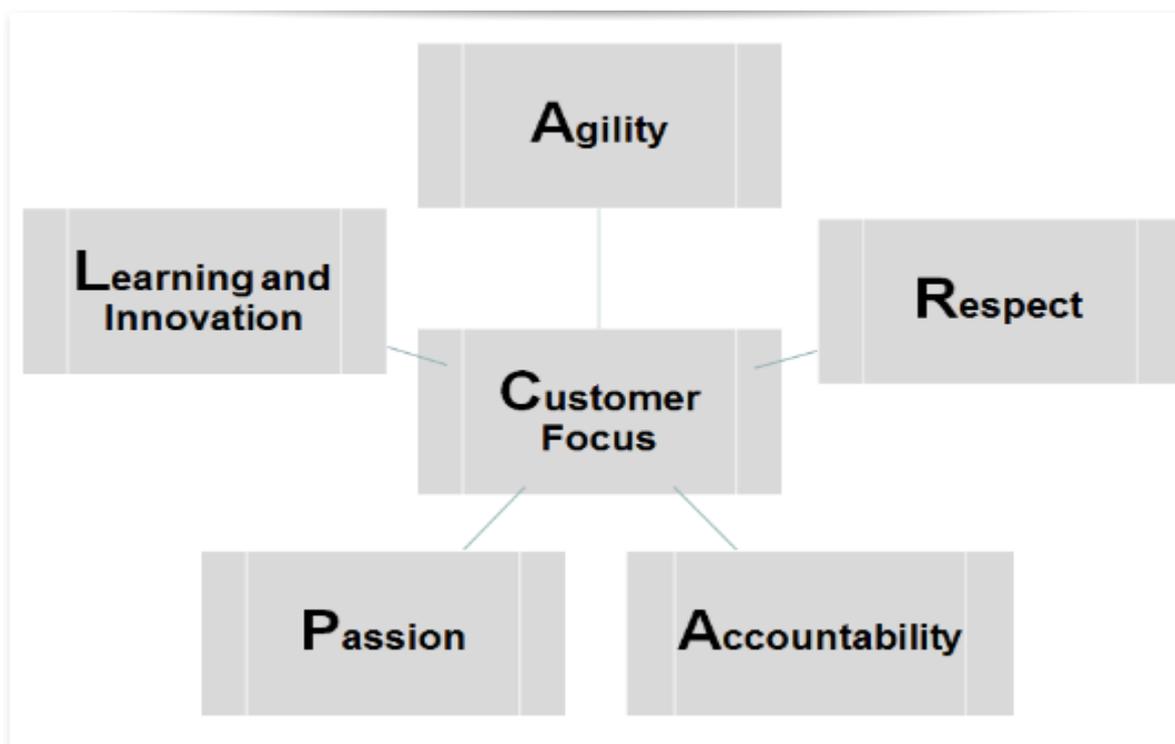
OVERVIEW

Our Company was originally incorporated as “Affordable Robotic & Automation Private Limited” at Pune, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 12, 2010, bearing Corporate Identification Number U29299PN2010PTC135298 issued by Registrar of Companies, Pune, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to a Shareholders’ resolution passed at the Extra-ordinary General Meeting of the Company held on January 24, 2018 and the name of our Company was changed to “Affordable Robotic & Automation Limited” vide a fresh Certificate of Incorporation dated February 2, 2018 issued by the Registrar of Companies, Pune, Maharashtra. The Corporate Identification Number of our Company is U29299PN2010PLC135298.

The business which was started in year 2005 as a proprietorship concern, is in the business of providing turnkey automation solution to automotive, semi-automotive and manufacturing industries. The Company programs and automates the functions of machines used in manufacturing process of automobile industry. The Assembly facility of the Company is situated at Pune, Maharashtra along with the Head office, covering an area of 8,442 sq. meters. The assembly unit is equipped with requisite software, technology, machinery, spares store and other basic amenities for its employees making itself an integrated facility. Our Company is also in the business of assembling and installing automatic multi-level car parking system. This system is preferred by residential complexes, shopping malls and commercial buildings. Our Company has presence in Mumbai and Pune in automated car-parking business. Further, in FY 2017-18, our Company has set-up a new line of business, Secondary Packaging, which is aimed at FMCG industries by way of providing automation service in container packaging of the final packed product.

Our Company is promoted by Mr. Manohar Padole and Mr. Milind Padole. Our individual promoters manage and control the day-to-day affairs of our business operations. Under the leadership of Mr. Milind Padole, our Company has seen remarkable growth in its operational performance. The experience of our promoters and management team is also further reflected in its strong business and financial performance of the Company condition. Our trained and professional experts are *inter alia* involved in (i) engineering & design; (ii) controls & automation; (iii) process study; (iv) robotic application; (v) robotic simulation; (vi) offline programming; (vii) ergonomic study; (viii) layout presentation; (ix) assembly; (x) material handling design; (xi) bulk storage system design; (xii) project management; (xiii) quality and certification; (ix) finance & procurement; (x) HR & administration; (xi) spares & service support; and (xii) training.

Our Company operates on certain core values which are enshrined in the table below. These core values ensures that the Company achieves its end objective without compromising on the quality of the products of the Company.



Further, our Company specializes in analysing the process which is followed in its manufacturing activity and thereby strives to provide quality automation solution to increase the productivity and client's satisfaction. The Company has an in-house team with technical expertise who does the required programming by using advanced software. Our Company operates with a customer centric approach whereby our Company focuses on continuous training of team which helps us to be innovative and provide quality solution to our customers. We strive to provide the automation solution which is defect free and highly productive. Our customers in automation business are mostly Automobile industries who uses our automation solution in their manufacturing processes. Apart from providing automation solutions, we also manufacture Special Purpose Machine (SPM) as per the requirement of our customers. Foreseeing the growth in car-parking business, our Company by using its automation business expertise has ventured now into automated car parking segment which has allowed the Company to gain renowned clients in its initial phase of the business. We are providing various types of parking facility, namely, Mechanical, Hydraulic, Puzzle, Rotary parking giving our customers a variety of parking options suitable to their needs. Secondary packaging is a new line of business which the company is exploring which will focus on providing the automation solution in packaging of packed final products of FMCG companies. The Company aims to provide highly productive and defect free automated secondary packaging solution to the FMCG sector.

Our Company's operational presence are as below:

Registered & Manufacturing Office: Gate No. 1209, Near Hotel Vijay Executive, Pune-Saswad Highway, Wadki, Taluka – Haveli, Pune – 412 308, Maharashtra, India

Branch Office: F35, DLF Centre Point, Sector-11, Mathura Road, Faridabad - 121007, Haryana, India.

Sales and Marketing Office:

Pune: F35, DLF Centre Point, Sector-11, Mathura Road, Faridabad - 121007, Haryana, India.

China Office: Office No.-4, 345, Rongmei Road, Songjiang, Dist – Shanghai, Public Republic of China – 210 600

OUR FINANCIAL SNAPSHOT

As per Standalone Restated Financial Statements, summary of our financial position is as under:

(Amount in Rs. Lakhs)

Particulars	For the period ended 31 st Dec, 2017	F.Y. 2016-17	F.Y 2015-16	F.Y. 2014-15
Total Revenue	4,668.61	4,039.43	4,709.13	2,595.45
EBITDA	802.09	876.72	455.18	143.06
Profit After Tax	406.78	395.63	122.04	14.07

OUR PRODUCTS

Sr. No.	Product	Image	Description
1.	Industrial Automation		Programming and designing the process to be followed by machines/robots used in manufacturing process. With industrial automation, pace of production becomes faster and chances of inaccuracy and error are substantially eliminated, due to sensor based automated process.
2.	Multi-level Car Parking		With different types of parking methods, vehicles are parked in multi-layers. This is an automated system which finds out the available parking slot reducing the cost and area required for constructing parking areas.
3.	Secondary Packaging		This involves packing of multiple packed products into bigger boxes using automated machines. Such automated secondary packaging reduces time of packing and error-free count of products into each box.

RAW MATERIALS

Our Company requires Steel fabrications, Metal Plates, Machined Steel Components, Mechanical, Pneumatic, Hydraulic Parts & Accessories, Electrical & Control Material, Safety Equipment & Devices, and Robots which constitutes as major raw material.

OUR BUSINESS PROCESS

The automation is done through a specialised process. These steps include:

1. Requirement understanding:

To provide an automation solution to any process of manufacturing, there has to be a proper understanding of the process which is followed in manufacturing process. We strive for in depth understanding of the process to provide high quality automation solution as per the requirement of our customer. Our experience has led us to a position where we can identify potential opportunities, bottlenecks,

manufacturing flexibility limitations, etc. Prior to providing the automation services to our customers, we understand their exact requirement by asking them questions regarding their precise requirements which enables us at our end to understand the level of the process orientation and scale of automation that shall be required to meet the customers desire and demand. Our dedicated and experienced technical team. We have a dedicated and experienced technical team who understands the importance of automation accuracy and believe in customer centric approach and customer friendly attitude.

2. Process formulation & Designing:

Once we get a clear understanding of the type of automation required, our Process & Designing team work together for formulating a process flow of the machine with automation which includes 3D drawing of the component, production volume and shift schedule, concept and feasibility studies, modelling and material designing. All this enables us to calculate the cycle time required for the completion of the entire process. This process formulation is done by using advanced and modern software, giving results satisfying the needs of our customer. Once a complete process flow is defined and mutually agreed, then designing of the machine/robot is done. Designing is done keeping in mind the process finalised avoiding any faulty outcome.

3. Simulation:

Simulation is a 3D computerised replica of the process designed, it helps in finding out any error or defect in the process. After the process and designing is finalised, our dedicated simulation team does the simulation of the entire designed process. It helps the customer to visualize the end result of the recommendation, and the tangible relationship it will form with the revised manufacturing process. Simulation allows us to observe a real-like situation in our systems which allows us to make, modify if necessary and meet the customer's requirement.

4. Parts Assembling:

Once the designing is finalised and simulation is approved by the customer, we issue the detailed design of parts and components to various vendors for manufacturing. Manufactured parts after being received by vendors are issued to shop floor for assembly. Further, parts which are directly bought from suppliers are also issued to shop floor. In the shop floor, we conduct a proper quality check for all the parts received. Once they pass the quality criteria, it is further used for assembly as per the design approved.

5. Inspections and Corrections:

We believe that our strength lies in the quality of service we provide to our customers. To ensure that we continue to strengthen this trust which is reposed on us, we conduct an in-depth inspection of the assembled machines with the help of various tools and equipment such as CMM Machine, Laser Tracker, etc. Inspection helps us to identify any shortfall in the machines at the right time and find out any area where improvement or modifications are required. Since inspection is one of the most critical step, we deploy a highly professional and experienced team for this purpose giving utmost importance to customer service. Any necessary corrections required are done immediately before we proceed the machine to trail.

6. Trials:

After the inspection and correction step, machines are ready for use for commercial purpose. However, to ensure that our customers do not face any trouble while operating the machine at their site, we conduct a live trial on our shop floor in the presence of our customer so as to avoid any last minute hustle. With the trial, we explain our customer about the working of the machine and automation, all the queries and doubts of the customer are clarified by our technical team. Once the customer is satisfied with the trial operation, we proceed to final step.

7. Approval and Dispatch:

With the successful completion of trial and satisfaction of the customer meeting their exact requirement, final approval from the customer is taken indicating their satisfaction to their requirement. We prepare to dispatch the automated machines to our customer's site. We ensure proper packaging and safe transit of the machines to the customer and help the customer with the installation of the machine at their site.

OUR COMPETITIVE STRENGTHS

1. Quality of solutions

We believe that quality and innovation are the bed-rock of successful strategy. Towards this end we stress on and constantly strive to improve the quality of our service. For high quality automation solutions, we believe we need to have a strong team of professionals having requisite technical expertise and qualifications. Human capital is one of the most important assets in any service industry and to provide a high quality solution, we continuously invest in training our people who use advanced and updated software giving the perfect result.

2. Experienced Promoters and Management

We have an experienced management team including our promoters who have more than a decade of experience in automation industry. Our Company is led by our promoter Mr. Milind Padole who has strong experience and knowledge of the industry. He looks after the entire operation of the Company and is technically qualified with rich experience. It is through the constant vision and experience of our management team including the promoters, we have been able to build a sustainable business model and created a strong clientele. We have employed people in different areas of work who have required technical competence and qualifications. We strongly believe that the success of our organization lies in the efforts of our human resources.

3. In-house facilities

Our Company boasts of having integrated facility where all the activities involved into providing the automation service is done in-house. From programming to the trial step, our assembly facility provides for all, due to which we are not dependent to any third party. We have a dedicated section for each process with technically qualified people working on it. Our facility has all the required machineries, tools and equipment to carry out the necessary activity. We have a large shop floor which allows us to do complete production-like trial before delivering the machines.

4. Scope of expansion

Our facility is located at Pune and is spread over an area of approx. 2 acres which accommodates both office and manufacturing facility. Out of which, the Pune facility has 1 acre of unused land, we plan to use this surplus land for expansion of our shop floor which would enable us to take projects which necessitates the use of larger production line for trial. With the expansion of shop floor, we would also be able to dedicate an area for multi-level car parking automation business. With expanded facility, our Company intends to take a larger leap in expanding our business.

5. Innovation of automation solution

The integration of applications on today's assembly lines is an increasingly complex challenge. Engineers must simultaneously strive for higher quality and work towards reduction in cost, all which must be completed with limited capital funding. We have been stressing on continuous innovation and improvement in the automation solution we provide, we understand the quality of automation solution will define our customer's performance. Giving importance to it, we use our innovative software and technologies to provide the automation solution, like, Sensors which helps in labour safety purpose. Further, we also deploy software in the machine which is used for production monitoring and any error in the process can be rectified on real-time basis.

6. Technological Skills

The Automation service we provide calls for both hard and soft skills. Human capital is an asset to any Service industry and we continue to invest in it by different ways. The people employed with us possess skills which are must to provide a high quality solution to the customers. We give importance to skills such as Programming, Designing and Problem solving, we continuously invest in training our employees so as to develop them with the latest technologies.

7. Strong Customer service

Our Company specialises in providing the solution which are world class. We provide on-site support in the form of consultative Needs Analysis, Automated Facilities Support, Training and Project Integration. We also provide Process Engineers, Installation Engineers, Software Engineers and Project Engineers for project execution purposes. The team is highly competent, qualified and possess required technical expertise to serve our customers at the right time.

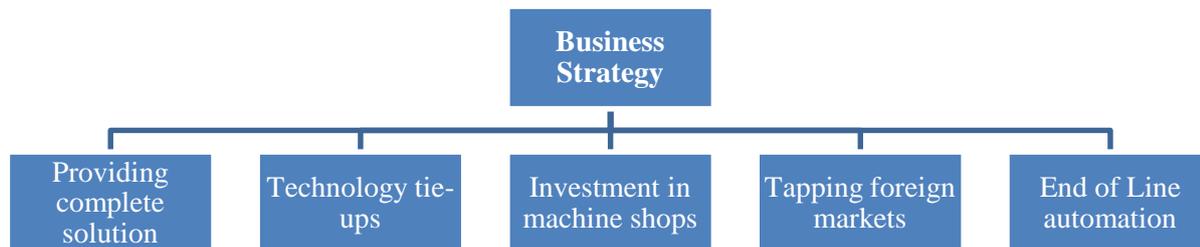
OUR BUSINESS STRATEGY

Our Vision:

Our vision is to be a leader in the robotics and automation business not just concentrated in the domestic markets but also in international markets with sustain attention on innovation, quality and customer satisfaction which in turn shall enhance the value of all stakeholders of our Company. Further, we intend to capitalize on the growing manufacturing activity in India and abroad. In line with this vision, our Company is implementing a business strategy with the following key components enshrined in the below mentioned diagram. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business.

Our Mission:

Our Company has very well laid down its objective in order to achieve its vision and success. Our Company intends to be the most preferred partner for customers by delivering superior experience in projects by creating smart automation solutions by adopting new and innovative technology. Our Company not being a non-profitable company also at the same time intends to grow itself by generating revenues and profits by driving competitiveness and operating the business at benchmark and optimum levels. Our customer centric approach driven by highly professional and experienced team with no compromise on quality enables each and every employee and associate of our Company to achieve and unleash full potential to deliver sustainable outcomes. In the end, our Company being a society driven intends to achieve its vision keeping in mind the best practices on care for our environment and society.



1. Providing complete solution

The need of the hour is have 365 degree solution for the customer's needs. Understanding the need of providing end-to-end automation solution, we continue to focus on the strategies which gives us a competitive edge over the other players in the Industry. There are very few players who provide a complete automation solution and we plan to tap the growing need of automation by providing complete automation solution to our customers by capitalising our technical expertise in automation business. We plan to give solution from Press Die Tooling to Weld Shop Tooling which will become a unique point of strength for our Company.

2. Technology tie-ups

To provide high quality automation solution to our customer, we acknowledge that world-class technology is required. Although our country in recent years have advanced a leap forward in technologies, we still lag a step behind few of the most advanced nations in terms of technologies. Understanding this fact, in near future, we plan to tie-up with few world-class technology companies for exchange of knowledge that will enable our company to stand out in providing turnkey automation solution.

3. Investment in machine-shops

Delivering the solution on time and in compliance with our customers requirements has been our niche, we strive to bank on it in future by investing time and money in improving our machine shops. A technologically modern and advanced machines is a key factor in delivering the solution on time. By investing in machines, we aim to reduce the time of project execution by almost 50% owing to bigger assembly line and requisite machineries. The investment in machines should be sophisticated and more standardised in terms of designs which shall enable us to execute the orders with a reduced time lag.

4. Tapping foreign markets

To be successful in automation service industry, it is a pre-requisite to have presence in countries which have huge amount of manufacturing activity. Apart from India, countries such as China and Brazil is a big market for automation solution service, manufacturing activity in these countries are enormous and they possess growth opportunities. We plan to tap these markets in near future by expanding our operations at China and setting up a marketing team for Brazil. With these systems in place and our experience in automation, we expect our business would be highly successful in these areas affecting our performance favourably.

5. End Of Line automation

End Of Line automation is the service of providing automation solution to Secondary Packaging in FMCG sector. We foresee the need of automation solution in secondary packaging area, with the upcoming launches of food parks in various parts across the country there is a huge opportunity to tap. We would leverage our experience in automation business to provide the automation solution to secondary packaging business.

PRODUCT WISE REVENUE BREAK-UP

Our Company generates revenues majorly from these 2 products viz., Automation and Car-Parking. The product-wise break-up of the Total Revenue is as under:

(Amount in Rs. Lakhs)

Particulars	For the period ended 31 st December, 2017	Revenue (in %)	For the year ended 31 st March, 2017	Revenue (in %)
Automation	3,788.15	81.2%	3,286.20	81.6%
Car-Parking	876.72	18.8%	740.40	18.4%
Net Revenue	4,664.88	100.0%	4,026.61	100.0%

CUSTOMER WISE REVENUE BREAK-UP

For the Financial Year 2016-17, Our top 5 customers were as under:

(Amount in Rs. Lakhs)

Customer Name	Product	Amount	% of Total Revenue
Bajaj Auto Ltd	Automation	501.64	12.46%
Badve Engineering Ltd.	Automation	442.45	10.99%
Badve Autotech Pvt. Ltd.	Automation	293.94	7.30%
Rajshriya Automotive Industries Pvt. Ltd.	Automation	267.29	6.64%

SKH Y Tech India Pvt ltd.	Automation	228.43	5.67%
Total		1,733.75	43.06%

OUR PROPOSED PROJECT

Our Company has been in the business of Automation Solution for more than a decade. Our Company now intends to increase the size of its current business and at the same time increase its focus on Multi-level car parking business. We currently have in-house manufacturing facility for some of the parts and outsource manufacturing of some part.

Our Company intends to purchase new plant & machinery to increase our existing capacity as well as to start in-house production of child parts which are currently outsourced. This is being planned in order to improve the quality of the product along with reducing the time required for production further the unused land will be used as Car Parking assembly facility.

Our Company has identified the Plant & Machinery to be bought, however, no formal agreement, MoU have been entered into with any of the parties. Further, we have taken quotation from third parties w.r.t. Plant & Machineries, however, we have not placed order for any of the plant and machineries.

For details of the location of the project, plant and machinery please refer to the section entitled “*Objects of the Issue*” on page 86 of this Red Herring Prospectus.

SWOT ANALYSIS

Strengths:

- 1. Presence across automobiles sector** – Our Company provides turnkey automation solution across automobile segment covering 2/3/4 wheelers vehicles. Presence across the sector have created a brand image for our company and is now a trusted player for automobile automation. This benefits our company in getting marquee clients.
- 2. Growing multi-level car parking business** – In very small amount of time, our company has become among the top players in car parking business in Mumbai. With our experience in industrial automation business, catering into multi-level car parking business has been comparatively easier for us and increasing share of revenue from this profitable business.
- 3. After sales service**–Customer service in automation solution business is epicentre of growth. Our strong after sales service to our customer has made us a trusted partner for them in their manufacturing activity. We have a dedicated technical team in each of the major cities in India who provides on-site technical help as and when required by the customer.

Weakness:

- 1. Inability to achieve large turnkey projects** – To get a large turnkey project, generally sizes of which are more than \$3 Million, OEMs prefers us to have established design houses which gives them comfort regarding the capability of the solution provider. As of date, we do not have a full-fledged design house, owing to which we are unable to receive large turnkey projects from them. However, with growing business and further expansion plans, we aim to cater the large size projects as well.
- 2. Stressed working capital** –It being a service industry, we have to manage our receivables and payables effeciently which affects our working capital requirements. Currently, our company is facing with a situation of stressed working capital which affects our financial and operational performance. However, as stated in the Objects of the Issue, on page no. **86** of Red Herring Prospectus, we would be utilising part of the Net Proceeds towards working capital management.
- 3. Dependency on small vendors**–Since we do not manufacture small parts required in machines for automation, we have to outsource those manufacturing or purchase it from third parties. Due to which we are dependent on numerous small vendors who provide us these small parts which are

generally small in value but large in number. Our dependency on these vendors affects our operational performance.

Opportunities:

- 1. Evolving of Driverless cars, Electric vehicle** - In coming years, the concept of driverless cars would become reality and many countries across the globe would be in hurry to implement this phenomena. Focus of government on electric vehicle and migration from BSIV vehicles to BSVI vehicles in coming years would ask for huge capital expenditures from OEMs. With introduction of these cars, there would be mass production of new and unique designs calling for huge demand in automation solution for these areas.
- 2. Growing population and disposable income** –The demand for automation increases if the demand for product increases, to meet the growing demand company will have to maintain a robust manufacturing activity. However, meeting this demand manually is impossible, hence automation would be required. With growing population and purchasing power of India’s economy, demand is set to be higher. This will help the automotive industry to be competitive by improving productivity, quality and consistency meeting the safety requirements.

Threats:

- 1. Trade barriers** -In the past there have been instances where low cost production countries dump their cheap products in foreign markets, due to which there have been certain trade impositions on these markets. Owing to trade barriers, demand of the products are hit affecting the overall industry.
- 2. Lack of skilled labour** –As the automation service sector requires people who are technically qualified and having experience in the automation field to provide quality automation solution. The service industry in general is dependent on human capital. However, this industry has lately experienced lack of such resources affecting the performance of overall industry.

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our registered office and assembly unit at Pune is well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities, which are required for our business operations to function smoothly. It is equipped with requisite utilities and facilities including the following:

Power

Our Company meets its power requirements by purchasing electricity from State Electricity Board. We also have our own 160 Kva generator set for un-interrupted supply of electricity.

Spares stores

Our Company has in-house stores exclusively for spares which houses all the necessary spares.

CAPACITY AND CAPACITY UTILIZATION

We are in the business of manufacturing of SPMs on the basis of suggested automation solutions to customers. The SPMs are tailor made and each SPM is different, hence there is no capacity as such which can be quantified in terms of production.

PLANT AND MACHINERY

The proposed list of major plant and machinery for our expansion is as follows:-

S. No.	Particulars	Quantity/ Weight/ Area	Suppliers
13.	CRANE 5 TON	5	Ramasa Crane Pvt. Ltd.
14.	SHOT BLASTING UNIT	1	New Aero wheel Surface Finishing Solutions

S. No.	Particulars	Quantity/ Weight/ Area	Suppliers
15.	OVEN FOR PAINTING	1	New Aero wheel Surface Finishing Solutions
16.	PAINT BOOTH	1	New Aero wheel Surface Finishing Solutions
17.	COMPRESSOR 7 BAR FOR PAINTING/ POWDER COATING, AND ASSLY	1	New Aero wheel Surface Finishing Solutions
18.	ROLL FORMING LINE IMPORTED	1	Techno Crafts
19.	ROTARY GRINDING MACHINE(900*3000 MM)	1	Techno Crafts
20.	BAND SAW MACHINE 300 MM (IMPORTED WITH ATTACHMENT)	1	Techno Crafts
21.	CABLE TRAY MAKING MACHINE	1	Techno Crafts
22.	HYDRALIC SHEARING MACHINE	1	Techno Crafts
23.	PRESS BRAKE(CNC)	1	Accura Machine Tools Pvt. Ltd.
24.	PLAZA CUTTING MACHINE	1	Pro-Arc Welding & Cutting Systems Pvt. Ltd.

COLLABORATIONS/TIE UPS/ JOINT VENTURE

Our Company does not have any co-operation agreement or collaborations as on the date of this Red Herring Prospectus.

EXPORT AND EXPORT OBLIGATION

As on the date of this Red Herring Prospectus, our Company does not have any Export Obligation.

HUMAN RESOURCES:

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

As on December 31, 2017, we have 256 employees in our company who look after our business operations, factory management, administrative, secretarial, legal, marketing and accounting functions in accordance with their respective designated goals which also includes casual labour or temporary labour on needs basis.

MARKETING

The efficiency of the marketing and network is critical to success of our Company. Our success lies in the strength of our relationship with the clients who have been associated with our Company. Our team through their vast experience and good rapport with these clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. Our Marketing team is handled by management who has an industry experience of more than one decade. Our Company has marketing offices in Pune, Faridabad and Mumbai. To get repeat orders from our customers, our team having adequate experience and competencies, regularly interact with them and focus on gaining an insight into the additional needs of customers. We intend to expand our existing customer base by reaching out to other geographical areas by increasing our market reach to America.

END USERS

We cater to International and Domestic customers. Currently we offer automation solutions by one-to-one interaction with our customers. The market for automation can be broadly classified into two categories, on the basis of their end-use:

a) Automotive OEMs

We mostly provide turnkey automation solution to Automobile industries. We customize the manufacturing process and provide the programming and automation solution for full line of production.

b) Builders & Local Bodies

We install automated car parking machines at the site. Car parking systems are of different sizes and designs as per the requirement of clients, which are, Builders and Local bodies.

COMPETITION

Automation being an engineering industry, we face competition from various small domestic and international players. The Industry which we cater to is highly competitive and fragmented with many small and medium-sized companies.

Most of our competitors in the regional level are small players who provide automation solution in parts.

We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

INSURANCE

Our operations are subject to risks inherent in the engineering and manufacturing industry, such as work accidents, fire, earthquake, floods and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment damage.

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards.

We have taken Standard Fire & Special Perils Policy for a substantial majority of our assets at our office and factory. These policies also insure us against the risk of earthquakes with plinth and foundation. We also have a Marine Cargo Open Policy that covers our products while in transit. We have Workman Compensation Insurance to cover our employees. Further, we have also insured our vehicles. Our policies are subject to customary exclusions and customary deductibles.

The details of our Insurance policies are as under:

Insurer	Policy Scheme	Insured	Period of Insurance
Universal Sompo General Insurance Co. Ltd.	Burglary Policy Scheme	Plant & Machinery, Electrical Installations, Furniture & Fixtures, Computer, Equipment, Stock-in-trade	30 Mach, 2018 to 29 March, 2019
Universal Sompo General Insurance Co. Ltd.	Standard Fire and Special Perils	Building, Plant & Machinery, Electricals, Computers, Office Equipment & Stock	30 Mach, 2018 to 29 March, 2019
Universal Sompo General Insurance Co. Ltd.	Employee Compensation Insurance	Employees	28 September, 2017 to 27 September, 2018

Tata Insurance	AIG	Marine Insurance	Cargo Insurance	Fixtures & Robots with Guns	25 April, 2017 to 24 April, 2018
----------------	-----	------------------	-----------------	-----------------------------	----------------------------------

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.

HEALTH, SAFETY AND ENVIRONMENT

We are committed to creating and maintaining a safe work environment on an ongoing basis. We are subject to health, safety and environmental laws, regulations and certain production safety and environmental technical guidelines which govern our processes and facilities. For further details, see “Key Regulations and Policies” on page 133.

LAND AND PROPERTY

Owned Properties:

We have our properties located at following:

Sr. No.	Property description	Area	Purpose
1.	Gate No.1209, 1217 Behind & Near Mauli Restraunt, Off Saswad Pune Road, Village Wadki, Taluka Haveli, Pune	8,442 sq. meters	Assembly, Parking plot & Open area

Rented Properties:

The following properties are taken on rent by our Company:

Sr. No.	Name of the Licensor	Address of the Property	Period of Agreement	Consideration	Usage
1.	Mr. D.V.Rangnath and Mrs. D. Padma	Flat No – A201, 2 nd Floor, Water Ridge, S. No. 1, Hisa No. 3A/1, Mouje Undri, Pune – 4111060	February 01, 2018 to January 31, 2021	Rs. 20,000 p.m.	Guest House
2.	Mahavir Die Casters Pvt. Ltd.	F-35, DLF Centre Point, Sector-11, Mathura Road, Faridabad – 121007, Haryana	September, 1, 2017 to August 31, 2018	Rs. 17,500 p.m.	Marketing Office
3.	Mr. Rajkumar Kanhaiyalal Jain	B-906, Floor No.9, Prathamesh Paradise, Link Road, Keniwadi, Borivali, Mumbai	March 1, 2018 to January 31, 2019	Rs. 30,000 p.m.	Guest House

INTELLECTUAL PROPERTY RIGHTS

Our Company confirms that no applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

KEY INDUSTRIES REGULATION AND POLICIES

Except as otherwise specified in this Red Herring 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 business of manufacturing of BIW Robotic Welding Line and Car Parking Solutions industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “*Government and Other Statutory Approvals*” beginning on page number 199 of this Red Herring 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 Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise , where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise” , where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “ Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Industrial Policy of Relevant State

The Maharashtra Industrial Policy 2013

The Maharashtra Industrial Policy 2013 has given special attention to encourage small scale industries. For financial stability of MSMEs (Micro Small and Medium Enterprises) , the state government will provide fiscal incentives and support to less developed areas, such as 75% reimbursement of cost of water and energy admissible. There is 100% stamp duty exemption within investment period for acquiring land and for term loan purposes. Exemption from payment of electricity duty to eligible new units is also available in certain cases. Power tariff of INR 1/- per unit consumed is available for eligible new units located in Gondia, Kinvat, Chandrapur, etc. Financial incentives are available in the form of Industrial Promotion Subsidy (IPS), Interest Subsidy, Electricity duty exemption, Waiver of Stamp Duty, Power Tariff Subsidy, etc. Up to 70 lakhs can be utilized in the various ways. The Industrial Promotion Subsidy, which is receivable in cash as a specific percentage of net VAT and CST is also provided. Existing units

can also be benefited under this scheme provided that they make a) minimum investment in capital assets of 25%; b) same increase in production capacity; and c) minimum 10% increase in employment.

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 the law relating to the Companies Act, 1956 made way to the enactment of the 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 lays down the 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 Section 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. The ESI 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 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 ("MWA")

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

Maternity Benefit Act, 1961

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

Equal Remuneration Act, 1979

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

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

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

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

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

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

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

The ID Act and the Rules made thereunder 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.

VAT of relevant State, where the company is operating.

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

The Central Excise Act, 1944

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

Goods and Service Tax (GST)

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

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

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

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 5 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 1 crore (75 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 some precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. The rate of tax for CGST and SGST/UTGST shall not exceed –

- a) 5% in case of restaurants etc.
- b) 1% of the turnover in case of manufacturer
- c) 1% turnover of taxable supplies of goods, in case of other supplier

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

Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The State of Maharashtra, Karnataka, Tamil Nadu and Andhra Pradesh have their own professional tax structure and tax is levied on every person who exercises any profession or calling or is engaged in any trade or holds any appointment, public or private, or is employed in any manner in state is liable to pay the profession tax at the specified rate provided that no tax shall be payable by the person who have attained sixty five year of age and handicapped person with more than 40% disability or parent of a physically disabled or mentally

retarded child. The tax payable under the State Acts as mentioned above by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

OTHER LAWS

The Factories Act, 1948 (“Factories Act”)

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

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

Shops and establishments laws in various states

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

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 (“Environment Protection Act”)

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental

pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to (a) 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 Act”)

The Air 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 Air 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 Air Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Water 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 Water Act.

Hazardous Waste (Management and Handling) Rules, 1989 (“Hazardous Waste Rules”)

The Hazardous Waste Rules, 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

This 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 the 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 (“TM Act”)

The Trade Marks Act, 1999 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 TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

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

OTHER LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (“DGFT”) for the purpose of Export-Import Policy formulation.

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

in a case the order made by the appellate authority shall be considered to be final. The powers of 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. 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 (“FEMA”).

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("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.

Further, a resident of India investing abroad also needs to comply with provisions of Master Direction on Direct investment by Residents in Joint Venture (JV) / Wholly Owned Subsidiary (WOS) Abroad. Under the said regulation an entity has to comply with various provisions including filing of ODI (Overseas Direct Invest) Form, APR (Annual Performance Report) etc. to concerned authorities/AD Category Bank.

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”) has also issued Master Direction – on Foreign Investment in India. Presently, FDI in India is being governed by Master Direction on Foreign Investment dated January 4, 2018 as updated from time to time by RBI. In terms of the Master Directions, 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 Directions. 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 originally incorporated as “Affordable Robotic & Automation Private Limited” at Pune, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 12, 2010 bearing Corporate Identification Number U29299PN2010PTC135298 issued by Registrar of Companies, Pune, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to a Shareholders’ resolution passed at the Extraordinary General Meeting of the Company held on January 24, 2018 and the name of our Company was changed to “Affordable Robotic & Automation Limited” vide a fresh Certificate of Incorporation dated February 2, 2018 issued by the Registrar of Companies, Pune, Maharashtra. The Corporate Identification Number of our Company is U29299PN2010PLC135298.

Milind Padole and Manohar Padole are the Promoters of our Company and initial subscribers to the Memorandum of Association of our Company.

For information on our Company’s profile, activities, market, products, etc., market of each segment, capacity built-up, exports and profits due to foreign operations together with country wise analysis, standing of our Company in comparison with prominent competitors, with reference to its products, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to chapters titled “*Our Business*”, “*Financial Statements as Restated*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*”, “*Government and Other Statutory Approvals*” beginning on page 121,171,172, and 199 respectively of this Red Herring Prospectus.

CHANGES IN OUR REGISTERED OFFICE:

At the time of Incorporation, registered office of our Company was situated at BL-M, FL-003, Konark Pooram, PH IV, SN 7/1, Pune-Saswad Road, Kondhwa KD, Pune – 411048, Maharashtra, India. The details of change in the address of our registered office since incorporation are given below:

EFFECTIVE DATE	FROM	TO	REASON
May 05, 2015	BL-M, FL-003, Konark Pooram, PH IV, SN 7/1, Pune-Saswad Road, Kondhwa KD., Pune – 411048, Maharashtra, India	Village Wadki, Gat No.1209, Taluka Haveli, Dist. Pune – 412308, Maharashtra, India	Administrative convenience

KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

YEAR	EVENTS
2010	Incorporation of our Company as “Affordable Robotic & Automation Private Limited”
2016	Entered into Equity Joint venture in Shanghai, China with Shanghai Rachen Intelligent Equipment Co. Ltd to start a Subsidiary Company namely ARAPL Intelligent Equipment Shanghai Co. Ltd
2018	Conversion of Company from Private Limited to Public Limited

MAIN OBJECTS OF OUR COMPANY

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

To carry on the business of manufacturing, designing, buying, selling, reselling, importing, exporting, exchanging, hiring, distributing, supplying, subcontracting, altering, improving, assembling, cleaning, servicing, reconditioning, renovating, developing, modifying, finishing of automated/ semi-automated /robotic machines, cranes, jigs & fixtures, dies for material handling as well as for general applications and to act as stockiest, franchisers, agents, brokers, lessors, warehouses, wholesalers, retailers, job workers or to deal in all types, varieties, models, shapes, sizes, specifications, descriptions, applications and uses of replacements parts, spare parts, systems assemblies, accessories, tools implements, motors, power units, transmission and propulsion systems chassis, bodies, substances equipment, dies, jigs, structures, mould, gauges, beams, and other goods, articles and things for special purpose machine and all other general components and parts.

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION

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

DATE OF AGM / EGM	AMENDMENTS
March 15, 2012	Increase in Authorised Share Capital from Rs. 5,00,000/- consisting of 50,000 Equity Shares of Rs. 10/- each to Rs. 50,00,000/- consisting of 5,00,000 Equity shares of Rs. 10/- each
June 18, 2015	Increase in Authorised Share Capital from Rs. 50,00,000/- consisting of 5,00,000 Equity Shares of Rs. 10/- each to Rs. 3,00,00,000/- consisting of 20,00,000 Equity shares of Rs. 10/- each and 10,00,000 8% Preference Shares of Rs. 10/- each
October 04, 2017	Increase in Authorised Share Capital from Rs. 3,00,00,000/- consisting of 20,00,000 Equity shares of Rs. 10/- each and 10,00,000 8% Preference Shares of Rs. 10/- each to Rs. 10,00,00,000/- consisting of 90,00,000 Equity shares of Rs. 10/- each and 10,00,000 8% Preference Shares of Rs. 10/- each
January 04, 2018	Reclassification of Authorised Share Capital from Rs. 10,00,00,000/- consisting of 90,00,000 Equity shares of Rs. 10/- each and 10,00,000 8% Preference Shares of Rs. 10/- each to Rs. 10,00,00,000/- consisting of 1,00,00,000 Equity Shares of Rs. 10/- each
January 24, 2018	Conversion of our Company from Private Limited Company to Public Limited Company and Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as Affordable Robotic & Automation Limited on conversion of Company into a public Company.
February 5, 2018	Increase in Authorised Share Capital from Rs.10,00,00,000/- consisting of 1,00,00,000 Equity Shares of Rs. 10/- each to Rs. 12,00,00,000/- consisting of 1,20,00,000 Equity shares of Rs. 10/- each

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any holding Company as on date of filing of this Red Herring Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

As on date of Red Herring Prospectus, our Company has a subsidiary company namely ARAPL Intelligent Equipment Shanghai Co. Ltd (“AIESCL”). Our Company has entered into Equity Joint Venture Agreement with Shanghai Rachen Intelligent Equipment Co. Ltd. from Rachen, Shanghai, China and formed a subsidiary Company under the Law of the People’s Republic of China on Sino-foreign Equity Joint Ventures.

Corporate Information of AIESCL ARAPL Intelligent Equipment Shanghai Co. Ltd. was incorporated on May 25, 2016 under the Law of the People’s Republic of China on Sino-foreign Equity Joint Ventures.

This Joint Venture is a Company with Limited Liability and liability of each party shall be limited to the registered capital contributed by each party.

Legal Office of AIESCL

The Legal Office of AIESCL is situated at Room 161, Building One, No. 886 Hongqi Village, Hengsha, Chongming County., Shanghai.

The Sales Office of AIESCL is situated at Office no. 216; Songgang Business Building, Building No. 4, 345; Rongmei Road Songjiang District Shanghai People's Republic of China 201600 **Main**

Objects of AIESCL

To carry on the business of designing, manufacturing, buying, selling, reselling, importing, exporting, exchanging, hiring, distributing, supplying, subcontracting, altering, improving, assembling, cleaning, servicing, reconditioning, renovating, developing, modifying, finishing of automated / semi-automated/robotic machines, for general applications and other goods, articles and things for special purpose machine and all other general components and parts.

However, as on the date of Red Herring Prospectus, operations of AIESCL are yet to be commenced.

Capital Structure and Shareholding Pattern

The registered capital of the AIESCL is Renminbi 1 million. Our Company holds 80% of the total capital amounting to 8,00,000 Yuan whereas Shanghai Rachen Intelligent Equipment Company Limited holds the balance 20% of the total capital amounting to 2,00,000 Yuan of AIESCL.

The Board of Directors of AIESCL as on the date of this Red Herring Prospectus are as follows:

Sr. No.	Name of the Directors
1	Milind Padole
2	Shabri Malvankar
3	He Cheng
4	Zhang Xiameng

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details in relation to our capital raising activities through equity and debt, please refer to the chapter titled “*Capital Structure*” beginning on page 72 of this Red Herring Prospectus.

REVALUATION OF ASSETS

There has been no revaluation of our assets since its incorporation.

CHANGES IN THE ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

There has been no change in the activities being carried out by our Company in the last five years.

INJUNCTIONS OR RESTRAINING ORDERS

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

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Our Company has not 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 Red Herring Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any agreements / arrangements except under normal course of business of the Company, as on date of filing of this Red Herring Prospectus.

STRIKES AND LOCK-OUTS

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

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

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

STRATEGIC PARTNERS

Our Company does not have any strategic partner(s) as on the date of filing of this Red Herring Prospectus.

CONVERSION OF LOANS INTO EQUITY SHARES

There has been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Red Herring Prospectus.

FINANCIAL PARTNERS

Apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners as on the date of this Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS

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

NUMBER OF SHAREHOLDERS

Our Company has 10 shareholders as on date of this Red Herring Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association, Our Company is required to have not less than 3 (three) directors and not more than 15 (fifteen) directors, subject to the applicable provisions of the Companies Act. Our Company currently has 7 (seven) directors on our Board of Directors.

The following table sets forth details regarding our Board of Directors as on the date of this Red Herring Prospectus:

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of last Appointment / Re-appointment	Other Directorship
1.	Name: Manohar Padole Age: 75 years Father's Name: Pandurang Padole Designation: Whole-time Director Address: C 3/21 Oxford Village Comforts, Condominium Wanawadi, Pune - 411040 Occupation: Business Nationality: Indian Term: Five years w.e.f. February 01, 2018. DIN: 02738236	Re – designated as Whole Time Director February 1, 2018	Public Limited Company Nil Private Limited Company Nil Limited Liability Partnership Nil
2.	Name: Milind Padole Age: 45 years Father's Name: Manohar Padole Designation: Managing Director Address: BL-M, FL-003, Konark Pooram, PH-IV SN-7/1 Kondhwa KD., Pune - 411048 Occupation: Business Nationality: Indian Term: Five years w.e.f February 1, 2018 DIN: 02140324	Re–designated as Managing Director February 1, 2018	Public Limited Company Nil Private Limited Company Nil Limited Liability Partnership Nil
3.	Name: Rahul Padole Age: 20 years Father's Name: Milind Padole Designation: Non Executive Director Address: Flat No. 601, Lily Building, Flower Valley CHS Wanwadi Pune - 411040 Occupation: NA Nationality: Indian Term: Liable to retire by rotation DIN: 07891092	July 26, 2017	Public Limited Company Nil Private Limited Company Nil Limited Liability Partnership Nil

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of last Appointment / Re-appointment	Other Directorship
4.	<p>Name: Dr. Ajay Deshmukh Age: 51 years Father's Name: Vishnu Deshmukh Designation: Additional Independent Director Address: Flat No 5, Jalada Tulsibagwale Colony, Sahakarnagar, Pune - 411009 Occupation: Professional Nationality: Indian Term: 5 years not liable to retire by rotation DIN: 02834231</p>	January 24, 2018	<p>Public Limited Company Nil Private Limited Company Resonance Technology Education & Research Private Limited Limited Liability Partnership Nil</p>
5.	<p>Name: Rohan Akolkar Age: 29 years Father's Name: Vijay Akolkar Designation: Additional Independent Director Address: Building No. 4, Flat No.111, Meenatai Thakare Nagar, Near Alankar Police Chowky, Karvenagar, Navsahyadr Pune - 411052 Occupation: Professional Nationality: Indian Term: 5 years not liable to retire by rotation DIN: 08054900</p>	January 24, 2018	<p>Public Limited Company Nil Private Limited Company Nil Limited Liability Partnership Nil</p>
6.	<p>Name: Bharat Jhamvar Age: 45 years Father's Name: Kishrore Jhamvar Designation: Additional Independent Director Address: 481/4B Shahu College Rd, Shri Kripa Hsg. Soc, Smit Kiran, Parvati Darshan, Pune - 411009 Occupation: Business Nationality: American Term: 5 years not liable to retire by rotation DIN: 00211297</p>	January 24, 2018	<p>Public Limited Company Nil Private Limited Company •Hari Esters Private Limited •Subhash Chemical Industries Private Limited •Suttatti Enterprises Private Limited Limited Liability Partnership Nil</p>
7.	<p>Name: Bhagirathi Padole Age: 70 years Father's Name: Karansingh Thakur Designation: Additional (Non – Executive) Director Address: C/3/21 Oxford Village Comforts, Condominium Wanawadi, Pune - 411040 Occupation: NA</p>	January 31, 2018	<p>Public Limited Company Nil Private Limited Company Nil</p>

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of last Appointment / Re-appointment	Other Directorship
	Nationality: Indian Term: Liable to retire by rotation DIN: 08048862		Limited Liability Partnership Nil

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Milind Padole, Promoter and Managing Director

Milind Padole, aged 45 years, is the Promoter and Managing Director of our Company. He has been a Director of our Company since its inception viz., January 12, 2010 and has been designated as Managing Director w.e.f February 1, 2018. He is the promoter and founder of our Company. He has completed his Bachelor of Engineering in Production from Mumbai University. He has more than twenty years of work experience in field ranging from engineering and design, process study, robotic application, offline programming, assembly, material handling design, offline programming, project management, bulk storage and system design etc. He looks after the research and development along with the new product development.

Manohar Padole, Promoter and Whole-time Director

Manohar Padole, aged 75 years, is the Promoter and Whole-time Director of our Company. He has been a director of our Company since its inception viz., January 12, 2010 and has been designated as the Whole-time Director w.e.f February 1, 2018. He is also the promoter and founder of our Company. He is a graduate and has more than forty five years of work experience in administration. Further, he looks after the business development, finance and formulation of strategy for growth and future prospects of the Company.

Rahul Padole, Non Executive Director

Rahul Padole, aged 20 years, is Non Executive Director of our Company. He has been appointed as an Additional Director of our Company w.e.f July 26, 2017.

Bhagirathi Padole, Additional (Non-Executive) Director

Bhagirathi Padole, aged 70 years is a Additional (Non – Executive) Director of our Company. She has been appointed as an Additional (Non – Executive) Director w.e.f January 31, 2018. She has completed her graduation in Arts from Nagpur University and has worked for over thirty six years with the Ordnance Factory, Ministry of Defence, Government of India, Bhandara.

Bharat Jhamvar, Additional Independent Director

Bharat Jhamvar, aged 45 years is an Additional Independent Director of our Company. He has been appointed as an Additional Independent Director of our Company w.e.f January 24, 2018. He has completed his B.S in Chemical Engineering from University of Poona, MS in Management Information Systems from University of Maryland, University College, MD and has also completed his Master's in Business Administration (MBA) in Finance & Marketing from University of Maryland, University College, MD. He has over 23 (twenty three) years of work experience and his core area of experience include in (i) Program Management; (ii) Metrics Analysis & Benchmarking; (iii) Business and Process Analysis; (iv) Enterprise System Development & Implementation; (v) Cross- Functional Team Leadership; (vi) Process improvement & Change Management; (vii) Operations Management &

Analysis; (viii) On Line Analytical Processing (OLAP); (ix) Financial Analysis; and (x) Striving for Operational Excellence.

Dr. Ajay Deshmukh, Additional Independent Director

Dr. Ajay Deshmukh, aged 51 years, is an Additional Independent Director of our Company. He has been appointed as an Independent Director of our Company w.e.f January 24, 2018. He has completed his B.E. and M.E. in Instrumentation Engineering from Shri. Guru Gobind Singhji Institute of Engineering and Technology. He also holds a Doctorate degree from IIT Bombay. He has 29 (twenty nine) years of work experience in various domains area of work such as (i) Academics; (ii) Administration; (iii) Industry; and (iv) Research. Further, his area of expertise *inter alia* include (i) Instrumentation; (ii) Automation; (iii) Control; (iv) Measurements; (v) Signal; and (vi) Image Processing. At present, Dr. Ajay Deshmukh is a Principal at Shree Someshwar Engineering College, Someshwarnagar, Dist. Baramati.

Rohan Akolkar, Additional Independent Director

Rohan Akolkar, aged 29 years, is an Additional Independent Director of our Company. He has been appointed as an Additional (Independent) Director of our Company w.e.f January 24, 2018. He is an associate member of Institute of Chartered Accountant of India, bearing Membership Number 146873. He has more than five years of experience in Finance, Audit and Taxation with core competencies.

CONFIRMATIONS

As on the date of this Red Herring Prospectus:

1. Except as mentioned below, none of the other Directors of our Company are related to each other as per section 2(77) of the Companies Act, 2013.

Name of First person	Name of the other person	Relationship
Manohar Padole	Milind Padole	Father-Son
Milind Padole	Rahul Padole	Father-Son
Manohar Padole	Rahul Padole	Grand Father-Grand Son
Bhagirathi Padole	Milind Padole	Mother-Son
Manohar Padole	Bhagirathi Padole	Husband – Wife
Bhagirathi Padole	Rahul Padole	Grand Mother – Grand Son

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors 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 Promoter, 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 PAID TO DIRECTORS

Except as mentioned below, no other current Directors have received remuneration during the last financial year ended on March 31, 2017.

Name of the Directors	Amount (Rs. in Lakhs)
Manohar Padole	30.00
Milind Padole	30.00

Compensation to our Managing Director

The compensation payable to our Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013 the rules made thereunder (including any statutory amendment(s), modification(s) or re-enactment thereof for the time being in force), read with schedule V to the Companies Act, 2013 and AoA of the Company.

Terms and conditions of employment of our Directors:

1. Milind Padole, Promoter and Managing Director

Milind Padole is the Promoter and Managing Director of our Company. He has been a Director of our Company since January 12, 2010 and has been designated as Managing Director w.e.f February 1, 2018 for a term of five years. The terms and conditions of his employment are as follows:

Remuneration	Rs. 108 Lakh per annum <i>(for the period of three years from February 1, 2018 to January 31, 2021)</i>
Term of appointment	5 years
Perquisites	<ul style="list-style-type: none"> • Contribution to provident fund, superannuation fund or annuity fund to the extent that these either singly or put together are not taxable under the Income-tax Act, 1961 • Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and • Encashment of leave at the end of the tenure. <p>In the event in any financial year during the tenure of the Managerial Personnel, if the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Managerial Personnel, the remuneration, excluding commission amount payable on profits earned, as the minimum remuneration by way of salary and allowances up to Rs. 1.68 Crores p.a. or as per the maximum applicable limits as per Schedule V from time to time; as may be determined by the Board of Directors after making an assessment of Company's performance and individual Managerial Personnel's performance and subject to receipt of the requisite approvals, if any.</p>

2. Manohar Padole, Promoter and Whole-time Director

Manohar Padole is the Promoter and Whole-time Director of our Company. He has been a Director of our Company since January 12, 2010 and has been designated as Whole-time Director w.e.f February 1, 2018 for a term of five years. The terms and conditions of his employment are as follows:

Remuneration	Rs. 60 Lakh per annum <i>(for the period of three years from February 1, 2018 to January 31, 2021)</i>
---------------------	--

Term of appointment	5 years
Perquisites	<ul style="list-style-type: none"> • Contribution to provident fund, superannuation fund or annuity fund to the extent that these either singly or put together are not taxable under the Income-tax Act, 1961 • Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and • Encashment of leave at the end of the tenure. <p>In the event in any financial year during the tenure of the Managerial Personnel, if the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Key Managerial Personnel, the remuneration, excluding commission amount payable on profits earned, as the minimum remuneration by way of salary and allowances up to Rs. 1.68 Crores p.a. or as per the maximum applicable limits as per Schedule V from time to time; as may be determined by the Board of Directors after making an assessment of Company's performance and individual Managerial Personnel's performance and subject to receipt of the requisite approvals, if any.</p>

Terms and conditions of employment of our Independent Directors and Non-executive Directors

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

OTHER CONFIRMATIONS

As on the date on this Red Herring Prospectus:

1. There is no contingent or deferred compensation payable to any Director, Managing Director which has accrued for this year and payable in current or any future period.
2. No compensation was paid to any Director pursuant to bonus or profit sharing plan.

SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY

As per the AoA of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our company.

The following table details the shareholding of our Directors as on the date of this Red Herring Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Milind Padole	31,24,600	41.67	[●]
2.	Manohar Padole	31,24,900	41.68	[●]
3.	Rahul Padole	100	Negligible	[●]
4.	Bhagirathi Padole	100	Negligible	[●]

INTERESTS OF DIRECTORS

Interest in promotion of our Company

Certain Directors of our Company may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “**Related Party Transactions**” beginning on page 169 of this Red Herring Prospectus.

Interest in the property of our Company

Except as stated/referred to in the heading titled “**Land and Properties**” under the chapter titled “**Our Business**” beginning on page 121 and chapter titled “**Related Party Transaction**” on page 169 of the Red Herring Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 2 (two) years preceding the date of Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. 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 Properties**” under the chapter titled “**Our Business**” beginning on page 121 of the Red Herring Prospectus.

Interest as member of our Company

As on date of this Red Herring Prospectus, our Directors together hold 62,49,700 (sixty two lakhs forty nine thousand seven hundred) Equity Shares in our Company i.e. 96.18% of the pre-issue paid up share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared and other distributions, if any, by our Company.

Interest as a Creditor of our Company

As on the date of this Red Herring Prospectus, except as stated in the chapter titled “**Financial Indebtedness**” and heading titled “**Related Party Transactions**” under chapter titled “**Financial Statements as Restated**” our Company has not availed loans from Directors of our Company.

Interest as Director of our Company

Except as stated above and in the chapters titled “**Financial Statements as Restated**” and “**Capital Structure**” beginning on pages 171 and 72 respectively of this Red Herring Prospectus our Directors, 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 agreements entered into with our Company, if any and as per AoA of our Company.

Interest as Key Managerial Personnel of our Company

Milind Padole, Promoter and Managing Director and Manohar Padole, Promoter and Whole-time Director of the Company are the Key Managerial Personnel of the Company and may deemed to be interested to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment, 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 and to the extent of Equity Shares held by them in 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 such Equity Shares. Other than as disclosed above, no other Director is interested as Key Managerial Personnel of the Company. For further details, please refer to heading titled “**Related Party Transactions**” under chapter titled “**Financial Statements as Restated**” beginning on page 171 of this Red Herring Prospectus.

Interest in transactions involving acquisition of land

Our Promoters are not currently interested in any transaction with our Company involving acquisition of land. Except as stated/referred to under the heading titled “**Land and Property**” under chapter titled “**Our Business**” beginning on page 121 of this Red Herring Prospectus, our Promoters have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Promoters 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 chapter titled “**Financial Statements as Restated**” beginning on page 171 of this Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Interest in the Business of Our Company

Except as stated in “**Related Party Transactions**” in the chapter titled “**Financial Statements as Restated**” beginning on page 171 of this Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this Red Herring Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Except as disclosed under the chapter titled “**History and Certain Other Corporate Matters**” on page 144, none of our Directors hold any share in our subsidiary as on date of filing this Red Herring Prospectus.

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 Red Herring Prospectus:

Name	Date of event	Nature of event	Reason
Rahul Padole	July 26, 2017	Appointment	Appointment as an Additional Director
Dr. Ajay Deshmukh	January 24, 2018	Appointment	Appointment as an Additional Independent Director
Bharat Jhamvar	January 24, 2018	Appointment	Appointment as an Additional Independent Director
Rohan Akolkar	January 24, 2018	Appointment	Appointment as an Additional Independent Director
Bhagirathi Padole	January 31, 2018	Appointment	Appointment as an Additional (Non – Executive) Director
Manohar Padole	January 31, 2018	Change in Designation	Designated as Whole Time Director
Milind Padole	January 31, 2018	Change in Designation	Designated as Managing Director

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at the Extraordinary General Meeting of our Company held on January 4, 2018 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, and rules made there under and the Board of Directors (including committees) of the Company be and is hereby authorized to borrow money on such terms and conditions as may be considered and suitable by the Board of Directors up to a limit of Rs. 1,000 Lakhs notwithstanding that the money(s) to be borrowed together with the money(s) already

borrowed by the Company (apart from the Temporary Loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the Paid-up Capital of the Company and its Free Reserves of the Company.

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulation(s), including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The Corporate governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Red Herring Prospectus, there are 7 (seven) Directors on our Board, out of which one third are Independent Directors i.e. 3 (Three). The constitution of our Board is in compliance with the requirements of Section 149 of the Companies Act, 2013.

The following committees have been constituted in terms of SEBI Listing Regulations and the Companies Act, 2013.

- A. Audit Committee;
- B. Stakeholders Relationship Committee;
- C. Nomination and Remuneration Committee; and
- D. Corporate Social Responsibilities 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 at the meeting of the Board of Directors held on February 2, 2018.

The Audit committee presently comprises of the following three (3) directors:

Name of the Directors	Status	Nature of Directorship
Rohan Akolkar	Chairman	Additional Independent Director
Bharat Jhamvar	Member	Additional Independent Director
Milind Padole	Member	Managing 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/responsibilities:

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters/ letters of internal control weaknesses issued by the statutory auditors;

- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

The Role of the Audit Committee is not limited to but includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) Significant adjustments made in the financial statements arising out of audit findings;
 - (v) Compliance with listing and other legal requirements relating to financial statements;
 - (vi) Disclosure of any related party transactions; and
 - (vii) Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Meeting of Audit Committee and relevant Quorum

- (a) The audit committee shall meet atleast four times in a year and not more than one hundred and twenty days shall elapse between two meetings.
- (b) The quorum for audit committee meeting shall either two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

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 February 2, 2018.

The Stakeholders' Relationship Committee comprises the following Directors:

Name of the Directors	Status	Nature of Directorship
Dr. Ajay Deshmukh	Chairman	Independent Director
Manohar Padole	Member	Whole-time Director
Bhagirathi Padole	Member	Non-executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

- i. Efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures;
- ii. 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;
- iii. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
- iv. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- v. Allotment and listing of shares;
- vi. Reference to statutory and regulatory authorities regarding investor grievances;
- vii. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances; and
- viii. Any other power specifically assigned by the Board of Directors of the Company.

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 February 2, 2018. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Directors	Status	Nature of Directorship
Dr. Ajay Deshmukh	Chairman	Additional Independent Director
Rohan Akolkar	Member	Additional Independent Director
Bharat Jhamvar	Member	Additional Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of independent directors and the Board;
- iii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- iv. Devising a policy on Board diversity; and
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

D) Corporate Social Responsibility Committee:

Our Company has constituted a Corporate and Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013. The constitution of the Corporate and Social Responsibility Committee was approved by a Meeting of the Board of Directors held on February 2, 2018. The said Committee is comprised as follows:

Name of the Directors	Status	Nature of Directorship
Dr. Ajay Deshmukh	Chairman	Additional Independent Director
Manohar Padole	Member	Whole-time Director
Milind Padole	Member	Managing Director
Bhagirathi Padole	Member	Non-executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Corporate and Social Responsibility Committee.

The terms of reference of the Committee shall include the following:

- i. To formulate, revise and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- ii. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- iii. To monitor the CSR policy of the Company from time to time;

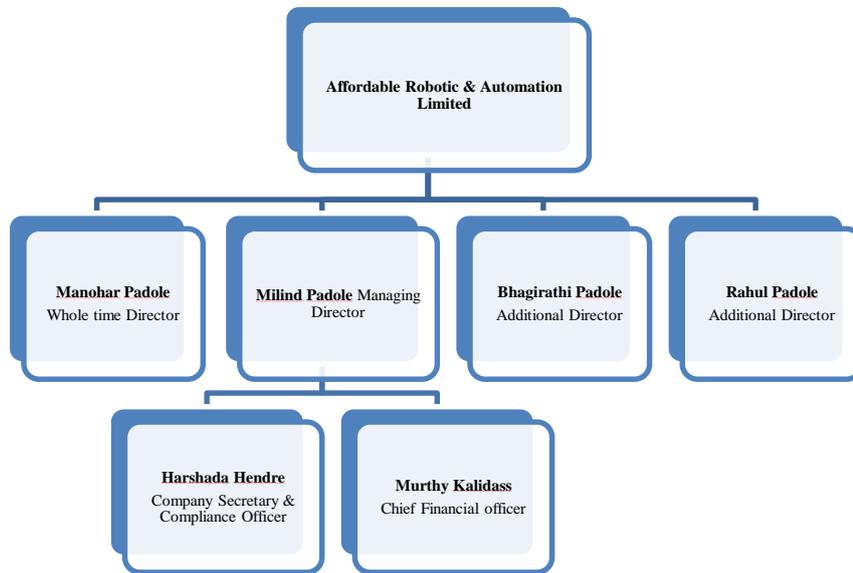
- iv. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

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 (“SEBI PIT Regulations”) will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Harshada Hendre, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

ORGANISATIONAL 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. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013, in addition to Milind Padole, our Managing Director and Manohar Padole, our Whole Time Director.

For details of Milind Padole and Manohar Padole, please see “*Brief Profile of our Directors*” on page 148 of this Red Herring Prospectus.

Ms. Harshada Hendre, aged 29 years, is the Company Secretary and Compliance Officer of our Company. She was appointed as Company Secretary of our Company w.e.f January 25, 2018. She is an associate member of Institute of Company Secretaries of India. She has more than six years of work experience in handling Secretarial and Company law matters, Foreign exchange and RBI compliances, Intellectual Property Rights (“IPR”) matters and assisted for criminal and civil cases. She has worked earlier in various organizations such as Ganage Group of Industries, Utech Sugar Limited and Sahayog Financial Management Services.

Mr. Sengunthar Kalidass, aged 28 years, is the Chief Financial Officer of our Company. He was appointed as the Chief Financial Officer of our Company w.e.f January 25, 2018. He holds a Masters’ degree in Commerce from Gujarat University and has qualified his Masters’ degree in business

Administration (MBA) in Finance and Operations from ISBM, MG University. He has more than twelve years of work experience handling various fields such as Accounts, Finance, Taxation & Administration. He has worked earlier in various organizations such as La-Gajjar Pumps Private Limited, Passavant Energy & Environment India Private Limited and Venture Lighting India Limited before joining our Company in 2017.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the key managerial personnel are related to the each other within the meaning of Section 2 (77) of the Companies Act, 2013, except the following disclosure:

Name of First Person	Name of Other person	Relationship
Manohar Padole	Milind Padole	Father-Son

RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of our Directors of the Company are related to the Key Managerial Personnel within the meaning of section 2(77) of the Companies Act, 2013:

Director	Key Managerial Personnel	Relationship
Manohar Padole	Milind Padole	Father-Son

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel 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 mentioned below, none of our Key Managerial Personnel holds any Equity shares of our company as on the date of this Red Herring Prospectus.

Sr. No.	Name of the Key Managerial Personnel	No. of Shares held
1.	Manohar Padole	31,24,900
2.	Milind Padole	31,24,600

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

Our Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Red Herring Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company 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 and dividends payable thereon and other distributions in respect of such equity shares, if any. Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated otherwise in this Red Herring Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Red Herring Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Except as stated in the chapters “*Our Management*” and “*Related Party Transactions*” beginning on pages 148 and 169 respectively of this Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

Name of Managerial Personnel	Date of Event	Nature of event	Reason
Milind Padole	February 1, 2018	Re-designation	Re-designated as Managing Director
Manohar Padole	February 1, 2018	Re-designation	Re-designated as Whole-time Director
Sengunthar Kalidass	January 25, 2018	Appointment	Appointment as Chief Financial Officer
Harshada Hendre	January 25, 2018	Appointment	Appointment as Company Secretary

ESOP/ESPS SCHEME TO EMPLOYEES

As on date of filing this Red Herring Prospectus., 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 as Restated*” beginning on page 171 of this Red Herring 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

The Promoters of our Company are Milind Padole and Manohar Padole. As on date of this Red Herring Prospectus, our Promoters hold 62,49,500 Equity Shares representing 96.18% of the pre-issue Paid up Capital of our Company.

Brief profile of our Promoters are as under:

	<p>Milind Padole, Promoter and Managing Director</p> <p>Milind Padole, aged 45 years is the Promoter and Managing Director of our Company. He has been a director of our Company since its inception viz., January 12, 2010 and has been designated as Managing Director w.e.f February 1, 2018. He has completed his Bachelor of Engineering in Production from Mumbai University. He has more than twenty years of work experience in field ranging from engineering and design, process study, robotic application, offline programming, assembly, material handling design, offline programming, project management, bulk storage and system design etc. He looks after the research and development along with the new product development.</p> <p>Nationality: Indian Passport No: P6332312 Driving License: MH-12 20140032340 Voters ID: XCT7283989</p> <p>Address: BL-M, FL-003, Konark Pooram, PH-IV SN-7/1 Kondhwa KD., Pune – 411048</p> <p>For further details relating to Milind Padole, including terms of appointment as Managing Director and other directorships please refer to the chapter titled “<i>Our Management</i>” beginning on page 148 of this Red Herring Prospectus.</p>
	<p>Manohar Padole, Promoter and Whole Time Director</p> <p>Manohar Padole, aged 75 years is the Promoter and Whole-time Director of our Company. He has been a director of our Company since its inception viz., January 12, 2010 and has been designated as the Whole-time Director w.e.f February 1, 2018. He is a graduate and has more than forty five years of work experience in administration. Further, he looks after the business development, finance and formulation of overall strategy for growth and future prospects of the Company.</p> <p>Nationality: Indian Passport No: J2779697 Driving License: Not Available Voters ID: XCT7284706</p> <p>Address: C/3/21 Oxford Village Comforts, Condominium Wanawadi, Pune - 411040</p>

	For further details relating to Manohar Padole, including terms of appointment as Whole Time Director and other directorships please refer to the chapter titled “ <i>Our Management</i> ” beginning on page 148 of this Red Herring 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 Red Herring Prospectus with it.

INTEREST OF PROMOTERS

Our Promoters are interested in our Company to the extent that they have promoted our Company and 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 chapter titled “*Capital Structure*” on page 72 of this Red Herring Prospectus.

Our Promoters may also be deemed to be interested in our Company to the extent of their shareholding in our Group Companies with which our company transacts during the course of its operations.

Our Promoters are the Directors and KMP of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and AoA of our Company. For details refer to the chapter titled “*Our Management*”, “*Financial Statements as restated*” and “*Capital Structure*” beginning on pages 148, 171 and 72 respectively of this Red Herring Prospectus.

Except as stated/referred to in the heading titled “*Land and Properties*” under the chapter titled “*Our Business*” beginning on page 121 and chapter titled “*Related Party Transaction*” on page 169 of the Red Herring Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 2 (two) years preceding the date of Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. 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 Properties*” under the chapter titled “*Our Business*” beginning on page 121 of the Red Herring Prospectus.

For details of related party transactions entered into by our Company during last financial year with our Promoters and Group Companies, the nature of transactions and the cumulative value of transactions, see our chapter titled “*Related Party Transactions*” on page no 169 of this Red Herring Prospectus.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in this chapter and chapter titled “*Our Group Companies*” beginning on page 168 of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests / other interests.

RELATED PARTY TRANSACTIONS

For details of related party transactions entered into by our Promoters, members of our Promoter Group and Company during the last financial year, the nature of transactions and the cumulative value of transactions, refer chapter titled “*Related Party Transactions*” on page 169 of this Red Herring Prospectus.

PAYMENT OR BENEFITS TO PROMOTERS

Except as stated otherwise in the chapter titled “*Related Party Transactions*” on page 169 of this Red Herring Prospectus, there have been no payments or benefits to the Promoters during the two years prior to filing of this Red Herring 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	Milind Padole	Manohar Padole
Father	Manohar Padole	-
Mother	Bhagirathi Padole	-
Spouse	Shabri Padole	Bhagirathi Padole
Brother	Manish Padole	NA
Sister	Meenakshi Headoo	NA
Son	Rahul Padole	Milind Padole
	Jyotirmoy Padole	Manish Padole
Daughter	NA	Meenakshi Headoo
Spouse's Father	Ramnath Malvankar	-
Spouse's Mother	Shobha Malvankar	-
Spouse's Brother	Salil Malvankar	Suresh Thakur*
Spouse's Sister	NA	Heera Thakur*

The Promoter Group of our Company does not include Suresh Thakur and Heera Thakur. Whilst there is no formal disassociation arrangements between the mentioned individuals, the promoters confirmed that they have disassociated with them. Therefore the disclosures made in the Red Herring Prospectus are limited to the extent of information that has been made available by our Promoters in relation to Promoter Group.

B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

Nil

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Except as disclosed herein, none of our Promoter(s) 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	Relationship
Milind Padole	Rahul Padole	Father-Son
	Bhagirathi Padole	Son-Mother
	Manohar Padole	Son - Father
Manohar Padole	Milind Padole	Father - Son

	Bhagirathi Padole	Husband-Wife
--	-------------------	--------------

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEAR

Manohar Padole, Promoter of our Company has not disassociated himself from any company during preceding three years.

Milind Padole, Promoter of our Company has disassociated himself from “Tatobite E-Food Services Private Limited” (“Tatobite”) w.e.f. March 10, 2016 by way of cessation from the directorship of Tatobite.

CHANGES IN CONTROL

There has been no change in the management or control of our Company in the last three years.

LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, refer to the chapter titled “*Outstanding Litigation and Material Developments* on page **189** of this Red Herring Prospectus.

CONFIRMATIONS

Our Company, our individual Promoters and their relatives (as defined under the Companies Act, 2013) are not Wilful Defaulters and there are no violations of securities laws committed by our Promoter 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 have 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 169 of this Red Herring Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

OUR GROUP COMPANY

As per the SEBI (ICDR) Regulations, for the purpose of identification of Group Entities, our Company has considered companies/ entities covered under the applicable accounting standard, i.e., AS-18 as per the Restated Financial Statements and other companies/ entities considered material by our Board. Pursuant to a resolution of our Board dated February 08, 2018 there are no other companies, which are considered material by board which required disclosure under ICDR Regulation.

Based on the above, there is no Group Company of our Company

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure W of restated standalone and consolidated financial statements under the section titled, “Financial Statements as restated” beginning on page 171 of this Red Herring 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. Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

SECTION V- FINANCIAL STATEMENTS
FINANCIAL STATEMENTS AS RESTATED

Particulars	Page No.
Restated Standalone Financials Statements	F1-F51
Restated Consolidated Financials Statements	F52-F96

INDEPENDENT AUDITOR'S REPORT

To,
The Board of Directors
AFFORDABLE ROBOTIC & AUTOMATION LIMITED
(Formerly known as Affordable Robotic & Automation Private Limited)
VILLAGE WADKI, GAT NO.1209,
TALUKA HAVELI, DIST. PUNE
PUNE – 412308, MAHARAHSTRA - INDIA

Dear Sir,

1. **Report on Restated Standalone Financial Statements**

We have examined the Restated Standalone Financial Statements of **M/s Affordable Robotic & Automation Limited** (hereinafter referred as “the Company”), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- i) Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the “Act”) and
 - ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the Regulation”) (“SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto;
 - iii) The terms of reference to our engagements with the Company requesting us to examine Standalone financial statements referred to above and proposed to be included in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on BSE SME (“IPO” or “SME IPO”);
 - iv) The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India (“ICAI”) ; and
 - v) In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, M/s Vijay Moondra & Co, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the “Peer Review Board” of the ICAI.
2. The Restated Summary Statements and Financial information of the Company have been extracted and prepared by the management from the Audited Financial Statements of the Company for the financial year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and for the period ended December 31, 2017 and which have been approved by the Board of Directors.
3. Standalone Financial Statements for the financial year ended on March 31, 2013, March 31, 2014, 2015, 2016, 2017 and for the period ended on December 31, 2017 has been audited by M/s M R Gupta & Co, Chartered Accountant, and 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.

4. We have also carried out re-audit of the financial statements for the year ended on March 31, 2017 and for the period ended on December 31, 2017, as required by SEBI regulations.

5. **Financial Information as per Audited Financial Statements:**

1. We have examined:

- a) The attached Restated Standalone Statement of Assets and Liabilities of the company, as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (Annexure I);
- b) The attached Restated Standalone Statement of Profits and Losses of the Company period ended December 31, 2017, and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013. (Annexure II);
- c) The attached Restated Standalone Statement of Cash Flows of the Company for the period ended December 31, 2017 and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 (Annexure III);
- d) The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure IV);

(Collectively hereinafter referred as “**Restated Standalone Financial Statements**” or “**Restated Summary Statements**”)

2. In accordance with the requirements of Act, ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:

- (i) The “**Restated Standalone Statement of Assets and Liabilities**” as set out in **Annexure I** to this report, of the Company as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- (ii) The “**Restated Standalone Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the Period ended December 31, 2017 and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- (iii) The “**Restated Standalone Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the Period ended December 31, 2017 and for the financial Years ended on

March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditor of the Company for the years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and for the period ended on December 31, 2017 we are of the opinion that “**Restated Standalone Financial Statements**” or “**Restated Summary Statements**” have been made after incorporating:

- a) Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- b) There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
- c) Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- d) Adjustments in Financial Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated standalone financial statements.
- e) There was no change in accounting policies, which needs to be adjusted in the “Restated Financial Statements” except mentioned in clause d) above.
- f) There are no revaluation reserves, which need to be disclosed separately in the “**Restated Financial Statements**”.
- g) The Company has not paid any dividend on its equity shares till March 31, 2017/December 31, 2017.

6. Other Financial Information:

1. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and for the period ended December 31, 2017.

Restated Statement of Share Capital, Reserves And Surplus	Annexure-A
---	------------

Restated Statement of Long Term And Short Term Borrowings, Statement of principle Term of secured loan And Assets Charged As Security And Statement of Term & Condition of Unsecured loans	Annexure-B, B(A) and B(B)
Restated Statement of other non-current Liabilities	Annexure-C
Restated Statement of deferred tax (Assets)/ Liabilities	Annexure-D
Restated Statement of Long Term Provisions	Annexure-E
Restated Statement of Trade Payables	Annexure-F
Restated Statement of Other Current Liabilities And Short Term Provisions	Annexure-G
Restated Statement of Fixed Assets	Annexure-H
Restated Statement of Non-Current Investments	Annexure-I
Restated Statement of Long-Term Loans And Advances	Annexure-J
Restated Statement of Non-Current Assets	Annexure-K
Restated Statement of Inventories	Annexure-L
Restated Statement of Trade Receivables	Annexure-M
Restated Statement of Cash Equivalents	Annexure-N
Restated Statement of Short-Term Loans And Advances	Annexure-O
Restated Statement of Other Current Assets	Annexure-P
Restated Statement of Turnover	Annexure-Q
Restated Statement of Other Income	Annexure-R
Restated Statement of Material Consumed	Annexure-S
Restated Statement of employment benefits Expenses	Annexure-T
Restated Statement of Finance Cost	Annexure-U
Restated Statement of Depreciation & Amortization	Annexure-V
Restated Statement of Other Expenses	Annexure-W
Restated Statement of mandatory Accounting Ratios	Annexure-X
Restated Statement of Related Party Transaction	Annexure-Y
Restated Statement of Capitalization	Annexure-Z
Restated Statement of Tax Shelter	Annexure-AA
Restated Statement of Contingent Liabilities	Annexure-AB

2. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
3. We have carried out Re-audit of the financial statements for the Year ended on March 31, 2017 and for the period ended December 31, 2017 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or for any period subsequent to December 31, 2017. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to December 31, 2017.
4. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.

5. In our opinion, the above financial information contained in Annexure I to III and Annexure A to AB of this report read along with the Restated statement of Significant Accounting Policies and Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (“ICAI”) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with the Company. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
6. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
7. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

7. Auditor’s Responsibility

Our responsibility is to express an opinion on these restated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

8. **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

a) In the case of Restated Statement of Assets and Liabilities of the Company as at March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 and for the period ended on December 31, 2017;

b) In the case of the Restated Statement of Profit and Loss, of the profit/ (Loss) of the Company for the Years/Period ended on that date; and

c) In the case of the Restated Cash Flow Statement, of the cash flows of the Company for the Years/Period ended on that date.

9. **Emphasis of Matter**

Without qualifying our report, we draw attention to the following matters in the Notes to the Restated financial statements:

Note 9 to the restated standalone financial statements which describes outstanding statutory dues on account of Direct Tax and indirect tax. Since the Statutory Returns under various laws are pending for filing, interest liability on such Net Outstanding Statutory dues could not be ascertained, accordingly we could not comment on the possible impact, if any, on Statement of Profit and Loss for the respective Year/period ended.

For Vijay Moondra & Co

Chartered Accountants

FRN : -112308W

(CA Vinit Moondra)

M. No. 119398)

Date: 22nd March 2018

Place: Ahmedabad

ANNEXURE-IV

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS

A. BACKGROUND

The Company was incorporated as “Affordable Robotic & Automation Private Limited” at Pune, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 12, 2010 bearing Corporate Identification Number U29299PN2010PTC135298 issued by Registrar of Companies, Pune, Maharashtra. Subsequently, the Company was converted into a Public Limited Company pursuant to a Shareholders resolution passed at the Extraordinary General Meeting of the Company held on January 24, 2018 and the name of the Company was changed to “Affordable Robotic & Automation Limited” pursuant to issuance of fresh Certificate of Incorporation consequent upon conversion of Company from Private to Public Limited dated February 2, 2018 issued by the Registrar of Companies, Pune, Maharashtra.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Restated Summary Statement of Assets and Liabilities of the Company as on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the period ended on December 31, 2017 and for the year ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the annexure thereto (collectively, the “**Restated Financial Statements**” or “**Restated Summary Statements**”) have been extracted by the management from the Audited Financial Statements of the Company for the period ended December 31, 2017 and for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and 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, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include valuation of stock, etc. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

3. FIXED ASSETS

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

4. DEPRECIATION

Depreciation on fixed assets of the Company is provided on the basis of W.D.V. method for the specified life of the asset and in the manner specified in schedule II to the Companies Act, 2013 from applicable date.

5. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. IMPAIRMENT OF ASSETS

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's (including goodwill) recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

7. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

8. INVENTORIES

The inventories are valued by the management at cost or market price whichever is lower and on the basis of physical verification of stock at the end of the year.

9. REVENUE RECOGNITION

- i) Revenue from sale of goods is recognized on the transfer of title in the goods which generally coincides with dispatch and is stated net of discounts and sales tax.
- ii) Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition".

11. EMPLOYEE BENEFITS

Defined-contribution plans:

- (i) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is being made.
- (ii) Employee gratuity fund scheme is the Defined Benefit Plan. Provision for gratuity has been made in the restated accounts based on actuarial Valuation. Gratuity is paid at the time of retirement of employees.
- (iii) Short Term Employee Benefits like leave benefit, if any, are paid along with salary and wages on a month to month basis.

12. SEGMENT ACCOUNTING

(i) Business Segment

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business comprises of Turnkey Automation Solution provider for all kind of Industrial Automation needs such as Line Automation, Assembly Line, Conveyor, Robotic Inspection Stations, etc and accordingly there is only one reportable segment as envisaged in Accounting Standard 17 'Segment Reporting'.

(ii) Geographical Segment

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

13. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

14. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

15. EARNINGS PER SHARE:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

16. CASH FLOW:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARSS COVERED IN THE RESTATED FINANCIALS

There is no change in significant accounting policies except accounting of Gratuity which was previously done on cash basis, has now been accounted based on mercantile system as certified by Independent Actuary.

D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

3. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:-

Gratuity

Particulars	31-12-17	2016-17	2015-16	2014-15	2013-14	2012-13
1.The amounts recognized in the Balance Sheet are as follows:						
Present value of unfunded obligations Recognized	6,408,644	5,192,320	3,255,906	2,131,904	1,374,672	916,594
Net Liability	6,408,644	5,192,320	3,255,906	2,131,904	1,374,672	916,594
2.The amounts recognized in the Profit & Loss A/c are as follows:						
Current Service Cost	1,889,171	1,821,739	1,182,750	859628	677296	484454
Interest on Defined Benefit Obligation	288,174	240937	164157	109974	82493	33537
Net Actuarial Losses / (Gains) Recognized in Year	-961,021	-126262	222905	-212,370	-301711	-5460
Past Service Cost	0		0	0	0	0
Total, Included in "Salaries, Allowances & Welfare"	1216324	1936414	1569812	757232	458078	512531
3.Changes in the present value of defined benefit obligation:						
Defined benefit obligation as at the beginning of the year/period	5,192,320	3,255,906	2,131,904	1,374,672	916,594	404063
Service cost	1889171	1821739	1182750	859628	677296	484454
Interest cost	288174	240937	164157	109974	82493	33537
Actuarial Losses/(Gains)	0	0	0	0	0	0
Past Service Cost	-961021	-126262	-222905	-212370	-301711	-5460
Defined benefit obligation as at the	6,408,644	5,192,320	3,255,906	2,131,904	1,374,672	916,594

end of the year/period						
Benefit Description						
Benefit type:	Gratuity Valuation as per Act					
Retirement Age:	60 years					
Vesting Period:	5 years					
The principal actuarial assumptions for the above are:						
Future Salary Rise:	7.00%P.A	7.00%P.A	7.00%P.A	7.00%P.A	7.00%P.A	7.00%P.A
Discount rate per annum:	7.40%P.A	7.40%P.A	7.70%P.A	8.00%P.A	9.00%P.A	8.30%P.A
Attrition Rate:	5.00%P.A	5.00%P.A	5.00%P.A	5.00%P.A	5.00%P.A	5.00%P.A
Mortality Rate:	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective year/period except as mentioned in Annexure -AB

5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – Y of the enclosed financial statements.

6. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year/period is reported in Annexure D of the enclosed financial statements.

7. Earnings Per Share (AS 20):

Earnings per Share have been based on AS 20 and such details are given in Annexure –X of the enclosed financial statements.

8. MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01st April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (losses) of the Company is as under.

Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & losses of the company.

1. Statement of Profit and Loss after Tax

Table -1

(Amount in Lakhs Rs.)

Particulars	31-12-2017	2016-17	2015-16	2014-15	2013-14	2012-13
Net Profit After Tax as per audited accounts but before adjustments for restated accounts:	426.43	415.9	168.89	17.20	81.04	43.39
(Short)/Excess Provision of Gratuity Expense	(12.16)	(19.36)	(11.24)	(7.57)	(4.58)	(5.13)
(Short)/Excess Provision of Income Tax	7.95	(32.89)	(53.86)	1.35	2.90	1.82
Short/(Excess) Provision for Deferred Tax Assets	(10.79)	31.29	22.35	2.66	1.58	2.83
Preliminary Expenses Written off Fully in the First Year As per AS 26. Differential Amount now transferred to Profit and Loss Account	(6.66)	-	(2.01)	-	-	-
Wrong Amortization of Preliminary Expenses	2.02	0.69	0.69	0.44	0.44	0.44
Write off of Service Tax Credit not availed	-	-	-	-	(0.19)	-
Write off of TDS Receivable from Employees	-	-	(2.78)	-	-	-
Net Adjustment in Statement of Profit and Loss Account	(19.64)	(20.27)	(46.85)	(3.13)	0.15	(0.04)
Net Profit After Tax as per Restated Accounts:	406.78	395.63	122.04	14.07	81.20	43.35

a) Adjustment on account of provision for Gratuity and Compensated Absences:

The Company did not provide gratuity based on the requirement of AS -15 (Revised), therefore during the restatement, provision for gratuity have been done as per the actuarial valuation and accordingly short provisions in respective year were adjusted to comply with the requirement of AS-15 (Revised).

b) Adjustment on account of Provision of Deferred Tax Assets:

Due to Provision for Gratuity (Employee benefits) and disallowances under section 43b of Income tax Act, during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year/period ended at the rate of normal Tax rate applicable at the end of relevant year/period. Due to same short/(excess) deferred tax assets has been recognized in the financial statement of the respective year.

c) Provision of Income Tax (Current/Prior Period):

During the period of Restatement, Income tax liability was recalculated as per the prevailing tax rates, accordingly the revised income tax provision has been charged to the Statement of Profit and Loss account along with interest on delay payment of direct tax. Short/(Excess) provision has adjusted in respective year/period. For More Details refer Annexure AA enclosed with the Financial Statement.

d) Adjustment on account of wrong accounting treatment of Preliminary expenditure not written off :

The Company has wrongly accounted some expenditures as Assets under the category of **Preliminary expenditure not written off**. During the restatement Opening balance of Rs. 1.89 Lakhs as on 01.04.2012 of such asset has been adjusted with the opening balance of retained earnings. Further During the FY 2015-16 and 2017-18, Company has incurred Rs. 2.01 Lakhs and 6.66 lakhs respectively towards increase in authorized share capital in ROC, which has now been rectified and written off in statement of Profit and Loss Account. During the Restatement Company has reversed the effect of all the amortization of expenses which has been made in Audited Accounts.

e) TDS receivable from Employees

During the FY 2015-16, Company has paid the salary to Employees without deduction of TDS, however the TDS deduction was made in the Employees ledgers after making payment of salary. According to management, since the employees have left the organization, such balance of Rs. 2.78 Lakhs is not recoverable and accordingly in restatement, management has written off the balance in respective year's Statement of Profit and Loss Account.

f) Wrong accounting of Service Tax Paid (VCES)

During the Restatement Company has accounted service tax input without availing Cenvat of such Service tax in respective return , therefore such balance of Rs. 0.19 Lakhs is not available for Cenvat and accordingly in restatement, management has written off the balance in respective year's Statement of Profit and Loss Account.

g) Adjustment of Gratuity Liability prior to 31.03.2012

According to Actuarial Valuation report, the Opening balance of Gratuity liability of the Company i.e. Rs 4.04 Lakhs has been adjusted with Opening balance of retained earnings.

9. Outstanding Statutory Dues on account of Direct and Indirect Tax:

As on 31st December 2017, according to restated financial statements the following are outstanding undisputed statutory dues -:

- A) **Income Tax** - :Rs. 540.16 Lakhs Outstanding Income tax mainly on account on non-filing/non-payment of Income Tax Return of FY 2015-16 and FY 2016-17 and due to non-payment of due advance tax installment for the FY 2017-18. During the Restatement company has accounted interest liability on such outstanding dues.
- B) **Statutory Payables** - : Rs. 430.91 Lakhs is outstanding as on 31st December 2017 on account of following statutory dues. Statutory Returns under the respective laws are pending and accordingly interest liability on Net liability could not be ascertained and accordingly not considered during restatement of financial statements.

Particulars	Amount in Lakhs Rs.
PF Payable	9.39
Prof Tax Payable	4.67
ESI Payable A/c	4.30
TDS /TCS Payable	27.15
Service tax payable	114.31
GST Payable	155.84
2% Vat TDS on Works Contract	0.62
Excise Duty	114.63
Total	430.91

10. Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realisation of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

11. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

12. Amounts in the financial statements

Amounts in the financial statements are reported in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

13. Auditors Qualifications –

Details of Auditors qualifications and their impact on restated financial statement is given below.

- a) Qualification which required adjustment in restated financial statements

None

- b) Qualification which does not require adjustment in restated financial statements – Details given below

Financial Year	Audit Qualifications																		
2012-13	<p>A. The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>B. The company is not maintaining proper records of inventory of stocks of raw material, consumables and work in progress. No material discrepancies were noticed on physical verification of stock as compared to book records.</p> <p>C. The company is not regular in depositing undisputed statutory dues of Provident Fund, Income Tax, Service Tax, Excise Duty, Cess and other statutory dues.</p>																		
2013-14	The company is not maintaining proper records of inventory of stocks of raw material, consumables and work in progress. No material discrepancies were noticed on physical verification of stock as compared to book records.																		
2014-15	The company is not maintaining proper records of inventory of stocks of raw material, consumables and work in progress. No material discrepancies were noticed on physical verification of stock as compared to book records.																		
2015-16	None																		
2016-17	None																		
31 st December 2017	<p>According to the information and explanation given to us and on the basis of our examination of books of accounts, the Company has been regular in payment of undisputed statutory dues to respective government authorities, except below undisputed liabilities being outstanding since more than 6 months as on 31st December 2017 - :</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount in Lakhs Rs.</th> </tr> </thead> <tbody> <tr> <td>PF Payable</td> <td>1.80</td> </tr> <tr> <td>Prof Tax Payable</td> <td>0.96</td> </tr> <tr> <td>ESI Payable A/c</td> <td>1.09</td> </tr> <tr> <td>TDS /TCS Payable</td> <td>13.81</td> </tr> <tr> <td>Service tax payable</td> <td>114.31</td> </tr> <tr> <td>Income Tax</td> <td>78.26</td> </tr> <tr> <td>Excise Duty</td> <td>115.42</td> </tr> <tr> <td>Total</td> <td>325.65</td> </tr> </tbody> </table>	Particulars	Amount in Lakhs Rs.	PF Payable	1.80	Prof Tax Payable	0.96	ESI Payable A/c	1.09	TDS /TCS Payable	13.81	Service tax payable	114.31	Income Tax	78.26	Excise Duty	115.42	Total	325.65
Particulars	Amount in Lakhs Rs.																		
PF Payable	1.80																		
Prof Tax Payable	0.96																		
ESI Payable A/c	1.09																		
TDS /TCS Payable	13.81																		
Service tax payable	114.31																		
Income Tax	78.26																		
Excise Duty	115.42																		
Total	325.65																		

For Vijay Moondra & Co
Chartered Accountants
FRN : -112308W

(CA Vinit Moondra)
M. No. 119398)
Date: 22nd March 2018
Place: Ahmedabad

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

BALANCE SHEET

(Amount in Lakhs Rs.)

PARTICULARS	As at the Year end/Period ended					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
A) EQUITY AND LIABILITIES						
1. Shareholders' Funds						
(a) Share Capital	625.00	125.00	125.00	25.00	25.00	25.00
(b) Reserves & Surplus	471.40	564.62	168.99	146.96	134.45	53.26
	1,096.40	689.62	293.99	171.96	159.45	78.26
2. Non Current Liabilities						
(a) Long Term Borrowings	626.51	283.69	144.35	185.92	49.72	37.22
(b) Other Long Term Liabilities	57.61	72.40	-	-	-	-
(c) Long Term Provisions	62.91	50.97	31.96	20.93	13.49	9.00
	747.03	407.07	176.31	206.85	63.21	46.22
3. Current Liabilities						
(a) Short Term Borrowings	354.93	613.69	542.09	538.79	172.99	29.13
(b) Trade Payables	1,694.47	1,940.21	809.31	535.94	523.56	488.61
(c) Other Current Liabilities	946.71	1,272.51	1,249.19	790.59	710.45	228.53
(d) Short Term Provisions	715.28	467.85	169.07	41.72	40.83	45.48
	3,711.39	4,294.26	2,769.66	1,907.04	1,447.83	791.74
Total	5,554.82	5,390.95	3,239.97	2,285.85	1,670.49	916.22
B) ASSETS						
1. Non Current Assets						
(a) Fixed Assets						
i) Tangible Assets						
(i) Gross Block	1,421.08	904.28	731.00	266.41	213.94	184.25
(ii) Depreciation	416.63	293.56	190.29	90.33	28.07	14.54
(iii) Net Block	1,004.44	610.72	540.70	176.09	185.87	169.71
ii) Intangible Assets	6.01	8.71	19.66	21.04	3.01	-
iii) Capital Work in Progress	11.52	-	-	255.52	-	-
	1,021.97	619.43	560.37	452.65	188.88	169.71
(b) Non-Current Investment	60.74	14.45	-	-	-	-
(c) Deferred Tax Assets (Net)	78.08	77.45	37.37	10.54	3.59	2.28
(d) Long Term Loans and Advances	67.25	73.08	77.36	79.07	123.77	84.43
(e) Other Non Current Assets	-	-	-	-	-	-
	206.06	164.98	114.74	89.61	127.36	86.72
2. Current Assets						
(a) Inventories	2,545.37	2,565.26	242.00	832.74	825.50	150.45
(b) Trade Receivables	1,256.93	1,619.73	1,928.16	480.39	276.84	425.89
(c) Cash and Cash equivalents	137.44	173.95	314.46	272.90	84.44	36.52
(d) Short-Term Loans and Advances	387.05	247.59	80.25	157.11	167.19	46.93
(e) Other Current Assets	-	-	-	0.46	0.28	-
	4,326.78	4,606.54	2,564.87	1,743.60	1,354.24	659.79
Total	5,554.82	5,390.96	3,239.97	2,285.85	1,670.49	916.22
For Vijay Moondra & Co			For and on Behalf of Directors			
Chartered Accountants						
FRN : -112308W						
(CA Vinit Moondra)			(Director)		(Director)	
M. No. 119398)						
Date: 22nd March 2018						
Place: Ahmedabad						

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

STATEMENT OF PROFIT AND LOSS

(Amount in Lakhs Rs.)

PARTICULARS	For the Year/Period ended					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
1 Revenue From Operation (Gross)	4,664.88	4,026.61	4,702.15	2,590.31	2,417.99	1,725.79
Less: Excise Duty, indirect tax	-	-	-	-	-	-
Revenue From Operation (Net)	4,664.88	4,026.61	4,702.15	2,590.31	2,417.99	1,725.79
2 Other Income	3.73	12.82	6.98	5.14	5.30	1.49
Total Revenue (1+2)	4,668.61	4,039.43	4,709.13	2,595.45	2,423.29	1,727.28
3 Expenditure						
(a) Cost of Material Consumed	2,682.71	1,995.36	3,089.00	1,606.61	1,559.97	1,193.41
(b) Employee Benefit Expenses	739.90	746.68	607.23	497.09	357.54	261.54
(c) Finance Cost	87.11	119.92	108.10	55.65	11.47	10.58
(d) Depreciation and Amortisation Expenses	123.07	103.27	99.97	60.68	13.53	7.20
(e) Other Expenses	443.91	420.66	557.72	348.69	358.92	191.21
Total Expenditure 3(a) to 3(b)	4,076.70	3,385.89	4,462.02	2,568.72	2,301.43	1,663.94
5 Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)	591.91	653.54	247.12	26.73	121.85	63.35
6 Exceptional item	-	-	-	-	-	-
Profit/(Loss) Before Tax (5-6)	591.91	653.54	247.12	26.73	121.85	63.35
8 Tax Expense:						
(a) Tax Expense for Current Year	185.75	297.99	151.92	19.60	41.97	22.43
(b) Short/(Excess) Provision of Earlier Year	-	-	-	-	-	-
(c) Deferred Tax	(0.62)	(40.08)	(26.84)	(6.95)	(1.31)	(2.44)
Net Current Tax Expenses	185.13	257.91	125.08	12.65	40.66	19.99
Profit/(Loss) for the Year (7-8)	406.78	395.63	122.04	14.07	81.20	43.35

For Vijay Moondra & Co
Chartered Accountants
FRN : -112308W

For and on Behalf of Directors

(CA Vinit Moondra)
M. No. 119398
Date: 22nd March 2018
Place: Ahmedabad

(Director)

Director

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

CASH FLOW STATEMENT

(Amount in Lakhs Rs.)

PARTICULARS	FOR THE YEAR/PERIOD ENDED					
	31-12-2017 Rupees	31-03-2017 Rupees	31-03-2016 Rupees	31-03-2015 Rupees	31-03-2014 Rupees	31-03-2013 Rupees
A) Cash Flow From Operating Activities :						
Net Profit before tax	591.91	653.54	247.12	26.73	121.85	63.35
Adjustment for :						
Depreciation	123.07	103.27	99.97	60.68	13.53	7.20
Interest Paid	87.11	119.92	108.10	55.65	11.47	10.58
Interest Income	(3.73)	(4.14)	(2.32)	(3.34)	(1.27)	(1.23)
Dividend Income	-	-	-	-	(0.13)	-
Prior Period Income adjusted with Reserves	-	-	-	-	-	(4.04)
Operating profit before working capital changes	798.36	872.58	452.86	139.72	145.47	75.85
Changes in Working Capital						
(Increase)/Decrease in Inventories	19.90	(2,323.26)	590.74	(7.24)	(675.05)	37.78
(Increase)/Decrease in Trade Receivables	362.80	308.42	(1,447.76)	(203.55)	149.05	(318.96)
(Increase)/Decrease in Short Term Loans & Advances	(139.46)	(167.34)	76.86	10.08	(120.26)	71.13
(Increase)/Decrease in Other Current Assets	-	-	0.46	(0.18)	(0.28)	-
Increase/(Decrease) in Trade Payables	(245.74)	1,130.91	273.37	12.38	34.95	392.72
Increase/(Decrease) in Other Current Liabilities	(325.79)	23.31	458.61	80.14	481.92	76.00
Increase/(Decrease) in Short Term Provisions	70.98	17.33	10.21	9.43	0.64	(44.92)
Increase/(Decrease) in Long Term Provisions and liabilities	(2.85)	91.41	11.03	7.44	4.49	9.00
Cash generated from operations	538.20	(46.64)	426.35	48.22	20.94	298.58
Less:- Income Taxes paid	(9.29)	(16.55)	(34.77)	(28.14)	(47.25)	(5.10)
Net cash flow from operating activities	528.90	(63.20)	391.58	20.08	(26.31)	293.48
B) Cash Flow From Investing Activities :						
Purchase of Fixed Assets including of CWIP	(525.62)	(162.33)	(207.69)	(326.03)	(32.70)	(137.14)
Share Capital Increase Expenses	-	-	-	-	-	-
Investment made/Sold during the year	(46.28)	(14.45)	-	-	-	-
Dividend Income	-	-	-	-	0.13	-
Increase/(Decrease) in Long Term Loans and Advances	5.83	4.29	1.71	44.70	(39.34)	(84.43)
Interest Income	3.73	4.14	2.32	3.34	1.27	1.23
Net cash flow from investing activities	B (562.35)	(168.35)	(203.66)	(277.98)	(70.65)	(220.34)
C) Cash Flow From Financing Activities :						
Increase/(Decrease) in Short Term Borrowings	(258.76)	71.61	3.29	365.80	143.86	(42.00)
Increase/(Decrease) in Long Term Borrowings	342.82	139.34	(41.56)	136.20	12.50	13.13
Interest Paid	(87.11)	(119.92)	(108.10)	(55.65)	(11.47)	(10.58)
Net cash flow from financing activities	C (3.06)	91.02	(146.37)	446.36	144.89	(39.45)
Net Increase/(Decrease) In Cash & Cash Equivalents	(A+B+C) (36.51)	(140.51)	41.56	188.46	47.92	33.69
Cash equivalents at the beginning of the year	173.95	314.46	272.90	84.44	36.52	2.82
Cash equivalents at the end of the year	137.44	173.95	314.46	272.90	84.44	36.52

Notes :-

	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
1. Component of Cash and Cash equivalents						
Cash on hand	26.27	29.64	14.69	82.99	44.20	31.40
Balance With banks	0.90	22.51	7.87	15.45	0.68	2.57
Other Bank Balance	110.27	121.79	291.90	174.46	39.55	2.55
	137.44	173.95	314.46	272.90	84.44	36.52

2.00 Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

For Vijay Moondra & Co

Chartered Accountants

FRN : -112308W

For and on Behalf of Directors

(CA Vinit Moondra)

M. No. 119398)

Date: 22nd March 2018

Place: Ahmedabad

(Director)

(Director)

STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Amt. in Rs. Lakhs, Except Share Data)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Share Capital						
Authorised Share Capital						
A) Equity shares of Rs.10 each	90,00,000	20,00,000	20,00,000	5,00,000	5,00,000	5,00,000
Equity Share Capital	900.00	200.00	200.00	50.00	50.00	50.00
B) 8% Preference shares of Rs.10/- each	10,00,000	10,00,000	10,00,000	-	-	-
Preference share Capital	100.00	100.00	100.00	-	-	-
Total Authorised Share Capital (A+B)	1,000.00	300.00	300.00	50.00	50.00	50.00
Issued, Subscribed and Paid up Share Capital						
Equity Shares of Rs. 10 each fully paid up	62.50	12.50	12.50	2.50	2.50	2.50
Share Capital (in Rs.)	625.00	125.00	125.00	25.00	25.00	25.00
Total	625.00	125.00	125.00	25.00	25.00	25.00
Reserves and Surplus						
Surplus in Profit and Loss account						
Opening Balance	564.62	168.99	146.96	134.45	53.26	9.90
Add: Restated Profit/ (Loss) for the year	406.78	395.63	122.04	14.07	81.20	43.35
Less: Short Depreciation charges			-	1.57	-	-
Less: Issue of Bonus Shares	500.00		100.00			
Closing Balance	471.40	564.62	168.99	146.96	134.45	53.26
Total	471.40	564.62	168.99	146.96	134.45	53.26

1. Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share

ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. Company does not have any Revaluation Reserve.

4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

5. The reconciliation of the number of Equity shares outstanding as at: -

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
Number of shares at the beginning	12,50,000.00	12,50,000.00	2,50,000.00	2,50,000.00	2,50,000.00	2,50,000.00
Add: Bonus Share Issued	50,00,000.00	-	10,00,000.00	-	-	-
Number of shares at the end	62,50,000.00	12,50,000.00	12,50,000.00	2,50,000.00	2,50,000.00	2,50,000.00

6. The detail of shareholders holding more than 5% of Shares: -

Name of Shareholders	As at (No. of Shares)					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Milind Padole	31,25,000.00	6,25,000.00	6,25,000.00	1,25,000.00	1,25,000.00	1,25,000.00
Manohar Padole	31,25,000.00	6,25,000.00	6,25,000.00	1,25,000.00	1,25,000.00	1,25,000.00

STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
(Secured)						
(a) Term loans						
From Bank & Financial Institutions	562.05	176.47	99.32	63.64	-	0.89
From Others	-	9.55	13.98	17.65	20.85	-
Less: Current Maturities of Long Term Debt	15.88	25.43	12.15	3.67	3.20	0.89
Sub-total (a)	546.17	160.59	101.15	77.62	17.65	(0.00)
(Unsecured)						
(b) Term loans						
From Bank & Financial Institutions	-	-	-	-	-	-
From Others	20.68	25.77	81.95	160.71	-	-
Less: Current Maturities of Long Term Debt	20.68	5.09	56.18	78.76	-	-
Sub-total (b)	0.00	20.68	25.77	81.95	-	-
(c) Loans and advances from related parties & shareholders						
(Unsecured)						
From Directors	80.33	102.42	17.43	26.35	32.07	15.22
Sub-total (c)	80.33	102.42	17.43	26.35	32.07	15.22
(d) Intercompany Deposits						
From Body Corporate	-	-	-	-	-	22.00
Sub-total (d)	-	-	-	-	-	22.00
Total (a+b+c+d)	626.51	283.69	144.35	185.92	49.72	37.22

Short Term Borrowings

Secured**Loan Repayable on Demand**

From Banks	354.93	613.69	542.09	538.79	172.99	29.13
From Other Parties	-	-	-	-	-	-
Sub total (a)	354.93	613.69	542.09	538.79	172.99	29.13

UnSecured

Loan from Others

Sub Total (b)	-	-	-	-	-	-
Total (a+b)	354.93	613.69	542.09	538.79	172.99	29.13

Note :

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

4. The terms and conditions and other information in respect of Secured Loans as on 31.03.2017 and 31.12.2017 are given in Annexure -B (A)

5. The terms and conditions and other information in respect of Unsecured Loans as on 31.03.2017 and 31.12.2017 are given in Annexure - B (B)

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose of Credit Facility	Sanctioned Amount (Lakhs Rs.)	Rate of interest	Securities offered	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books)	
							31-12-2017	31-03-2017
Karnataka Bank - A/c 28401	Machinery Purchase Loan	100.00	12.90%	Hyp. Of Machinery Purchased from Bank Finance	84 EMI of Rs. 1.28 Lakhs Started from March 2015 to February 2022.	-	64.88	77.32
Karnataka Bank - A/c 26501	Machinery Purchase Loan	12.00	10.10%	Hyp. Of Machinery Purchased from Bank Finance	84 EMI of Rs. 0.20 Lakhs Started from Sept. 2016 to August 2023.	-	10.18	11.38
Karnataka Bank - Working Capital Demand Loan	Long Term Working Capital Demand Loan	500.00	12.00	1. Prime Security - Hyp of Stock and Book debts upto 120 days 2.) Collateral - Refere Note	34 EMI of Rs. 17.42 Lakhs Started from Oct 2017 to July 2020	-	474.95	73.49
HDFC Bank	Vehicle Loan	10.00	9.85%	Hyp. Of Vehicle Purchased from Bank Finance	60 EMI of Rs. 0.22 Lakhs Started from April 2016 to March 2021.	-	7.06	8.37
Kotak Mahindra Prime Ltd.	Vehicle Loan	7.00	10.00%	Hyp. Of Vehicle Purchased from Bank Finance	60 EMI of Rs. 0.15 Lakhs Started from March 2016 to Feb 2021.	-	4.98	5.91
Intec Capital Ltd	Business Loan	21.10	13.50%	Hyp. Of Machinery Purchased from Finance and cash deposit of Rs. 6,96,396	60EMI of Rs. 0.49 Lakhs started from March 2014 to Feb -2019	-	-	9.55
Karnataka Bank Ltd.	Cash Credit	500.00	PLR-3.25%, (Subje	Secured Against Stock and f	On Demand	Nil	354.93	613.69
Total							916.98	799.71

Note 1 - Details of Collateral Securities given is as below

a) Equitable Mortgage by way of deposit of Title deeds of Industrial property of land and building and shed constructed there on at Gat No. 1209 situated at Village Wadki, Tal: Haveli, Dist- Pune

b) Hyp. of Machineries. (prime Security for Term Loan of 100 Lakhs)

c) Flat No C- 302, Krome Citroena Complex, Survey No 16/12, Near Bishop School, Undri Pune, owned by Manohar and Mrs Bhagirathi Padole (Common Collateral for Mortgage Loan given of Rs. 55 Lakhs to Mr Manohar Padole

d) EM of Agricultural Land, Gat No 1217, Village Wadki, Tal: Haveli, Dist- Pune owned by the Company.

e) Personal Guarantee of 1) Manohar P Padole, 2) Bhagirathi M Padole, 3) Milind M Padole, and 4) Shabri R Malvankar

STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities
Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

Name of Lender	Purpose	Rate of interest	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books) Rs. In Lakhs	
					31-12-2017	31-03-2017
Milind Padole	Business Loan	Nil	On Demand	Nil	58.08	71.87
Manohar Padole	Business Loan	Nil	On Demand	Nil	22.25	30.54
Capital First Ltd	Business Loan	15.50%	Repayable in 36 installment. First 12 Installment of Rs. 1.56 Lakhs, second year Installment of Rs. 0.94 Lakhs, and third year Installment of Rs. 0.62 Lakhs started from Feb 2015 ending on Jan 2018.	Nil	0.61	5.54
Deutsche Bank	Business Loan	12.95%	Repayable in 36 installment. First of Rs. 1.17 Lakhs started from Jan 2015 ending on Dec 2017.	Nil	-	10.03
Magma Fin Corp Ltd	Business Loan	16.00%	Repayable in 36 months started from February 2015 to January 2018	Nil	0.57	4.25
Standard Chartered Bank	Business Loan	17.00%	Repayable in 30 installment of Rs. 2.05 Lakhs started from Jan 2015 ending on June 2017.	Nil	-	5.96
NeoGrowth Credit Pvt. Ltd.	Business Loan	12.00%	Repayable in 24 installment in a Year of EMI Rs. 1.20 Lakhs, started from Oct 17 ending on Sept 2018.	Nil	19.50	-
Total					101.02	128.19

STATEMENT OF OTHER NON CURRENT LIABILITIES

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
Sundry Creditors for Capital Goods	57.61	72.40	-	-	-	-
Total	57.61	72.40	-	-	-	-

Note :

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any

STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Major Components of deferred tax arising on account of timing differences are:						
Timing Difference Due to Depreciation	(92.07)	(55.13)	(27.30)	(12.78)	2.67	1.78
Deffered Tax Liability(A)	(25.37)	(18.23)	(9.03)	(3.95)	0.87	0.55
Provision of Gratuity outstanding as on the end of Period	64.09	51.92	32.56	21.32	13.74	9.17
Cumulative Balance of Expenses Disallowed under Section 43B	127.21	127.21	53.18	-	-	-
Timing Difference Due to Gratuity and Expenses disallowed U/s 43B	191.30	179.13	85.74	21.32	13.74	9.17
Deferred Tax Assets (B)	52.71	59.23	28.35	6.59	4.46	2.83
Cumulative Balance of Deferred Tax Assets (Net) (A-B)	78.08	77.45	37.37	10.54	3.59	2.28

Note: The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, I and III.

STATEMENT OF LONG TERM PROVISIONS

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Provision for Employee Benefits						
Gratuity Payable	62.91	50.97	31.96	20.93	13.49	9.00
Compensated Absences	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	62.91	50.97	31.96	20.93	13.49	9.00

STATEMENT OF TRADE PAYABLES

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Trade Payables						
For Goods & Services						
Micro, Small and Medium Enterprises	-	-	-	-	-	-
Others	1,694.47	1,940.21	809.31	535.94	523.56	488.61
Total	1,694.47	1,940.21	809.31	535.94	523.56	488.61

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.

STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Other Current Liabilities						
Current Maturities of Long Term Debt	36.56	30.52	68.33	82.43	3.20	0.89
Statutory Payables	430.91	153.49	488.21	99.05	13.70	116.59
Advances Received from Customers	479.24	1,088.50	692.65	609.11	693.54	111.05
Total	946.71	1,272.51	1,249.19	790.59	710.45	228.53
Short Term Provisions						
Provision for Employee Benefits						
Administration charges payable	0.49	0.12	0.22	0.73	0.27	0.44
Salary Payable	125.88	53.18	37.43	32.24	22.71	21.88
Salary Retention	2.76	3.75	4.08			
Salary Security Deposit	0.73	0.76	0.14			
Other Recoveries	0.59	-	-	0.21	-	-
Provision for Gratuity	1.18	0.95	0.60	0.39	0.25	0.17
	131.64	58.75	42.47	33.57	23.23	22.49
Other Provisions						
Provision for Expenses	0.45	2.36	1.30	-	0.91	1.01
Income tax Provisions net of Advance tax and TDS	583.19	406.74	125.30	8.16	16.70	21.97
Total	715.28	467.85	169.07	41.72	40.83	45.48

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF FIXED ASSETS

STATEMENT OF FIXED ASSETS										
(Amount in Lakhs Rs.)										
FY 2012-13										
Assets	Gross Block				Depreciation			Net Block		
	Op Bal	Addition during the year	Discarded during the year	Total	Accumulated Depreciation	Depreciation for the year	Total	Balance as on 31-03-2013	Balance as on 31-03-2012	
Land	19.11	119.30	-	138.41	-	-	-	138.41	19.11	
Plant and Machinery	23.99	9.10	-	33.09	5.80	3.80	9.59	23.50	18.20	
Generator	1.45	-	-	1.45	0.38	0.15	0.52	0.93	1.07	
Mobile	-	0.05	-	0.05	-	0.01	0.01	0.04	-	
Office Equipments	0.23	0.73	-	0.96	0.08	0.16	0.24	0.72	0.16	
Furniture and Fixture	0.49	2.38	-	2.87	0.15	0.49	0.64	2.23	0.34	
Computer	1.83	5.58	-	7.41	0.94	2.59	3.53	3.89	0.89	
Total	47.11	137.14	-	184.25	7.34	7.20	14.54	169.71	39.77	
Previous Year	42.61	4.50	-	47.11	3.52	3.82	7.34	39.77	39.09	
FY 2013-14										
Assets	Gross Block				Depreciation			Net Block		
	Op Bal	Addition during the year	Discarded during the year	Total	Accumulated Depreciation	Depreciation for the year	Total	Balance as on 31-03-2014	Balance as on 31-03-2013	
Tangible Fixed Assets										
Land	138.41	-	-	138.41	-	-	-	138.41	138.41	
Plant and Machinery	33.09	18.33	-	51.42	9.59	5.82	15.41	36.01	23.50	
Generator	1.45	-	-	1.45	0.52	0.13	0.65	0.80	0.93	
Mobile	0.05	-	-	0.05	0.01	0.01	0.02	0.04	0.04	
Office Equipments	0.96	-	-	0.96	0.24	0.13	0.37	0.59	0.72	
Furniture and Fixture	2.87	1.17	-	4.04	0.64	0.61	1.26	2.78	2.23	
Computer	7.41	8.18	-	15.59	3.53	4.82	8.35	7.24	3.89	
Intangible Assets										
Computer Software	-	4.67	-	4.67	-	1.87	1.87	2.80	-	
Payroll Software	-	0.35	-	0.35	-	0.14	0.14	0.21	-	
Sub Total	184.25	32.70	-	216.95	14.54	13.53	28.07	188.88	169.71	
Previous Year	47.11	137.14	-	184.25	7.34	7.20	14.54	169.71	39.77	
FY 2014-15										
Assets	Gross Block				Depreciation			Net Block		
	Op Bal 1-04-2014	Addition during the year	Discarded during the year	Total 31-03-2015	Accumulated Depreciation	Charged to Retained Profit	Depreciation for the year	Total	Balance as on 31-03-2015	Balance as on 31-03-2014
Tangible Fixed Assets										
Land	138.41	-	-	138.41	-	-	-	-	138.41	138.41
Plant and Machinery	51.42	2.34	-	53.76	15.41	-	8.26	23.67	30.09	36.01
Generator	1.45	-	-	1.45	0.65	-	0.19	0.84	0.61	0.80
Mobile	0.05	-	-	0.05	0.02	-	0.03	0.05	0.01	0.04
Office Equipments	0.96	1.56	-	2.52	0.37	-	0.70	1.07	1.45	0.59
Furniture and Fixture	4.04	1.42	0.01	5.45	1.26	1.34	2.27	4.87	0.58	2.78
Computer	15.59	9.91	-	25.50	8.35	0.23	11.98	20.56	4.94	7.24
Intangible Assets										
Computer Software	4.67	27.35	-	32.02	1.87	-	19.45	21.32	10.70	2.80
Design Software	-	27.94	-	27.94	-	-	17.65	17.65	10.29	2.80
Payroll Software	0.35	-	-	0.35	0.14	-	0.16	0.30	0.05	0.21
Total	216.95	70.51	0.01	287.45	28.07	1.57	60.68	90.33	197.13	191.68
Previous Year	184.25	32.70	-	216.95	14.54	-	13.53	28.07	188.88	169.71
FY 2015-16										
Assets	Gross Block				Depreciation			Net Block		
	Op Bal	Addition during the year	Discarded during the year	Total	Accumulated Depreciation	Dr to Accumulated Profit	Depreciation for the year	Total	Balance as on 31-03-2016	Balance as on 31-03-2015
Tangible Fixed Assets										
Land	138.41	68.56	-	206.97	-	-	-	-	206.97	138.41
Plant and Machinery	53.76	3.20	-	56.97	23.67	-	7.03	30.70	26.27	30.09
Generator	1.45	-	-	1.45	0.84	-	0.14	0.99	0.46	0.61
Mobile	0.05	-	-	0.05	0.05	-	0.01	0.05	0.00	0.01
Office Equipments	2.52	-	-	2.52	1.07	-	0.39	1.46	1.06	1.45
Furniture and Fixture	5.45	10.61	-	16.06	4.87	-	3.04	7.91	8.15	0.58
Computer	25.50	8.88	-	34.38	20.56	-	8.43	28.98	5.40	4.94
Electrical Installations	-	48.40	-	48.40	-	-	12.53	12.53	35.87	-
Factory Building	-	250.19	-	250.19	-	-	23.77	23.77	226.42	-
Overhead Crane(P&M)	-	16.40	-	16.40	-	-	2.97	2.97	13.43	-
Motor Car	-	22.68	-	22.68	-	-	7.08	7.08	15.60	-
CC TV Camera (Office Equip)	-	1.13	-	1.13	-	-	0.51	0.51	0.62	-
Water Cooler(Office Equip)	-	0.84	-	0.84	-	-	0.38	0.38	0.46	-
Intangible Assets										
Computer Software	32.02	21.02	-	53.04	21.32	-	20.04	41.35	11.69	10.70
Design Software	27.94	11.30	-	39.24	17.65	-	13.64	31.28	7.95	10.29
Payroll Software	0.35	-	-	0.35	0.30	-	0.03	0.33	0.02	0.05
Total	287.45	463.21	-	750.66	90.33	-	99.97	190.29	560.37	176.09
Previous Year	216.95	70.51	0.01	287.45	28.07	1.57	60.68	90.33	197.13	191.68

FY 2016-17										
Assets	Gross Block				Depreciation				Net Block	
	Op Bal	Addition during the year	Discarded during the year	Total	Accumulated Depreciation	Dr to Accumulated Profit	Depreciation for the year	Total	Balance as on 31-03-2017	Balance as on 31-03-2016
Tangible Fixed Assets										
Land	206.97	9.54	-	216.51	-	-	-	-	216.51	206.97
Plant and Machinery	56.97	9.20	-	66.16	30.70	-	7.18	37.88	28.28	26.27
Generator	1.45	8.00	-	9.45	0.99	-	2.02	3.01	6.44	0.46
Mobile	0.05	-	-	0.05	0.05	-	-	0.05	0.00	0.00
Office Equipments	2.52	-	-	2.52	1.46	-	0.21	1.67	0.85	1.06
Furniture and Fixture	16.06	59.23	-	75.29	7.91	-	15.36	23.27	52.02	8.15
Computer	34.38	13.18	-	47.57	28.98	-	11.24	40.23	7.34	5.40
Electrical Installations	48.40	0.86	-	49.26	12.53	-	9.51	22.04	27.22	35.87
Factory Building	250.19	24.00	-	274.18	23.77	-	23.79	47.56	226.63	226.42
Overhead Crane (P&M)	16.40	7.02	-	23.42	2.97	-	3.70	6.67	16.75	13.43
Motor Car	22.68	15.21	-	37.90	7.08	-	9.62	16.71	21.19	15.60
CC TV Camera (Office Equipment)	1.13	-	-	1.13	0.51	-	0.28	0.79	0.34	0.62
Water Coller (Office Equipment)	0.84	-	-	0.84	0.38	-	0.21	0.58	0.25	0.46
Air Conditioner	-	12.54	-	12.54	-	-	5.65	5.65	6.89	-
Intangible Assets										
Computer Software	53.04	3.54	-	56.58	41.35	-	9.47	50.82	5.76	11.69
Payroll Software	39.24	-	-	39.24	31.28	-	5.02	36.30	2.93	38.91
Design Software	0.35	-	-	0.35	0.33	-	0	0.33	0.02	(30.93)
Total	750.66	162.33	-	912.99	190.29	-	103.27	293.56	619.43	560.37
Previous Year	287.45	463.21	-	750.66	90.33	-	99.97	190.29	560.37	197.13
For the Period Ended 31st December 2017										
Assets	Gross Block				Depreciation				Net Block	
	Op Bal	Addition during the year	Discarded during the year	Total	Accumulated Depreciation	Dr to Accumulated Profit	Depreciation for the year	Total	Balance as on 31-12-2017	Balance as on 31-03-2017
Tangible Fixed Assets										
Land	216.51	-	-	216.51	-	-	-	-	216.51	216.51
Plant and Machinery	66.16	509.76	-	575.92	37.88	-	73.47	111.35	464.57	28.28
Generator	9.45	-	-	9.45	3.01	-	1.15	4.16	5.29	6.44
Mobile	0.05	0.11	-	0.16	0.05	-	0.01	0.07	0.10	0.00
Office Equipments	2.52	3.33	-	5.85	1.67	-	1.21	2.88	2.97	0.85
Furniture and Fixture	75.29	-	-	75.29	23.27	-	10.05	33.32	41.97	52.02
Computer	47.57	0.73	-	48.29	40.23	-	3.22	43.44	4.85	7.34
Electrical Installations	49.26	-	-	49.26	22.04	-	5.28	27.32	21.93	27.22
Factory Building	274.18	-	-	274.18	47.56	-	16.15	63.70	210.48	226.63
Overhead Crane (P&M)	23.42	-	-	23.42	6.67	-	2.27	8.94	14.47	16.75
Motor Car	37.90	-	-	37.90	16.71	-	4.96	21.67	16.23	21.19
CC TV Camera (Office Equipment)	1.13	0.18	-	1.31	0.79	-	0.18	0.97	0.34	0.34
Water Coller (Office Equipment)	0.84	-	-	0.84	0.58	-	0.09	0.67	0.17	0.25
Air Conditioner	12.54	-	-	12.54	5.65	-	2.33	7.98	4.56	6.89
Intangible Assets										
Computer Software	56.58	-	-	56.58	50.82	-	1.97	52.79	3.79	5.76
Payroll Software	0.35	-	-	0.35	0.33	-	-	0.33	0.02	0.02
Design Software	39.24	-	-	39.24	36.31	-	0.73	37.03	2.20	2.93
Total	912.99	514.10	-	1,427.09	293.56	-	123.07	416.63	1,010.45	619.43
Previous Year	750.66	162.33	-	912.99	190.29	-	103.27	293.56	619.43	560.37

Notes:

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF NON-CURRENT INVESTMENTS

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Non Current Investment (At Cost)						
Investment in Shares (Unquoted) of Subsidiary Company						
ARAPL Intelligent Equipment Shanghai Co. Ltd	60.74	14.45	-	-	-	-
Total	60.74	14.45	-	-	-	-

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF LONG-TERM LOANS AND ADVANCES

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Unsecured, Considered Good unless otherwise stated						
Capital Advance	55.00	55.00	55.00	55.00	103.58	78.58
Security Deposit	12.25	18.08	22.36	24.07	20.19	5.86
Total	67.25	73.08	77.36	79.07	123.77	84.43

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF NON CURRENT ASSETS

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Unsecured, Considered Good unless otherwise stated						
Fixed Deposits (maturity of more than 12 months)*	-	-	-	-	-	-
Total	-	-	-	-	-	-

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF INVENTORIES

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Raw Materials	2,545.37	2,565.26	242.00	832.74	825.50	150.45
Work In Progress	-	-	-	-	-	-
Total	2,545.37	2,565.26	242.00	832.74	825.50	150.45

Note:- Invenotry has been physically verified by the management of the Company at the end of respective year/period

STATEMENT OF TRADE RECEIVABLES

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Outstanding for a period exceeding six months (Unsecured and considered Good)						
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-	-
Others	578.63	174.72	142.26	132.44	139.58	17.03
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)						
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-	-
Others	678.30	1,445.02	1,785.89	347.95	137.26	408.87
Total	1,256.93	1,619.73	1,928.16	480.39	276.84	425.89

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

STATEMENT OF CASH & CASH EQUIVALENTS

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)						
Balances with Banks in Current Accounts	0.90	22.51	7.87	15.45	0.68	2.57
Cash on Hand	26.27	29.64	14.69	82.99	44.20	31.40
Other Bank Balances						
Fixed Deposits (original maturity of 3 to 12 months)	110.27	121.79	291.90	174.46	39.55	2.55
Fixed Deposits (original maturity of more than 12 months)						
Total	137.44	173.95	314.46	272.90	84.44	36.52

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Unsecured, Considered Good unless otherwise stated						
Loans and advances to related parties	-	-	-	-	-	-
Advances to Vendors	328.37	104.59	35.43	66.52	51.24	-
Balance With Revenue Authorities	19.68	122.56	24.01	17.23	37.87	1.05
Loans and Advances to Employees	20.17	11.77	5.88	16.71	14.10	16.00
Prepaid Expenses	1.40	0.39	1.43	1.98	1.61	0.81
Other Loans and Advances	17.43	8.28	13.50	54.66	62.38	29.07
Total	387.05	247.59	80.25	157.11	167.19	46.93

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

STATEMENT OF OTHER CURRENT ASSETS

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Accrued Int. on Fixed Deposit	-	-	-	0.46	0.28	-
Miscellaneous Expenditure (to the extent not written off or adjusted)	-	-	-	-	-	-
Total	-	-	-	0.46	0.28	-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF TURNOVER

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Sale of Services						
Labour Charges	43.73	95.42	150.76	181.24	10.73	44.37
Sub Total (a)	43.73	95.42	150.76	181.24	10.73	44.37
Sale of Products						
Revenue from Sale of Product	4,621.15	3,931.19	4,551.39	2,409.07	2,407.26	1,681.42
Sub Total (b)	4,621.15	3,931.19	4,551.39	2,409.07	2,407.26	1,681.42
Total (a+b)	4,664.88	4,026.61	4,702.15	2,590.31	2,417.99	1,725.79

*As per information provided to us by the Issuer, there is no such item.

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF OTHER NON OPERATING INCOME

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
Related and Recurring Income:						
Interest Income	3.73	4.14	2.32	3.34	1.27	1.23
Sub Total (a)	3.73	4.14	2.32	3.34	1.27	1.23
Related and Non Recurring Income:						
Other Non Operating Income	-	8.68	4.66	1.79	4.04	0.26
Sub Total (b)	-	8.68	4.66	1.79	4.04	0.26
Total	3.73	12.82	6.98	5.14	5.30	1.49

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF COST OF MATERIAL CONSUMED

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
Cost of Material Consumed						
Opening Stock of Raw Material	2,565.26	242.00	832.74	825.50	150.45	188.23
Add: Purchases of Material	2,662.81	4,318.62	2,498.26	1,613.84	2,235.02	1,155.63
Less: Closing Stock of Raw Material	2,545.37	2,565.26	242.00	832.74	825.50	150.45
Sub Total	2,682.71	1,995.36	3,089.00	1,606.61	1,559.97	1,193.41
Total	2,682.71	1,995.36	3,089.00	1,606.61	1,559.97	1,193.41

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF EMPLOYEE BENEFITS EXPENSE

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Administration Charges (PF)	0.64	0.91	1.43	1.83	0.82	0.82
Salary and Wages	667.67	634.70	486.62	405.92	292.65	206.57
Bonus	-	-	8.55	9.79	7.50	7.12
Provident Fund Contribution	7.64	13.06	20.95	21.55	6.90	5.34
Garuity (Trust)	-	3.00	3.00	-	-	-
Provision for Gratuity	12.16	19.36	11.24	7.57	4.58	5.13
Labour Welfare	8.35	12.79	11.27	15.03	12.45	12.31
Director Remuneration	38.78	59.52	60.00	30.00	30.00	24.00
Workmen Compensation Insurance	1.00	1.43	4.17	5.41	2.64	0.25
ESIC Contribution	3.67	1.92	-	-	-	-
Total	739.90	746.68	607.23	497.09	357.54	261.54

STATEMENT OF FINANCE COST

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Interest expense	67.21	105.55	102.54	39.83	8.30	7.28
Other Borrowing cost	19.90	14.37	5.56	15.82	3.17	3.30
Total	87.11	119.92	108.10	55.65	11.47	10.58

STATEMENT OF DEPRECIATION & AMORTISATION

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
Depreciation	123.07	103.27	99.97	60.68	13.53	7.20
Total	123.07	103.27	99.97	60.68	13.53	7.20

STATEMENT OF OTHER EXPENSES

(Amount in Lakhs Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Rent & Maintainance Expenses	18.41	13.74	7.60	57.94	54.25	26.60
Outside Labour Charges	41.88	11.84	27.08	24.41	51.39	2.60
Reversal of Cenvat (WC)	-	-	37.73	3.72	-	-
Electricity Charges	15.47	14.08	12.53	15.78	14.31	8.97
Insurance Charges	3.14	16.10	3.48	11.05	0.93	2.11
Site Expenses	84.63	86.30	95.80	66.64	55.19	28.09
Carriage Outward Expenses	84.57	43.34	33.87	24.36	3.38	-
Professional Fees and Consultancy Charges	68.92	64.77	18.38	11.86	8.91	2.79
Repair & Maintainance - Machinery	2.35	6.11	11.97	9.23	0.05	0.33
Payment to Auditors	0.30	0.55	0.55	0.55	0.35	0.35
Miscellaneous Expenses	124.24	163.84	308.73	123.15	170.16	119.37
Total	443.91	420.66	557.72	348.69	358.92	191.21

STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs Rs. Except Per Share Data)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Net Worth (A)	1,096.40	689.62	293.99	171.96	159.45	78.26
Restated Profit after tax	406.78	395.63	122.04	14.07	81.20	43.35
Less: Prior Period Item	-	-	-	-	-	-
Adjusted Profit after Tax (B)	406.78	395.63	122.04	14.07	81.20	43.35
Number of Equity Share outstanding as on the End of Year/Period (c)	62,50,000	12,50,000	12,50,000	2,50,000	2,50,000	2,50,000
Weighted average no of Equity shares at the time of end of the year (D)	62,50,000	62,50,000	62,50,000	62,50,000	62,50,000	62,50,000
Current Assets (E)	4,326.78	4,606.54	2,564.87	1,743.60	1,354.24	659.79
Current Liabilities (F)	3,711.39	4,294.26	2,769.66	1,907.04	1,447.83	791.74
Face Value per Share	10.00	10.00	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/C) (Before Issue of Bonus Share)	6.51	31.65	9.76	5.63	32.48	17.34
Restated Basic and Diluted Earning Per Share (Rs.) (B/D) (After Bonus Share)	6.51	6.33	1.95	0.23	1.30	0.69
Return on Net worth (%) (B/A)	37.10%	57.37%	41.51%	8.18%	50.92%	55.40%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Before Issue of Bonus Shares)	17.54	55.17	23.52	68.78	63.78	31.30
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (After Issue of Bonus Share)	17.54	11.03	4.70	2.75	2.55	1.25
Current Ratio (E/F)	1.17	1.07	0.93	0.91	0.94	0.83

Note:

1) The ratios have been computed as below:

- Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
 - Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
 - Return on net worth (%) - : Net profit after tax (as restated) / Net worth at the end of the period or year
 - Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
 - Net assets value per share (effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The Company has allotted 248000 equity share at 75 each (including of Preimum of Rs 65 each) on January, 2018.
- 5) The figures disclosed above are based on the standalone restated summary statements of the Group.
- 6) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF RELATED PARTY TRANSACTION

(Amount in Lakhs Rs. Except Per Share Data)

Names of the related parties with whom transaction were carried out during the years and description of relationship:

- | | | |
|----|-------------------------------|---------------------------------|
| 1) | Relatives of KMP or Directors | Nitasha Padole |
| 2) | Key management Personnel | Milind Padole
Manohar Padole |
| 3) | Directors | Milind Padole |

1. Transaction with Related parties

(Amt. in Lakhs Rs.)

Name of the Party	Nature of Transaction	Period/ Year ended					
		31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Nitasha Padole	Marketing Commission	-	-	-	-	-	4.00
Milind Padole	Director Remuneration	24.00	30.00	30.00	15.00	15.00	12.00
Manohar Padole	Director Remuneration	15.00	30.00	30.00	15.00	15.00	12.00
Milind Padole	Rent	1.89	8.00	7.96	7.92	7.54	5.66

(Amt. in Lakhs Rs.)

2. Outstanding Balance of Related Party

Sr. No	Name of the Party	Period/ Year ended					
		31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
1	Milind Padole	58.08	71.87	-	3.91	3.72	4.81
2	Manohar Padole	22.25	30.54	17.43	22.43	28.35	10.41

Note:- The Above related Parties has been identified by the mangement and relied upon by the Auditor.

STATEMENT OF CAPITALISATION

(Amount in Lakhs Rs.)

Particulars	Pre Issue 31-12-2017	Post Issue
Debt		
Short Term Debt	354.93	[•]
Long Term Debt	663.07	[•]
Total Debt	1,018.00	[•]
Shareholders' Fund (Equity)		
Share Capital (Refer Note 4)	649.80	[•]
Reserves & Surplus (Refer Note 4)	632.60	[•]
Less: Miscellaneous Expenses not w/off	-	
Total Shareholders' Fund (Equity)	1,282.40	[•]
Long Term Debt/Equity	0.52	[•]
Total Debt/Equity	0.79	[•]

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.

2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities

3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/12/2017.

4. The Company has allotted 248000 equity share at 75 each (including of Preimum of Rs 65 each) on January, 2018.

STATEMENT OF TAX SHELTER

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
A Profit before taxes as restated	591.91	653.54	247.12	26.73	121.85	63.35
B Tax Rate Applicable %	27.55	33.06	33.06	30.90	32.45	30.90
C Tax Impact (A*B)	163.09	216.08	81.70	8.26	39.54	19.57
D Adjustments:						
Permanent Differences						
Preliminary Expenses Related to increase in Authorized share Capital	6.66	-	2.01	-	-	-
Donation	-	1.00	0.15	-	0.25	0.41
Amounts disallowable under Section 43B	-	127.21	53.18	-	-	-
Amounts disallowable under Section 37	-	3.19	-	0.99	0.73	-
Amounts disallowable under Section 36	-	1.92	6.59	14.26	2.82	5.00
Total Permanent Differences	6.66	133.32	61.93	15.25	3.80	5.40
E Timing Difference						
Difference between tax depreciation and book depreciation	36.94	27.83	14.52	13.88	(0.89)	(1.28)
Expenses Disallowed Under Section 43 B	-	-	-	-	-	-
Gratuity Expenses Disallowed under Section 40A(7)	12.16	19.36	11.24	7.57	4.58	5.13
Amount Disallowed u/s 43 B in preceding Previous Year, Now Allowed as per Section 43B	-	(53.18)	-	-	-	-
Total Timing Differences	49.10	(5.99)	25.76	21.45	3.69	3.85
Brought Forward Losses	-	-	-	-	-	-
F Net Adjustment (F) = (D+E)	55.76	127.33	87.68	36.70	7.49	9.25
G Tax Expenses/ (Saving) thereon (F*B)	15.36	42.10	28.99	11.34	2.43	2.86
H Tax Liability, After Considering the effect of Adjustment (C +G)	178.45	258.18	110.70	19.60	41.97	22.43
MAT Credit Utilized	-	-	-	-	-	-
H Tax Liability, After Considering the effect of MAT Credit	178.45	258.18	110.70	19.60	41.97	22.43
I Book Profit as per MAT *	591.91	653.54	247.12	26.73	121.85	63.35
J MAT Rate	20.39	20.39	20.39	19.06	20.01	19.06
K Tax liability as per MAT (I*J)	120.68	133.25	50.38	5.09	24.38	12.07
L Current Tax being Higher of H or K	178.45	258.18	110.70	19.60	41.97	22.43
M Interest U/s 234A, B and C of Income Tax Act	7.30	39.81	41.22	-	-	-
N Total Tax expenses (L+M+N)	185.75	297.99	151.92	19.60	41.97	22.43
O Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company	Normal	Normal	Normal	Normal	Normal	Normal

* MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act,1961

Notes:

1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns/Provisional computation of total income of respective years as stated above.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES

(Amount in Lakhs Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Contingent liabilities in respect of:						
Claims against the company not acknowledged as debts	-	-	-	-	-	-
Guarantees given on Behalf of the Company	121.47	213.60	-	-	-	-
Guarantees given on Behalf of the Subsidiary Company	-	-	-	-	-	-
Other moneys for which the company is contingently liable	-	-	-	-	-	-
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2012-13	4.97	4.97	4.97	4.97	4.97	4.97
TDS Defaults Earlier years	3.51	3.51	3.51	3.51	3.51	3.51
TDS Defaults FY 2014-15	0.06	0.06	0.06	0.06	-	-
TDS Defaults FY 2015-16	0.74	0.74	0.74	-	-	-
TDS Defaults FY 2016-17	2.91	2.91	-	-	-	-
TDS Defaults FY 2017-18	0.58	-	-	-	-	-
Commitments (to the extent not provided for)	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provide	-	-	-	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-	-	-	-
Other commitments	-	-	-	-	-	-
Total	134.24	225.79	9.28	8.54	8.48	8.48

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

INDEPENDENT AUDITOR'S REPORT

To,
The Board of Directors
AFFORDABLE ROBOTIC & AUTOMATION LIMITED
(Formerly known as Affordable Robotic & Automation Private Limited)
VILLAGE WADKI, GAT NO.1209,
TALUKA HAVELI, DIST. PUNE
PUNE – 412308, MAHARAHSTRA - INDIA

Dear Sir,

1. Report on Restated Financial Statements

We have examined the Restated Consolidated Financial Statements of **M/s Affordable Robotic & Automation Limited** (hereinafter referred as “the Company”), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- i) Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the “Act”) and
 - ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the Regulation”) (“SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto;
 - iii) The terms of reference to our engagements with the Company requesting us to examine Consolidated financial statements referred to above and proposed to be included in the Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on BSE SME (“IPO” or “SME IPO”);
 - iv) The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India (“ICAI”); and
 - v) In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, M/s Vijay Moondra & Co, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the “Peer Review Board” of the ICAI.
- 2.** The Restated Summary Statements and Financial information of the Company have been extracted and prepared by the management from the Audited Financial Statements of the Company for the financial year ended March 31, 2017 and for the period ended December 31, 2017 and which have been approved by the Board of Directors.
- 3.** Consolidated Financial Statements for the financial year ended on March 31, 2017 and for the period ended on December 31, 2017 has been audited by M/s M R Gupta & Co, Chartered Accountant, and 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.
- 4.** We did not audit the financial statements of the Joint Venture Company M/s ARAPL Intelligent Equipment Shanghai Co. Ltd for the period/year ended on December 31, 2017, and March 31, 2017. The certified financials of the above joint venture Company have been furnished to us by management and on which we have relied, and our opinion, in so far as it relates to the amounts included in the financial statements of the joint venture Company, is solely based on the financial submitted by

management . Therefore Audited Consolidated financials have been restated to the extent of material adjustment made in restated standalone financials only.

5. We have also carried out re-audit of the financial statements for the year ended on March 31, 2017 and for the period ended on December 31, 2017, as required by SEBI regulations.

6. Financial Information as per Audited Financial Statements:

1. We have examined:
 - a) The attached Restated Consolidated Statement of Assets and Liabilities of the company, as at December 31, 2017, March 31, 2017 (Annexure I);
 - b) The attached Restated Consolidated Statement of Profits and Losses of the Company period ended December 31, 2017, and for the financial Years ended on March 31, 2017. (Annexure II);
 - c) The attached Restated Consolidated Statement of Cash Flows of the Company for the period ended December 31, 2017 and for the financial Years ended on March 31, 2017 (Annexure III);
 - d) The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure IV);

(Collectively hereinafter referred as “**Restated Consolidated Financial Statements**” or “**Restated Summary Statements**”)

2. In accordance with the requirements of Act, ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:
 - (i) The “**Restated Consolidated Statement of Assets and Liabilities**” as set out in **Annexure I** to this report, of the Company as at December 31, 2017 and March 31, 2017 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - (ii) The “**Restated Consolidated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the Period ended December 31, 2017 and for the financial Years ended on March 31, 2017 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - (iii) The “**Restated Consolidated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the Period ended December 31, 2017 and for the financial Years ended on March 31, 2017 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditor of

the Company for the years ended on March 31, 2017 and for the period ended on December 31, 2017 we are of the opinion that “**Restated Consolidated Financial Statements**” or “**Restated Summary Statements**” have been made after incorporating:

- a) Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- b) There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
- c) Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- d) Adjustments in Financial Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Consolidated financial statements.
- e) There was no change in accounting policies, which needs to be adjusted in the “Restated Financial Statements” except mentioned in clause d) above.
- f) There are no revaluation reserves, which need to be disclosed separately in the “**Restated Financial Statements**”.
- g) The Company has not paid any dividend on its equity shares till March 31, 2017/December 31, 2017.

7. Other Financial Information:

1. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the Years ended on March 31, 2017 and for the period ended December 31, 2017.

Restated Consolidated Statement of Share Capital, Reserves And Surplus	Annexure-A
Restated Consolidated Statement of Long Term And Short Term Borrowings, Statement of principle Term of secured loan And Assets Charged As Security And Statement of Term & Condition of Unsecured loans	Annexure-B, B(A) and B(B)
Restated Consolidated Statement of other non-current Liabilities	Annexure-C
Restated Consolidated Statement of deferred tax (Assets)/ Liabilities	Annexure-D
Restated Consolidated Statement of Long Term Provisions	Annexure-E
Restated Consolidated Statement of Trade Payables	Annexure-F
Restated Consolidated Statement of Other Current Liabilities And Short Term Provisions	Annexure-G
Restated Consolidated Statement of Fixed Assets	Annexure-H
Restated Consolidated Statement of Long-Term Loans And Advances	Annexure-I
Restated Consolidated Statement of Inventories	Annexure-J
Restated Consolidated Statement of Trade Receivables	Annexure-K
Restated Consolidated Statement of Cash Equivalents	Annexure-L
Restated Consolidated Statement of Short-Term Loans And Advances	Annexure-M
Restated Consolidated Statement of Other Current Assets	Annexure-N
Restated Consolidated Statement of Turnover	Annexure-O
Restated Consolidated Statement of Other Income	Annexure-P
Restated Consolidated Statement of Material Consumed	Annexure-Q
Restated Consolidated Statement of employment benefits Expenses	Annexure-R
Restated Consolidated Statement of Finance Cost	Annexure-S

Restated Consolidated Statement of Depreciation & Amortization	Annexure-T
Restated Consolidated Statement of Other Expenses	Annexure-U
Restated Consolidated Statement of mandatory Accounting Ratios	Annexure-V
Restated Consolidated Statement of Related Party Transaction	Annexure-W
Restated Consolidated Statement of Capitalization	Annexure-X
Restated Consolidated Statement of Contingent Liabilities	Annexure-Y

2. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
3. We have carried out Re-audit of the financial statements for the Year ended on March 31, 2017 and for the period ended December 31, 2017 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or for any period subsequent to December 31, 2017. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to December 31, 2017.
4. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
5. In our opinion, the above financial information contained in Annexure I to III and Annexure A to AB of this report read along with the Restated statement of Significant Accounting Policies and Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (“ICAI”) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with the Company. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
6. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
7. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

8. Auditor’s Responsibility

Our responsibility is to express an opinion on these restated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

9. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

- a) In the case of Restated Consolidated Statement of Assets and Liabilities of the Company as at March 31, 2017 and for the period ended on December 31, 2017;
- b) In the case of the Restated Consolidated Statement of Profit and Loss, of the profit/ (Loss) of the Company for the Years/Period ended on that date; and
- c) In the case of the Restated Consolidated Cash Flow Statement, of the cash flows of the Company for the Years/Period ended on that date.

10. Emphasis of Matter

Without qualifying our report, we draw attention to the following matters in the Notes to the Restated financial statements:

Note 9 to the restated consolidated financial statements which describes outstanding statutory dues on account of Direct Tax and indirect tax. Since the Statutory Returns under various laws are pending for filing, interest liability on such Net Outstanding Statutory dues could not be ascertained, accordingly we could not comment on the possible impact, if any, on Statement of Profit and Loss for the respective Year/period ended.

For Vijay Moondra & Co
Chartered Accountants
FRN : -112308W

(CA Vinit Moondra)
M. No. 119398
Date: 22nd March 2018
Place: Ahmedabad

ANNEXURE-IV

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS

A. BACKGROUND

The Company was incorporated as “Affordable Robotic & Automation Private Limited” at Pune, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 12, 2010 bearing Corporate Identification Number U29299PN2010PTC135298 issued by Registrar of Companies, Pune, Maharashtra. Subsequently, the Company was converted into a Public Limited Company pursuant to a Shareholders resolution passed at the Extraordinary General Meeting of the Company held on January 24, 2018 and the name of the Company was changed to “Affordable Robotic & Automation Limited” pursuant to issuance of fresh Certificate of Incorporation consequent upon conversion of Company from Private to Public Limited dated February 2, 2018 issued by the Registrar of Companies, Pune, Maharashtra.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- A) The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as on December 31, 2017, and for the year ended March 31, 2017 and the Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statements of Cash Flows for the period ended on December 31, 2017 and for the year ended on March 31, 2017 and the annexure thereto (collectively, the “**Restated Financial Statements**” or “**Restated Summary Statements**”) have been extracted by the management from the Audited Consolidated Financial Statements of the Company for the period ended December 31, 2017 and for the year ended March 31, 2017.

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, 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).

B) Basis for preparation of financial statements

- The financial statements of the Joint venture in china is prepared based on the proportionate method of Consolidation as suggested in Accounting Standard 27 “Financial reporting of Interest in Joint Ventures”. Consolidation are drawn up to the same balance sheet date as that of the Company, i.e. March 31, 2017 and on the basis of the management's representation and certification
- The financial statements of the Group have been consolidated on a line by line basis by adding together the propionate book values of line items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Accounting Standard 27.
- The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible unless otherwise stated, are made in the Consolidated Financial Statements and are presented in the same manner as the Company's standalone financial statements.
- The Joint Ventures considered in the consolidated financial statements:

Name of the Entity	Country of Incorporation	Proportion of effective ownership interest	
		31 st Dec 2017	31 st March 2017
ARAPL Intelligent Equipment Shanghai Co. Ltd	Peoples' Republic of China	80%	80%

3. FIXED ASSETS

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

4. DEPRECIATION

Depreciation on fixed assets of the Company is provided on the basis of W.D.V. method for the specified life of the asset and in the manner specified in schedule II to the Companies Act, 2013 from applicable date.

5. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. IMPAIRMENT OF ASSETS

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's (including goodwill) recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

7. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

8. INVENTORIES

The inventories are valued by the management at cost or market price whichever is lower and on the basis of physical verification of stock at the end of the year.

9. REVENUE RECOGNITION

- i) Revenue from sale of goods is recognized on the transfer of title in the goods which generally coincides with dispatch and is stated net of discounts and sales tax.
- ii) Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition".

10. EMPLOYEE BENEFITS

Defined-contribution plans:

- (i) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is being made.
- (ii) Employee gratuity fund scheme is the Defined Benefit Plan. Provision for gratuity has been made in the restated accounts based on actuarial Valuation. Gratuity is paid at the time of retirement of employees.
- (iii) Short Term Employee Benefits like leave benefit, if any, are paid along with salary and wages on a month to month basis.

11. SEGMENT ACCOUNTING

(i) Business Segment

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business comprises of Turnkey Automation Solution provider for all kind of Industrial Automation needs such as Line Automation, Assembly Line, Conveyor, Robotic Inspection Stations, etc and accordingly there is only one reportable segment as envisaged in Accounting Standard 17 'Segment Reporting'.

(ii) Geographical Segment

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

12. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

13. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or

b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

14. EARNINGS PER SHARE:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

15. CASH FLOW:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARSS COVERED IN THE RESTATED FINANCIALS

There is no change in significant accounting policies except accounting of Gratuity which was previously done on cash basis, has now been accounted based on mercantile system as certified by Independent Actuary.

D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

3. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under-:

Gratuity	(Amount in Rs. Lakhs)	
Particulars	31-12-17	2016-17
1.The amounts recognized in the Balance Sheet are as follows:		
Present value of unfunded obligations	64.09	51.92
Recognized		
Net Liability	64.09	51.92
2.The amounts recognized in the Profit & Loss A/c are as follows:		
Current Service Cost	18.89	18.22
Interest on Defined Benefit Obligation	2.88	2.41
Net Actuarial Losses / (Gains) Recognized in Year	(9.61)	(1.26)
Past Service Cost	-	-
Total, Included in "Salaries, Allowances & Welfare"	12.16	19.36
3.Changes in the present value of defined benefit obligation:		

Defined benefit obligation as at the beginning of the year/period	51.92	32.56
Service cost	18.89	18.22
Interest cost	2.88	2.41
Actuarial Losses/(Gains)	-	-
Past Service Cost	(9.61)	(1.26)
Defined benefit obligation as at the end of the year/period	64.09	51.92
Benefit Description		
Benefit type:	Gratuity Valuation as per Act	
Retirement Age:	60 years	60 years
Vesting Period:	5 years	5 years
The principal actuarial assumptions for the above are:		
Future Salary Rise:	7.00%P.A	7.00%P.A
Discount rate per annum:	7.40%P.A	7.40%P.A
Attrition Rate:	5.00%P.A	5.00%P.A
Mortality Rate:	IALM 2006-08 Ultimate	

4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective year/period except as mentioned in Annexure -Y

5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – W of the enclosed financial statements.

6. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year/period is reported in Annexure D of the enclosed financial statements.

7. Earnings Per Share (AS 20):

Earnings per Share have been based on AS 20 and such details are given in Annexure –V of the enclosed financial statements.

8. MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01st April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (losses) of the Company is as under.

Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & losses of the company.

1. Statement of Profit and Loss after Tax

Table -1

(Amount in Lakhs Rs.)

Particulars	31-12-2017	2016-17
Net Profit After Tax as per audited accounts but before adjustments for restated accounts:	395.96	391.96
(Short)/Excess Provision of Gratuity Expense	(12.16)	(19.36)
(Short)/Excess Provision of Income Tax	7.95	(32.89)
Short/(Excess) Provision for Deferred Tax Assets	(10.79)	31.29
Preliminary Expenses Written off Fully in the First Year As per AS 26. Differential Amount now transferred to Profit and Loss Account	(6.66)	-
Wrong Amortization of Preliminary Expenses	2.02	0.69
Net Adjustment in Profit and Loss Account	(19.63)	(20.27)
Net Profit After Tax as per Restated Accounts:	376.32	371.69

a) **Adjustment on account of provision for Gratuity and Compensated Absences:**

The Company did not provide gratuity based on the requirement of AS -15 (Revised), therefore during the restatement, provision for gratuity have been done as per the actuarial valuation and accordingly short provisions in respective year were adjusted to comply with the requirement of AS-15 (Revised).

b) **Adjustment on account of Provision of Deferred Tax Assets:**

Due to Provision for Gratuity (Employee benefits) and disallowances under section 43b of Income tax Act, during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year/period ended at the rate of normal Tax rate applicable at the end of relevant year/period. Due to same short/(excess) deferred tax assets has been recognized in the financial statement of the respective year.

c) **Provision of Income Tax (Current/Prior Period):**

During the period of Restatement, Income tax liability was recalculated as per the prevailing tax rates, accordingly the revised income tax provision has been charged to the Statement of Profit and Loss account along with interest on delay payment of direct tax. Short/(Excess) provision has adjusted in respective year/period. For More Details refer Annexure AA enclosed with the Financial Statement.

d) **Adjustment on account of wrong accounting treatment of Preliminary expenditure not written off:**

Further During the FY 2017-18, Company has incurred Rs. 6.66 lakhs which has now been rectified and written off in statement of Profit and Loss Account. During the Restatement Company has reversed the effect of all the amortization of expenses which has been made in Audited Accounts.

9. Outstanding Statutory Dues on account of Direct and Indirect Tax:

As on 31st December 2017, according to restated financial statements the following are outstanding undisputed statutory dues -:

- A) **Income Tax** - :Rs. 540.16 Lakhs Outstanding Income tax mainly on account on non-filing/non-payment of Income Tax Return of FY 2015-16 and FY 2016-17 and due to non-payment of due advance tax installment for the FY 2017-18. During the Restatement company has accounted interest liability on such outstanding dues.
- B) **Statutory Payables** -: Rs. 430.91 Lakhs is outstanding as on 31st December 2017 on account of following statutory dues. Statutory Returns under the respective laws are pending and accordingly interest liability on Net liability could not be ascertained and accordingly not considered during restatement of financial statements.

Particulars	Amount in Lakhs Rs.
PF Payable	9.39
Prof Tax Payable	4.67
ESI Payable A/c	4.30
TDS /TCS Payable	27.15
Service tax payable	114.31
GST Payable	155.84
2% Vat TDS on Works Contract	0.62
Excise Duty	114.63
Total	430.91

10. Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

11. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

12. Amounts in the financial statements

Amounts in the financial statements are reported in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

13. Auditors Qualifications –

Details of Auditors qualifications and their impact on restated financial statement is given below.

- a) Qualification which required adjustment in restated financial statements - None
- b) Qualification which does not require adjustment in restated financial statements – None

For Vijay Moondra & Co

Chartered Accountants

FRN : -112308W

(CA Vinit Moondra)

M. No. 119398)

Date: 22nd March 2018

Place: Ahmedabad

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

RESTATED CONSOLIDATED BALANCE SHEET

(Amount in Lakhs Rs.)

PARTICULARS	As at the Period /Year ended	
	31-12-2017	31-03-2017
A) EQUITY AND LIABILITIES		
1. Shareholders' Funds		
(a) Share Capital	625.00	125.00
(b) Reserves & Surplus	416.82	540.68
	1,041.82	665.68
2. Non Current Liabilities		
(a) Long Term Borrowings	626.51	283.69
(b) Deferred Tax Liabilities (Net)	-	-
(c) Other Long Term Liabilities	57.61	72.40
(d) Long Term Provisions	62.91	50.97
	747.03	407.07
3. Current Liabilities		
(a) Short Term Borrowings	392.66	613.69
(b) Trade Payables	1,742.63	2,054.36
(c) Other Current Liabilities	949.39	1,261.52
(d) Short Term Provisions	760.39	496.32
	3,845.07	4,425.90
Total	5,633.91	5,498.64
B) ASSETS		
1. Non Current Assets		
(a) Fixed Assets		
i) Tangible Assets		
(i) Gross Block	1,421.08	904.28
(ii) Depreciation	416.63	293.56
(iii) Net Block	1,004.44	610.72
ii) Intangible Assets	6.01	8.71
iii) Capital Work in Progress	11.52	-
	1,021.97	619.43
(b) Deferred Tax Assets (Net)	78.08	77.45
(c) Long Term Loans and Advances	67.25	73.08
	145.32	150.53
2. Current Assets		
(a) Inventories	2,638.98	2,650.72
(b) Trade Receivables	1,259.05	1,628.20
(c) Cash and Cash equivalents	147.67	181.41
(d) Short-Term Loans and Advances	417.29	256.80
(e) Other Current Assets	3.64	11.56
	4,466.61	4,728.69
Total	5,633.91	5,498.64

For Vijay Moondra & Co

Chartered Accountants

FRN :- 112308W

For and on Behalf of Directors

(CA Vinit Moondra)

M. No. 119398

Date: 22nd March, 2018

Place: Ahmedabad

Director

Director

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in Lakhs Rs.)

PARTICULARS	For the Period/Year ended	
	31-12-2017	31-03-2017
1 Revenue From Operation (Gross)	5,594.79	4,920.05
Less: Excise Duty, indirect tax	923.98	777.17
Revenue From Operation (Net)	4,670.81	4,142.88
2 Other Income	3.75	12.89
Total Revenue (1+2)	4,674.56	4,155.77
3 Expenditure		
(a) Cost of Material Consumed	2,688.85	2,085.45
(b) Employee Benefit Expenses	701.11	687.16
(c) Finance Cost	87.20	119.92
(d) Depreciation and Amortisation Expenses	123.07	103.27
(e) Other Expenses	512.89	529.56
Total Expenditure 3(a) to 3(e)	4,113.12	3,525.35
5 Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)	561.44	630.41
6 Exceptional item (Prior Period Items)	-	-
Profit/(Loss) Before Tax (5-6)	561.44	630.41
8 Tax Expense:		
(a) Tax Expense for Current Year	185.74	298.81
(b) Short/(Excess) Provision of Earlier Year	-	-
(c) Deferred Tax	(0.63)	(40.08)
Net Current Tax Expenses (a+b+c)	185.12	258.72
9 Profit/(Loss) for the Year (7-8)	376.32	371.69

For Vijay Moondra & Co
Chartered Accountants
FRN : - 112308W

For and on Behalf of Directors

(CA Vinit Moondra)
M. No. 119398
Date: 22nd March, 2018
Place: Ahmedabad

Director

Director

AFFORDABLE ROBOTIC AND AUTOMATION LTD.

RESTATED CONSOLIDATED CASH FLOW STATEMENT

(Amount in Lakhs Rs.)

PARTICULARS	For the Period/Year Ended	
	31-12-2017	31-03-2017
A) Cash Flow From Operating Activities :		
Net Profit before tax	561.44	630.41
Adjustment for :		
Depreciation	123.07	103.27
Interest Paid	87.20	119.92
Interest Income	(3.73)	(4.14)
Operating profit before working capital changes	767.98	849.46
Changes in Working Capital		
(Increase)/Decrease in Inventories	11.73	(2,408.72)
(Increase)/Decrease in Trade Receivables	369.15	299.95
(Increase)/Decrease in Short Term Loans & Advances	(160.48)	(176.55)
(Increase)/Decrease in Other Current Assets	7.92	(11.56)
Increase/(Decrease) in Trade Payables	(311.73)	1,245.06
Increase/(Decrease) in Other Current Liabilities	(312.13)	500.53
Increase/(Decrease) in Short Term Provisions	68.81	(443.23)
Increase/(Decrease) in Long Term Provisions	(2.85)	91.41
Cash generated from operations	438.39	(53.64)
Less:- Income Taxes paid	(5.68)	(16.54)
Net cash flow from operating activities	432.71	(70.18)
B) Cash Flow From Investing Activities :		
Purchase of Fixed Assets	(514.10)	(162.33)
Sale of Fixed Assets	3.50	-
Increase/(Decrease) in Long Term Loans and Advances	5.83	4.29
Interest Income	3.73	4.14
Net cash flow from investing activities	(501.04)	(153.90)
C) Cash Flow From Financing Activities :		
Proceeds from Issue of Share Capital	-	-
Increase/(Decrease) in Short Term Borrowings	(221.03)	71.61
Increase/(Decrease) in Long Term Borrowings	342.82	139.34
Interest Paid	(87.20)	(119.92)
Net cash flow from financing activities	34.59	91.02
Net Increase/(Decrease) In Cash & Cash Equivalents	(A+B+C)	(33.74)
Cash equivalents at the beginning of the year	181.41	314.46
Cash equivalents at the end of the year	147.67	181.41

Notes :-

	31-12-2017	31-03-2017
1. Component of Cash and Cash equivalents		
Cash on hand	26.26	29.65
Balance With banks	11.14	29.98
Other Bank Balance	110.27	121.79
	147.67	181.41
2. Cash flows are reported using the indirect method,whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.		

For Vijay Moondra & Co

Chartered Accountants

FRN : - 112308W

For and on Behalf of Directors

(CA Vinit Moondra)

M. No. 119398

Date: 22nd March, 2018

Place:Ahmedabad

Director

Director

RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Amount in Lakhs Rs., except share data)

Particulars	31-12-2017	31-03-2017
Share Capital		
Authorised Share Capital		
A) Equity shares of Rs.10 each	90,00,000	20,00,000
Equity Share Capital	900.00	200.00
B) 8% Preference shares of Rs.10/- each	10,00,000	10,00,000
Preference share Capital	100.00	100.00
Total Authorized Share Capital (A+B)	1,000.00	300.00
Issued, Subscribed and Paid up Share Capital		
Equity Shares of Rs. 10 each fully paid up	62,50,000.00	12,50,000.00
Share Capital (in Rs.)	625.00	125.00
Total	625.00	125.00
Reserves and Surplus		
Surplus in Profit and Loss account		
Opening Balance	540.66	168.99
Add: Restated Profit/ (Loss) for the year	376.32	371.69
Less: Rate Difference	0.16	
Less: Short Depreciation charges		
Less: Issue of Bonus Shares	500.00	
Closing Balance	416.82	540.68
Total	416.82	540.68

1. Terms/rights attached to equity shares:

- i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share
- ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. Company does not have any Revaluation Reserve.

4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

5. The reconciliation of the number of shares outstanding as at: -

Particulars	31-12-2017	31-03-2017
Number of shares at the beginning	12,50,000	12,50,000
Add: Bonus Shares Issued During the year	50,00,000	-
Number of shares at the end	62,50,000	12,50,000

6. The detail of shareholders holding more than 5% of Shares: -

Name of Shareholders	31-12-2017	31-03-2017
Milind Padole	31,25,000.00	6,25,000.00
Manohar Padole	31,25,000.00	6,25,000.00

RESTATED CONSOLIDATED STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(Amount in Lakhs Rs.)

As on

Particulars	31-12-2017	31-03-2017
(Secured)		
(a) Term loans		
From Bank & Financial Institutions	562.05	176.47
From Others	-	9.55
Less:- Current Maturities of Long Term Debt	15.88	25.43
Sub-total (a)	546.17	160.59
(Unsecured)		
(b) Term loans		
From Bank & Financial Institutions	-	-
From Others	0.00	20.68
Sub-total (b)	0.00	20.68
(c) Loans and advances from related parties & shareholders		
(Unsecured)		
From Directors	80.33	102.42
Sub-total (c)	80.33	102.42
Total (a+b+c)	626.51	283.69

Short Term Borrowings

Secured**Loan Repayable on Demand**

From Banks	392.66	613.69
From Other Parties	-	-
Sub total (a)	392.66	613.69

UnSecured

Loan from Others

	-	-
Sub Total (b)	-	-
Total (a+b)	392.66	613.69

Note :

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
4. The terms and conditions and other information in respect of Secured Loans as on 31.03.2017 and 31.12.2017 are given in Annexure -B (A)
5. The terms and conditions and other information in respect of Unsecured Loans as on 31.03.2017 and 31.12.2017 are given in Annexure - B (B)

RESTATED CONSOLIDATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose	Sanctioned Amount (Rs in Lakhs)	Rate of interest	Securities offered	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books) (Amount in Rs. Lakhs)	
							31-12-2017	31-03-2017
Karnataka Bank - A/c 28401	Machinery Purchase Loan	100.00	12.90%	Hyp. Of Machinery Purchased from Bank Finance	84 EMI of Rs. 1.28 Lakhs Started from March 2015 to February 2022.	-	64.88	77.32
Karnataka Bank - A/c 26501	Machinery Purchase Loan	12.00	10.10%	Hyp. Of Machinery Purchased from Bank Finance	84 EMI of Rs. 0.20 Lakhs Started from Sept. 2016 to August 2023.	-	10.18	11.38
Karnataka Bank - Working Capital Demand Loan	Long Term Working Capital Demand Loan	500.00	12.00	1. Prime Security - Hyp of Stock and Book debts upto 120 days 2.) Collateral - Refere Note 1	34 EMI of Rs. 17.42 Lakhs Started from Oct 2017 to July 2020	-	474.95	73.49
HDFC Bank	Vehicle Loan	10.00	9.85%	Hyp. Of Vehicle Purchased from Bank Finance	60 EMI of Rs. 0.22 Lakhs Started from April 2016 to March 2021.	-	7.06	8.37
Kotak Mahindra Prime Ltd.	Vehicle Loan	7.00	10.00%	Hyp. Of Vehicle Purchased from Bank Finance	60 EMI of Rs. 0.15 Lakhs Started from March 2016 to Feb 2021.	-	4.98	5.91
Intec Capital Ltd	Business Loan	21.10	13.50%	Hypo. Of Machinery purchased from finance and cash deposit of Rs. 6.96 Lakhs	60EMI of Rs. 0.49 Lakhs started from March 2014 to Feb -2019	-	-	9.55
Karnataka Bank Ltd.	Cash Credit	500.00	PLR-3.25%, (Subje	Secured Against Stock and E	On Demand	Nil	392.66	613.69
							954.71	799.71

Note 1 - Details of Collateral Securities given is as below

a) Equitable Mortgage by way of deposit of Title deeds of Industrial property of land and building and shed constructed there on at Gat No. 1209 situated at Village Wadki, Tal: Haveli, Dist- Pune

b) Hyp. of Machineries. (prime Security for Term Loan of 100 Lakhs)

c) Flat No C- 302, Krome Citroena Complex, Survey No 16/12, Near Bishop School, Undri Pune, owned by Manohar and Mrs Bhagirathi Padole (Common Collateral for Mortgage Loan given of Rs. 55 Lakhs to Mr Manohar Padole

d) EM of Agricultural Land, Gat No 1217, Village Wadki, Tal: Haveli, Dist- Pune owned by the Company.

e) Personal Guarantee of 1) Manohar P Padole, 2) Bhagirathi M Padole, 3) Milind M Padole, and 4) Shabri R Malvankar

RESTATED CONSOLIDATED STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities
Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

Name of Lender	Purpose	Rate of interest	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books) (Amount in Rs. Lakhs)	
					31-12-2017	31-03-2017
Milind Padole	Business Loan	Nil	On Demand	Nil	58.08	71.87
Manohar Padole	Business Loan	Nil	On Demand	Nil	22.25	30.54
Capital First Ltd	Business Loan	15.50%	Repayable in 36 installment. First 12 Installment of Rs. 1.56 Lakhs, second year Installment of Rs. 0.94 Lakhs, and third year Installment of Rs. 0.62 Lakhs started from Feb 2015 ending on Jan 2018.	Nil	0.61	5.54
Deutsche Bank	Business Loan	12.95%	Repayable in 36 installment. First of Rs. 1.17 Lakhs started from Jan 2015 ending on Dec 2017.	Nil	-	10.03
Magma Fin Corp Ltd	Business Loan	Nil	Repayable in 36 months started from February 2015 to January 2018	Nil	0.57	4.25
Standard Chartered Bank	Business Loan	17.00%	Repayable in 30 installment of Rs. 2.05 Lakhs started from Jan 2015 ending on June 2017.	Nil	-	5.96
NeoGrowth Credit Pvt. Ltd.	Business Loan	12.00%	Repayable in 24 installment in a Year of EMI Rs. 1.20 Lakhs, started from Oct 17 ending on Sept 2018.	Nil	19.50	-
Total					101.02	128.19

RESTATED CONSOLIDATED STATEMENT OF OTHER NON CURRENT LIABILITIES

(Amount in Lakhs Rs.)

Particulars	As on	
	31-12-2017	31-03-2017
Sundry Creditors for Capital Goods	57.61	72.40
Total	57.61	72.40

Note :

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

RESTATED CONSOLIDATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amount in Lakhs Rs.)

Particulars	As at	
	31-12-2017	31-03-2017
Major Components of deferred tax arising on account of timing differences are:		
Timing Difference Due to Depreciation	(92.07)	(55.13)
Deffered Tax Liability(A)	(25.37)	(18.23)
Provision of Gratuity outstanding as on the end of Period	64.09	51.92
Cumulative Balance of Expenses Disallowed under Section 43B	127.21	127.21
Timing Difference Due to Gratuity and Expenses disallowed U/s 43B	191.30	179.13
Deferred Tax Assets (B)	52.71	59.23
Cumulative Balance of Deferred Tax Assets (Net) (A-B)	78.08	77.45

Note: The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, I and III.

RESTATED CONSOLIDATED STATEMENT OF LONG TERM PROVISIONS

(Amount in Lakhs Rs.)

Particulars

As on

31-12-2017

31-03-2017

Provision for Employee Benefits

Gratuity Payable

62.91

50.97

Others

-

-

Total**62.91****50.97**

RESTATED CONSOLIDATED STATEMENT OF TRADE PAYABLES

(Amount in Lakhs Rs.)

Particulars	As on	
	31-12-2017	31-03-2017
Trade Payables		
For Goods & Services		
Micro, Small and Medium Enterprises	-	-
Other than Micro, Small and Medium Enterprises	1,742.63	2,054.36
Total	1,742.63	2,054.36

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.

RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS

(Amount in Lakhs Rs.)

Particulars	As on	
	31-12-2017	31-03-2017
Other Current Liabilities		
Current Maturities of Long Term Debt	36.56	30.52
Statutory Payables	430.91	142.50
Advances Received from Customers	481.92	1,088.50
Total	949.39	1,261.52
Short Term Provisions		
Provision for Employee Benefits		
Administration charges payable	0.49	0.12
Salary Payable	125.88	53.18
Salary Retention	2.76	3.75
Salary Security Deposit	0.73	0.76
Other Recoveries	0.59	-
Provision for Gratuity	1.18	0.95
	131.64	58.75
Other Provisions		
Provision for Expenses	45.56	30.02
Income tax Provisions net of Advance tax and TDS	583.19	407.55
Total	760.39	496.32

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

RESTATED CONSOLIDATED STATEMENT OF FIXED ASSETS

FY 2012-13

(Amount in Lakhs Rs.)

Assets	Gross Block				Depreciation			Net Block	
	Op Bal	Addition during the year	Discarded during the year	Total	Accumulated Depreciation	Depreciation for the year	Total	Balance as on 31-03-2013	Balance as on 31-03-2012
Land	19.11	119.30	-	138.41	-	-	-	138.41	19.11
Plant and Machinery	23.99	9.10	-	33.09	5.80	3.80	9.59	23.50	18.20
Generator	1.45	-	-	1.45	0.38	0.15	0.52	0.93	1.07
Mobile	-	0.05	-	0.05	-	0.01	0.01	0.04	-
Office Equipments	0.23	0.73	-	0.96	0.08	0.16	0.24	0.72	0.16
Furniture and Fixture	0.49	2.38	-	2.87	0.15	0.49	0.64	2.23	0.34
Computer	1.83	5.58	-	7.41	0.94	2.59	3.53	3.89	0.89
Total	47.11	137.14	-	184.25	7.34	7.20	14.54	169.71	39.77
Previous Year	42.61	4.50	-	47.11	3.52	3.82	7.34	39.77	39.09

FY 2013-14

Assets	Gross Block				Depreciation			Net Block	
	Op Bal	Addition during the year	Discarded during the year	Total	Accumulated Depreciation	Depreciation for the year	Total	Balance as on 31-03-2014	Balance as on 31-03-2013
Tangible Fixed Assets									
Land	138.41	-	-	138.41	-	-	-	138.41	138.41
Plant and Machinery	33.09	18.33	-	51.42	9.59	5.82	15.41	36.01	23.50
Generator	1.45	-	-	1.45	0.52	0.13	0.65	0.80	0.93
Mobile	0.05	-	-	0.05	0.01	0.01	0.02	0.04	0.04
Office Equipments	0.96	-	-	0.96	0.24	0.13	0.37	0.59	0.72
Furniture and Fixture	2.87	1.17	-	4.04	0.64	0.61	1.26	2.78	2.23
Computer	7.41	8.18	-	15.59	3.53	4.82	8.35	7.24	3.89
Intangible Assets									
Computer Software	-	4.67	-	4.67	-	1.87	1.87	2.80	-
Payroll Software	-	0.35	-	0.35	-	0.14	0.14	0.21	-
Sub Total	184.25	32.70	-	216.95	14.54	13.53	28.07	188.88	169.71
Previous Year	47.11	137.14	-	184.25	7.34	7.20	14.54	169.71	39.77

FY 2014-15

Assets	Gross Block				Depreciation				Net Block	
	Op Bal 1-04-2014	Addition during the year	Discarded during the year	Total 31-03-2015	Accumulated Depreciation	Charged to Retained Profit	Depreciation for the year	Total	Balance as on 31-03-2015	Balance as on 31-03-2014
Tangible Fixed Assets										
Land	138.41	-	-	138.41	-	-	-	-	138.41	138.41
Plant and Machinery	51.42	2.34	-	53.76	15.41	-	8.26	23.67	30.09	36.01
Generator	1.45	-	-	1.45	0.65	-	0.19	0.84	0.61	0.80
Mobile	0.05	-	-	0.05	0.02	-	0.03	0.05	0.01	0.04
Office Equipments	0.96	1.56	-	2.52	0.37	-	0.70	1.07	1.45	0.59
Furniture and Fixture	4.04	1.42	0.01	5.45	1.26	1.34	2.27	4.87	0.58	2.78
Computer	15.59	9.91	-	25.50	8.35	0.23	11.98	20.56	4.94	7.24
Intangible Assets										
Computer Software	4.67	27.35	-	32.02	1.87	-	19.45	21.32	10.70	2.80
Design Software	-	27.94	-	27.94	-	-	17.65	17.65	10.29	2.80
Payroll Software	0.35	-	-	0.35	0.14	-	0.16	0.30	0.05	0.21
Total	216.95	70.51	0.01	287.45	28.07	1.57	60.68	90.33	197.13	191.68
Previous Year	184.25	32.70	-	216.95	14.54	-	13.53	28.07	188.88	169.71

FY 2015-16

Assets	Gross Block				Depreciation				Net Block	
	Op Bal	Addition during the year	Discarded during the year	Total	Accumulated Depreciation	Dr to Accumulated Profit	Depreciation for the year	Total	Balance as on 31-03-2016	Balance as on 31-03-2015
Tangible Fixed Assets										
Land	138.41	68.56	-	206.97	-	-	-	-	206.97	138.41
Plant and Machinery	53.76	3.20	-	56.97	23.67	-	7.03	30.70	26.27	30.09
Generator	1.45	-	-	1.45	0.84	-	0.14	0.99	0.46	0.61
Mobile	0.05	-	-	0.05	0.05	-	0.01	0.05	0.00	0.01
Office Equipments	2.52	-	-	2.52	1.07	-	0.39	1.46	1.06	1.45
Furniture and Fixture	5.45	10.61	-	16.06	4.87	-	3.04	7.91	8.15	0.58
Computer	25.50	8.88	-	34.38	20.56	-	8.43	28.98	5.40	4.94
Electrical Installations	-	48.40	-	48.40	-	-	12.53	12.53	35.87	-
Factory Building	-	250.19	-	250.19	-	-	23.77	23.77	226.42	-
Overhead Crane(P&M)	-	16.40	-	16.40	-	-	2.97	2.97	13.43	-
Motor Car	-	22.68	-	22.68	-	-	7.08	7.08	15.60	-
CC TV Camera (Office Eqp)	-	1.13	-	1.13	-	-	0.51	0.51	0.62	-
Water Cooler(Office Eqp)	-	0.84	-	0.84	-	-	0.38	0.38	0.46	-
Intangible Assets										
Computer Software	32.02	21.02	-	53.04	21.32	-	20.04	41.35	11.69	10.70
Design Software	27.94	11.30	-	39.24	17.65	-	13.64	31.28	7.95	10.29
Payroll Software	0.35	-	-	0.35	0.30	-	0.03	0.33	0.02	0.05
Total	287.45	463.21	-	750.66	90.33	-	99.97	190.29	560.37	176.09
Previous Year	216.95	70.51	0.01	287.45	28.07	1.57	60.68	90.33	197.13	191.68

FY 2016-17

Assets	Gross Block				Depreciation				Net Block	
	Op Bal	Addition during the year	Discarded during the year	Total	Accumulated Depreciation	Dr to Accumulated Profit	Depreciation for the year	Total	Balance as on 31-03-2017	Balance as on 31-03-2016
Tangible Fixed Assets										
Land	206.97	9.54	-	216.51	-	-	-	-	216.51	206.97
Plant and Machinery	56.97	9.20	-	66.16	30.70	-	7.18	37.88	28.28	26.27
Generator	1.45	8.00	-	9.45	0.99	-	2.02	3.01	6.44	0.46
Mobile	0.05	-	-	0.05	0.05	-	-	0.05	0.00	0.00
Office Equipments	2.52	-	-	2.52	1.46	-	0.21	1.67	0.85	1.06
Furniture and Fixture	16.06	59.23	-	75.29	7.91	-	15.36	23.27	52.02	8.15
Computer	34.38	13.18	-	47.57	28.98	-	11.24	40.23	7.34	5.40
Electrical Installations	48.40	0.86	-	49.26	12.53	-	9.51	22.04	27.22	35.87
Factory Building	250.19	24.00	-	274.18	23.77	-	23.79	47.56	226.63	226.42
Overhead Crane (P&M)	16.40	7.02	-	23.42	2.97	-	3.70	6.67	16.75	13.43
Motor Car	22.68	15.21	-	37.90	7.08	-	9.62	16.71	21.19	15.60
CC TV Camera (Office Equipment)	1.13	-	-	1.13	0.51	-	0.28	0.79	0.34	0.62
Water Collier (Office Equipment)	0.84	-	-	0.84	0.38	-	0.21	0.58	0.25	0.46
Air Conditioner	-	12.54	-	12.54	-	-	5.65	5.65	6.89	-
Intangible Assets										
Computer Software	53.04	3.54	-	56.58	41.35	-	9.47	50.82	5.76	11.69
Payroll Software	39.24	-	-	39.24	31.28	-	5.02	36.30	2.93	38.91
Design Software	0.35	-	-	0.35	0.33	-	0	0.33	0.02	(30.93)
Total	750.66	162.33	-	912.99	190.29	-	103.27	293.56	619.43	560.37
Previous Year	287.45	463.21	-	750.66	90.33	-	99.97	190.29	560.37	197.13

For the Period Ended 31st December 2017

Assets	Gross Block				Depreciation				Net Block	
	Op Bal	Addition during the year	Discarded during the year	Total	Accumulated Depreciation	Dr to Accumulated Profit	Depreciation for the year	Total	Balance as on 31-12-2017	Balance as on 31-03-2017
Tangible Fixed Assets										
Land	216.51	-	-	216.51	-	-	-	-	216.51	216.51
Plant and Machinery	66.16	509.76	-	575.92	37.88	-	73.47	111.35	464.57	28.28
Generator	9.45	-	-	9.45	3.01	-	1.15	4.16	5.29	6.44
Mobile	0.05	0.11	-	0.16	0.05	-	0.01	0.07	0.10	0.00
Office Equipments	2.52	3.33	-	5.85	1.67	-	1.21	2.88	2.97	0.85
Furniture and Fixture	75.29	-	-	75.29	23.27	-	10.05	33.32	41.97	52.02
Computer	47.57	0.73	-	48.29	40.23	-	3.22	43.44	4.85	7.34
Electrical Installations	49.26	-	-	49.26	22.04	-	5.28	27.32	21.93	27.22
Factory Building	274.18	-	-	274.18	47.56	-	16.15	63.70	210.48	226.63
Overhead Crane (P&M)	23.42	-	-	23.42	6.67	-	2.27	8.94	14.47	16.75
Motor Car	37.90	-	-	37.90	16.71	-	4.96	21.67	16.23	21.19
CC TV Camera (Office Equipment)	1.13	0.18	-	1.31	0.79	-	0.18	0.97	0.34	0.34
Water Coller (Office Equipment)	0.84	-	-	0.84	0.58	-	0.09	0.67	0.17	0.25
Air Conditioner	12.54	-	-	12.54	5.65	-	2.33	7.98	4.56	6.89
Intangible Assets										
Computer Software	56.58	-	-	56.58	50.82	-	1.97	52.79	3.79	5.76
Payroll Software	0.35	-	-	0.35	0.33	-	-	0.33	0.02	0.02
Design Software	39.24	-	-	39.24	36.31	-	0.73	37.03	2.20	2.93
Total	912.99	514.10	-	1,427.09	293.56	-	123.07	416.63	1,010.45	619.43
Previous Year	750.66	162.33	-	912.99	190.29	-	103.27	293.56	619.43	560.37
Notes:										
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.										
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.										

RESTATED CONSOLIDATED STATEMENT OF LONG-TERM LOANS AND ADVANCES

(Amount in Lakhs Rs.)

Particulars	As at	
	31-12-2017	31-03-2017
Unsecured, Considered Good unless otherwise stated		
Capital Advance	55.00	55.00
Security Deposit	12.25	18.08
Total	67.25	73.08

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

RESTATED CONSOLIDATED STATEMENT OF INVENTORIES

(Amount in Lakhs Rs.)

Particulars	As at	
	31-12-2017	31-03-2017
Raw Materials	2,638.98	2,650.72
Work In Progress	-	-
Total	2,638.98	2,650.72

Note:- Invenotry has been physically verified by the management of the Company at the end of respective year/period

RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES

(Amount in Lakhs Rs.)

Particulars	As at	
	31-12-2017	31-03-2017
Outstanding for a period exceeding six months (Unsecured and considered Good)		
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-
Others	578.63	174.72
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)		
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-
Others	680.42	1,453.48
Total	1,259.05	1,628.20

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

RESTATED CONSOLIDATED STATEMENT OF CASH & CASH EQUIVALENTS

(Amount in Lakhs Rs.)

Particulars	As at	
	31-12-2017	31-03-2017
Cash and Cash Equivalents:		
Balances with Banks in Current Accounts	11.14	29.98
Cash on Hand	26.26	29.65
<u>Other Bank Balances</u>		
Fixed Deposits (original maturity of 3 to 12 months)	110.27	121.79
Fixed Deposits (original maturity of more than 12 months)		
Total	147.67	181.41

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
restated summary statements of assets and liabilities, profits and losses and cash flows
appearing in Annexures IV, I, II and III.

RESTATED CONSOLIDATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(Amount in Lakhs Rs.)

Particulars	As at	
	31-12-2017	31-03-2017
Unsecured, Considered Good unless otherwise stated		
Advances to Vendors	328.37	104.59
Balance With Revenue Authorities (Indirect Taxes)	19.68	111.57
Loans and Advances to Employees	20.17	11.77
Prepaid Expenses	1.40	0.39
Other Loans and Advances	47.67	28.48
Total	417.29	256.80

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT ASSETS

(Amount in Lakhs Rs.)

Particulars	As at	
	31-12-2017	31-03-2017
Miscellaneous Expenditure (to the extent not written off or adjusted)	3.64	11.56
Total	3.64	11.56

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

RESTATED CONSOLIDATED STATEMENT OF TURNOVER

(Amount in Lakhs Rs.)

Particulars	As on	
	31-12-2017	31-03-2017
<u>Sale of Services</u>		
Labour Charges	43.73	95.42
Sub Total (a)	43.73	95.42
<u>Sales of Products</u>		
Sale of Products	5,551.06	4,824.63
Less: Excise Duty, Indirect Tax	923.98	777.17
Net Sales	4,627.07	4,047.46
Sub Total (b)	4,627.07	4,047.46
Total (a+b)	4,670.81	4,142.88

*As per information provided to us by the Issuer, there is no such item.

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in

RESTATED CONSOLIDATED STATEMENT OF OTHER NON OPERATING INCOME

(Amount in Lakhs Rs.)

As on

Particulars	31-12-2017	31-03-2017
Related and Recurring Income:		
Interest Income	3.73	4.14
Sub Total (a)	3.73	4.14
Related and Non Recurring Income:		
Other Non Operating Income	0.03	8.75
Sub Total (b)	0.03	8.75
Total	3.75	12.89

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

RESTATED CONSOLIDATED COST OF MATERIAL CONSUMED

(Amount in Lakhs Rs.)

As on

Particulars	As on	
	31-12-2017	31-03-2017
Cost of Material Consumed		
Opening Stock of Raw Material	2,650.72	242.00
Add: Purchases of Material	2,677.12	4,494.16
Less: Closing Stock of Raw Material	2,638.98	2,650.72
Sub Total	2,688.85	2,085.45
Total	2,688.85	2,085.45

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

RESTATED CONSOLIDATED STATEMENT OF EMPLOYEE BENEFITS EXPENSE

(Amount in Lakhs Rs.)

Particulars	As on	
	31-12-2017	31-03-2017
Administration Charges (PF)	0.64	0.91
Salary and Wages	667.67	634.70
Bonus	-	-
Provident Fund Contribution	7.64	13.06
Garuity (Trust)	-	3.00
Provision for Gratuity	12.16	19.36
Labour Welfare	8.35	12.79
Workmen Compensation Insurance	1.00	1.43
ESIC Contribution	3.67	1.92
Total	701.11	687.16

RESTATED CONSOLIDATED STATEMENT OF FINANCE COST

(Amount in Lakhs Rs.)

Particulars	As on	
	31-12-2017	31-03-2017
Interest expense	67.21	105.55
Other Borrowing cost	19.99	14.37
Total	87.20	119.92

RESTATED CONSOLIDATED STATEMENT OF DEPRECIATION & AMORTISATION

(Amount in Lakhs Rs.)

As on

Particulars	31-12-2017	31-03-2017
Depreciation	123.07	103.27
Total	123.07	103.27

ANNEXURE - U

RESTATED CONSOLIDATED STATEMENT OF OTHER EXPENSES

(Amount in Lakhs Rs.)

Particulars	As on	
	31-12-2017	31-03-2017
Rent & Maintainance Expenses	18.41	13.74
Outside Labour Charges	41.88	11.84
Electricity Charges	15.47	14.08
Insurance Charges	3.14	16.10
Site Expenses	84.63	86.30
Carriage Outward Expenses	84.57	43.34
Professional Fees and Consultancy Charges	68.92	64.87
Repair & Maintainance - Machinery	2.35	6.11
Payment to Auditors	0.30	0.45
Miscellaneous Expenses	193.21	272.73
Total	512.89	529.56

RESTATED CONSOLIDATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs Rs., except per share data)

Particulars	As on	
	31-12-2017	31-03-2017
Net Worth (A)	1,041.82	665.68
Restated Profit after tax	376.32	371.69
Less: Prior Period Item	-	-
Adjusted Profit after Tax (B)	376.32	371.69
Number of Equity Share outstanding as on the End of Year/Period (c)	62,50,000	12,50,000
Weighted average no of Equity shares at the time of end of the year (D)	62,50,000	62,50,000
Current Assets (E)	4,466.61	4,728.69
Current Liabilities (F)	3,845.07	4,425.90
Face Value per Share	10.00	10.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/C) (Before Issue of Bonus Share)	6.02	29.74
Restated Basic and Diluted Earning Per Share (Rs.) (B/D) (After Bonus Share)	6.02	5.95
Return on Net worth (%) (B/A)	36.12%	55.84%
Net asset value per share (A/C) (Face Value of Rs. 10 Each)	16.67	53.25
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (After Issue of Bonus Share)	16.67	10.65
Current Ratio (E/F)	1.16	1.07

Note:

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) - : Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) Net assets value per share (effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The Company has allotted 248000 equity share at 75 each (including of Preimum of Rs 65 each) on January, 2018.

5) The figures disclosed above are based on the standalone restated summary statements of the Group.

6) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY TRANSACTION

(Amount in Lakhs Rs.)

Names of the related parties with whom transaction were carried out during the years and description of relationship:

- | | | |
|----|-------------------------------|---------------------------------|
| 1) | Relatives of KMP or Directors | Nitasha Padole |
| 2) | Key management Personnel | Milind Padole |
| 3) | Directors | Manohar Padole
Milind Padole |

1. Transaction with Related parties

Name of the Party	Nature of Transaction	For the Period/Year Ended	
		31-12-2017	31-03-2017
Milind Padole	Director Remuneration	24.00	30.00
Manohar Padole	Director Remuneration	15.00	30.00
Milind Padole	Rent	1.89	8.00

2. Outstanding Balance of Related Party

Sr. No	Name of the Party	For the Period/Year Ended	
		31-12-2017	31-03-2017
1	Milind Padole	58.08	71.87
2	Manohar Padole	22.25	30.54

Note:- The Above related Parties has been identified by the mangement and relied upon by the Auditor.

RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION

(Amount in Lakhs Rs.)

Particulars	Pre Issue 31-12-2017	Post Issue
Debt		
Short Term Debt	392.66	[•]
Long Term Debt	663.07	[•]
Total Debt	1,055.73	[•]
Shareholders' Fund (Equity)		
Share Capital (Refer Note 4)	649.80	[•]
Reserves & Surplus (Refer Note 4)	578.02	[•]
Less: Miscellaneous Expenses not w/off	-	
Total Shareholders' Fund (Equity)	1,227.82	[•]
Long Term Debt/Equity	0.54	[•]
Total Debt/Equity	0.86	[•]

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/12/2017.
4. The Company has allotted 248000 equity share at 75 each (including of Preimum of Rs 65 each) on January, 2018.

ANNEXURE - Y

RESTATED CONSOLIDATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES

(Amt. in Lakhs Rs.)

Particulars	As at	
	31-12-2017	31-03-2017
Contingent liabilities in respect of:		
Claims against the company not acknowledged as debts	-	-
Guarantees given on Behalf of the Company	121.47	213.60
Guarantees given on Behalf of the Subsidiary Company	-	-
Other moneys for which the company is contingently liable	-	-
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2012-13	4.97	4.97
TDS Defaults Earlier years	3.51	3.51
TDS Defaults FY 2014-15	0.06	0.06
TDS Defaults FY 2015-16	0.74	0.74
TDS Defaults FY 2016-17	2.91	2.91
TDS Defaults FY 2017-18	0.58	
Commitments (to the extent not provided for)	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments	-	-
Total	134.24	225.79

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Standalone Financial Statements which have been included in this Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Standalone Financial Statements for the years ended March 31, 2017, 2016, 2015, and period ended December 31, 2017 including the related notes and reports, included in this Red Herring Prospectus have been 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 Standalone Financial Statements, as restated have been derived from our audited standalone financial statements for the respective years and period ended December 31, 2017. Accordingly, the degree to which our Restated Standalone 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 23 and 22, respectively, and elsewhere in this Red Herring 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

Our Company was originally incorporated as "Affordable Robotic & Automation Private Limited" at Pune, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated January 12, 2010, bearing Corporate Identification Number U29299PN2010PTC135298 issued by Registrar of Companies, Pune, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to a Shareholders' resolution passed at the Extra-ordinary General Meeting of the Company held on January 24, 2018 and the name of our Company was changed to "Affordable Robotic & Automation Limited" vide a fresh Certificate of Incorporation dated February 2, 2018 issued by the Registrar of Companies, Pune, Maharashtra. The Corporate Identification Number of our Company is U29299PN2010PLC135298.

The business which was started in year 2005 as a proprietorship concern, is in the business of providing turnkey automation solution to automotive, semi-automotive and manufacturing industries. The Company programs and automates the functions of machines used in manufacturing process of automobile industry. The Assembly facility of the Company is situated at Pune, Maharashtra along with the Head office, covering an area of 8,442 sq. meters. The assembly unit is equipped with requisite software, technology, machinery, spares store and other basic amenities for its employees making itself an integrated facility. Our Company is also in the business of assembling and installing automatic multi-level car parking system. This system is preferred by residential complexes, shopping malls and commercial buildings. Our Company has presence in Mumbai and Pune in automated car-parking business. Further, in FY 2017-18, our Company has set-up a new line of business, Secondary Packaging, which is aimed at FMCG industries by way of providing automation service in container packaging of the final packed product.

Our Company is promoted by Mr. Manohar Padole and Mr. Milind Padole. Our individual promoters manage and control the day-to-day affairs of our business operations. Under the leadership of Mr. Milind Padole, our Company has seen remarkable growth in its operational performance. The experience of our promoters and management team is also further reflected in its strong business and financial performance of the Company condition. Our trained and professional experts are *inter alia* involved in (i) engineering & design; (ii) controls & automation; (iii) process study; (iv) robotic application; (v) robotic simulation; (vi) offline programming; (vii) ergonomic study; (viii) layout presentation; (ix) assembly; (x) material handling design; (xi) bulk storage system design; (xii) project management; (xiii) quality and certification; (ix) finance & procurement; (x) HR & administration; (xi) spares & service support; and (xii) training.

Our Company operates on certain core values which are enshrined in the table below. These core values ensures that the Company achieves its end objective without compromising on the quality of the products of the Company.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Shareholders approved and passed resolution on October 04, 2017 to increase the authorised share capital to Rs. 10,00,00,000 consisting of 90,00,000 Equity Shares of Rs. 10 each and 10,00,000 Preference Shares of Rs. 10 each from Rs. 3,00,00,000 consisting of 20,00,000 equity shares of Rs. 10 each and 10,00,000 Preference Shares of Rs. 10 each;
2. The Shareholders approved and passed resolution on January 04, 2018 to reclassify the authorised share capital to Rs. 10,00,00,000 consisting of 1,00,00,000 Equity Shares of Rs. 10 each from Rs. 10,00,00,000 consisting of 90,00,000 Equity Shares of Rs. 10 each and 10,00,000 Preference Shares of Rs. 10 each;
3. The Shareholders approved and passed resolution on February 05, 2018 to increase the authorised share capital to Rs. 12,00,00,000 consisting of 1,20,00,000 Equity Shares of Rs. 10 each from Rs. 10,00,00,000 consisting of 1,00,00,000 equity shares of Rs. 10 each;
4. The Board approved and passed resolution on February 08, 2018 to raise funds by making Initial Public Offering;
5. The shareholders approved and passed resolution on February 09, 2018 to authorize the Board of Directors to raise funds by making Initial Public Offering.

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 23 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Competition from existing and new entrants;
- General economic and business conditions;
- Changes in laws and regulations that apply to the industry in which operate.

OVERVIEW OF REVENUE AND EXPENSES

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations: Our revenue from operations comprises of revenue by way of labour charges from sale of services by way of programming and designing the process to be followed by machines/robots used in automobile manufacturing process. It also includes revenue from construction & sale of multi-level parking.

Other Income: Our other income comprises of non-operating recurring income such as interest on term deposits and non recurring incomes such as written back of sundry balances, foreign exchange gain/loss, interest income on loan & advances made, custom duty draw-back, discount income and misc. income.

Expenses

Our expenses comprise of cost of material consumed, changes in inventories of work-in-progress and finished goods, employee benefit expenses, finance costs, depreciation and amortisation expenses and other expenses.

Cost of material consumed: Cost of material consumed consist of consumption of steel fabrications, metal plates, machined steel components, mechanical, pneumatic, hydraulic parts & accessories, electrical & control material, safety equipment & devices, and robots.

Employee benefit expenses: Our employee benefit expenses include salary and wages, bonus, contribution to provident fund, conservancy charges, professional tax, provision for gratuity, labour welfare expenses, directors' remuneration, workmen compensation insurance expenses and contribution to ESIC.

Finance costs: Our finance costs comprise of interest on term loans and working capital facility taken from banks and financial institutions and interest on unsecured loans taken from related parties. Our finance costs also include bank charges on loan and loan processing fees.

Depreciation and amortisation expenses: Depreciation and amortisation expenses comprise of depreciation on tangible fixed assets and amortisation of intangible assets.

Other expenses: Our Other expenses comprise of such as rent & maintenance expenses, designing charges, outside labour charges, CENVAT reversal, electricity charges, insurance charges, site expenses, carriage outward, professional fees and consultancy charges, machinery repair & maintenance, payment to auditors, carriage inward expenses, business development expenses, LPG gas expenses, loading and unloading charges, factory expenses, accounting charges, crane hire charges, DG Set rent expenses, interest on statutory dues, regulatory fees paid to ROC, conveyance charges, postage & telephone, courier charges, diesel & petrol expenses, donations, office expenses, printing & stationery expenses, travelling expenses, VAT audit fees, legal charges, car rent, business tour expenses, payment of statutory dues, sundry balances written off, penalties on statutory dues, advertisement, sales promotion, discount, commission expenses, free sample expenses etc., among others.

Our Results of Operations

The following table sets forth select financial data from our restated standalone financial statement of profit and loss for the financial years 2017, 2016, 2015 and for the period ended December 31, 2017 the components of which are also expressed as a percentage of total revenue for such periods:

(Rs. in Lakhs)

Particulars	For the period ended December 31st, 2017	For the Year ended March 31,		
		2017	2016	2015
Total Revenue:				
Revenue from operations	4,664.88	4,026.61	4,702.15	2,590.31
As a % of Total Revenue	99.92%	99.68%	99.85%	99.80%
Other income	3.73	12.82	6.98	5.14
As a % of Total Revenue	0.08%	0.32%	0.15%	0.20%

Particulars	For the period ended December 31st, 2017	For the Year ended March 31,		
		2017	2016	2015
Total Revenue	4668.61	4039.43	4709.13	2595.45
Expenses:				
Cost of materials consumed	2,682.71	1,995.36	3,089.00	1,606.61
As a % of Total Revenue	57.46%	49.40%	65.60%	61.90%
Employee benefit expenses	739.90	746.68	607.23	497.09
As a % of Total Revenue	15.85%	18.48%	12.89%	19.15%
Finance costs	87.11	119.92	108.10	55.65
As a % of Total Revenue	1.87%	2.97%	2.30%	2.14%
Depreciation and amortization expense	123.07	103.27	99.97	60.68
As a % of Total Revenue	2.64%	2.56%	2.12%	2.34%
Other expenses	443.91	420.66	557.72	348.69
As a % of Total Revenue	9.51%	10.41%	11.84%	13.43%
Total Expenses	4,076.70	3,385.89	4,462.02	2,568.72
As a % of Total Revenue	87.32%	83.82%	94.75%	98.97%
Profit before exceptional, extraordinary items and tax	591.91	653.54	247.12	26.73
As a % of Total Revenue	12.68%	16.18%	5.25%	1.03%
Exceptional items	-	-	-	-
Profit before tax	591.91	653.54	247.12	26.73
PBT Margin	12.68%	16.18%	5.25%	1.03%
Tax expense :				
(i) Current tax	185.75	297.99	151.92	19.60
(ii) Deferred tax	(0.62)	(40.08)	(26.84)	(6.95)
Total Tax Expense	185.13	257.91	125.08	12.65
% of total income	3.97%	6.38%	2.66%	0.49%
Profit for the year/ period	406.78	395.63	122.04	14.07
PAT Margin	8.71%	9.79%	2.59%	0.54%

Review of Operation for the Period Ended December 31, 2017

Total Revenue

Revenue from operations

Revenue from operations for the period ended December 31, 2017 amounted to Rs. 4,664.88 lakhs which was primarily on account of revenue received on account of labour charges from programming and designing of process to be followed by automated industrial machines and robots and also by construction & sales of multi-level parking structures.

Other income

Other income of Rs. 3.73 lakhs for the period ended December 31, 2017 comprised of interest on term deposits of Rs. 3.73 lakhs.

Total Expenses

Total expenses, excluding tax amounted to Rs. 4076.70 lakhs for the period ended December 31, 2017.

Cost of material consumed

Cost of material consumed for the period ended December 31. 2017 were Rs. 2682.71 lakhs which comprised of consumption of steel fabrications, metal plates, machined steel components, mechanical, pneumatic, hydraulic parts & accessories, electrical & control material, safety equipment & devices, and robots

Employee Benefit Expenses

Our employee benefit expenses for the period ended December 31. 2017 were Rs. 739.90 lakhs which primarily comprised of salary & wages and bonus to employees, contribution to statutory funds, directors' remuneration, provision for gratuity and staff welfare expenses.

Finance Costs

Our Finance costs for the period ended December 31. 2017 were Rs. 87.11 lakhs primarily consisting of interest on term loan, interest on working capital loan, interest on unsecured loan, bank charges and loan processing fees.

Depreciation and Amortization Expenses

Depreciation and amortization expenses were Rs. 123.07 lakhs for the period ended December 31. 2017 comprising of depreciation on tangible fixed assets & writing off of preliminary expenses.

Other expenses

Our other expenses for the period ended December 31. 2017 were Rs. 443.91 lakhs comprise of administration expenses such as rent & maintenance expenses, designing charges, outside labour charges, reversal of CENVAT, electricity charges, insurance charges, site expenses, carriage outward, repair & maintenance – machinery & other assets, payment to auditors and also miscellaneous expenses such as LPG Gas charges, carriage inward, business development expenses, loading and unloading charges, factory expenses, accounting charges, service tax VCES written off as not claimed, crane hire charges, interest on statutory dues, conveyance, postage & telephone, courier charges, diesel & petrol exp., donations, office exp., printing & stationery, professional fees and consultancy charges, travelling & conveyance, vat audit fees, legal charges, car rent, business tour expenses, statutory dues paid, roc fees, sundry balances write off, penalties- statutory dues, advertisement, sales promotion, discount allowed, carriage outward, commission, free sample expenses

Profit before Tax

Our Profit before tax for the period ended December 31. 2017 was Rs. 591.91 lakhs.

Tax Expenses

Our tax expenses for the period ended December 31. 2017 were Rs. 185.13 lakhs.

Profit after Tax

Our profit after tax for the period ended December 31. 2017 was Rs. 406.78 lakhs.

FINANCIAL YEAR 2016-17 COMPARED WITH FINANCIAL YEAR 2015-16

Total Revenue

Our total revenue decreased by 14.22% to Rs. 4039.43 lakhs for the financial year 2016-17 from Rs. 4709.13 lakhs for the financial year 2015-16 due to the factors described below:

Revenue from operations: Our revenue from operations decreased by 14.37% to Rs. 4026.61 lakhs for the financial year 2016-17 from Rs. 4702.15 lakhs for the financial year 2015-16. The decrease was mainly

due to decrease in sale of services by Rs. 55.34 lakhs and decrease in sale of products by Rs. 620.20 lakhs in the financial year 2016-17.

Other income: Our other income increased by 83.59% to Rs. 12.82 lakhs for the financial year 2016-17 from Rs. 6.98 lakhs for the financial year 2015-16 mainly due to increase in interest on term deposits by Rs. 1.82 lakhs and other Non-operative income by Rs. 4.02 lakhs in the financial year 2016-17.

Total Expenses

Our total expenses decreased by 24.12% to Rs. 3385.89 lakhs for the financial year 2016-17 from Rs. 4462.02 lakhs for the financial year 2015-16, due to the factors described below:

Cost of material consumed Our cost of material consumed decreased by 35.40% to Rs. 1995.36 lakhs for the financial year 2016-17 from Rs. 3089.00 lakhs for the financial year 2015-16 mainly due to decrease in our revenue from operations in the financial year 2016-17.

Employee benefits expenses: Our employee benefit expenses increased by 22.96% to Rs. 746.68 lakhs for the financial year 2016-17 from Rs. 607.23 lakhs for the financial year 2015-16. The increase was mainly due to increase in salary & wages by Rs. 148.08 lakhs, labour welfare expenses by Rs 1.52 lakhs, contribution to ESIS by Rs. 1.9 Lakhs, gratuity provision by Rs. 8.12 lakhs. However, the increase was partially offset by decrease in bonus by Rs. 8.55 lakhs, contribution to provident fund by Rs. 7.89 lakhs, workmen compensation Insurance by Rs. 2.74 lakh for financial year 2016-17.

Finance costs: Our finance costs increased by 10.94% to Rs. 119.92 lakhs for the financial year 2016-17 from Rs. 108.10 lakhs for the financial year 2015-16. The increase was mainly on account of increase in interest on working capital loan by bank by Rs. 14.25 lakhs, bank charges by Rs. 8.73 and bank interest on term loan by Rs. 1.15 lakhs in the financial year 2016-17. However, the increase was partially offset by decrease in interest on short term loan by Rs. 12.39 Lakhs in the financial year 2016-17.

Depreciation and amortisation expense: Our depreciation and amortisation increased by 3.30% to Rs. 103.27 lakhs for the financial year 2016-17 from Rs. 99.97 lakhs for the financial year 2015-16. The increase was due to acquisition of new tangible and intangible assets during the financial year 2016-17.

Other expenses: Our other expenses decreased by 24.58% to Rs. 420.66 lakhs for the financial year 2016-17 from Rs. 557.72 lakhs for the financial year 2015-16. The decrease was mainly due to decrease in certain misc. expenses.

Profit before tax: Our profit before tax increased by 164.46 % to Rs. 653.54 lakhs for the financial year 2016-17 from Rs. 247.12 lakhs for the financial year 2015-16. The increase was mainly due to decrease in cost of material consumed and other expenses which was partially offset by decrease in our total revenue and increase in employee benefit expenses and finance costs in the financial year 2016-17.

Tax expenses: Our tax expenses increased by 106.20% to Rs. 257.91 lakhs for the financial year 2016-17 from Rs. 125.08 lakhs for the financial year 2015-16 mainly due to increase in our profit before tax in the financial year 2016-17.

Profit after tax: Our profit after tax increased by 224.18% to Rs. 395.63 lakhs for the financial year 2016-17 from Rs. 122.04 lakhs for the financial year 2015-16.

FINANCIAL YEAR 2015-16 COMPARED WITH FINANCIAL YEAR 2014-15

Total Revenue

Our total revenue increased by 81.44% to Rs. 4709.13 lakhs for the financial year 2015-16 from Rs. 2595.45 lakhs for the financial year 2014-15 due to the factors described below:

Revenue from operations: Our revenue from operations decreased by 81.53 % to Rs. 4702.15 lakhs for the financial year 2015-16 from Rs. 2590.31 lakhs for the financial year 2014-15. The increase was mainly due to increase in sale of products by Rs. 2142.32 lakhs which was partially offset by decrease in labour charges by Rs. 30.48 lakhs in the financial year 2015-16.

Other income: Our other income increased by 35.90% to Rs. 6.98 lakhs for the financial year 2015-16 from Rs. 5.14 lakhs for the financial year 2014-15 mainly due to increase in non-operating income.

Total Expenses

Our total expenses increased by 73.71% to Rs. 4462.02 lakhs for the financial year 2015-16 from Rs. 2568.72 lakhs for the financial year 2014-15, due to the factors described below:

Cost of material consumed: Our cost of material consumed increased significantly by 92.27% to Rs. 3089 lakhs for the financial year 2015-16 from Rs. 1606.61 lakhs for the financial year 2014-15. The increase was mainly due to increase in our operations in the financial year 2015-16

Employee benefits expense: Our employee benefits expense increased by 22.16% to Rs. 607.23 lakhs for the financial year 2015-16 from Rs. 497.09 lakhs for the financial year 2014-15. The increase was mainly due to increase in salary & wages by Rs. 80.7 lakhs and directors' remuneration by Rs. 30 lakhs

Finance costs: Our finance costs increased significantly by 94.25% to Rs. 108.10 lakhs for the financial year 2015-16 from Rs. 55.65 lakhs for the financial year 2014-15. The increase was mainly due to increase in interest on working capital loan by Rs. 36.78 lakhs, interest on short term loan by Rs. 14.65 & interest on term loan by bank by Rs. 11.27 lakhs, in the financial year 2015-16. However, the increase was partially offset by decrease in bank processing fees by Rs. 10.88 lakhs in the financial year 2015-16.

Depreciation and amortisation expense: Our depreciation and amortisation expense increased by 64.75% to Rs. 99.97 lakhs for the financial year 2015-16 from Rs. 60.68 lakhs for the financial year 2014-15. The increase was mainly due to addition of fixed assets during the financial year 2015-16.

Other expenses: Our other expenses increased significantly by 59.95% to Rs. 557.72 lakhs for the financial year 2015-16 from Rs. 348.69 lakhs for the financial year 2014-15. The increase was mainly due increase in certain misc. expenses

Profit before tax: Our profit before tax increased significantly by 824.58% to Rs. 247.12 lakhs for the financial year 2015-16 from Rs. 26.73 lakhs for the financial year 2014-15. The increase was mainly due to increase in our total revenue.

Tax expenses: With an increase in our profit before tax, our tax expense for the financial 2015-16 increased by 888.77% to Rs. 125.08 lakhs from Rs. 12.65 lakhs for the financial year 2014-15. The increase was mainly due to increase in tax liability for the financial year 2015-16.

Profit after tax: Our profit after tax increased significantly by 767.17% to Rs.122.04 lakhs for the financial year 2015-16 from Rs. 14.07 lakhs for the financial year 2014-15.

Other Key Ratios

The table below summaries key ratios in our Restated Standalone Financial Statements for the financial years ended March 31, 2017, 2016, 2015 and for the period ended December 31, 2017:

Particulars	For the period	For the year ended March 31,		
		2017	2016	2015

	ended December 31. 2017			
Fixed Asset Turnover Ratio	4.62	6.50	8.39	13.14
Debt Equity Ratio	0.93	1.35	2.57	4.69
Current Ratio	1.17	1.07	0.93	0.91

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets, based on Restated Standalone Financial Statements. Intangible Assets have been included in calculation of Total Fixed Assets, however, Capital Work-in-Progress has not been included.

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 Standalone Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Standalone Financial Statements.

Cash Flow

The table below summaries our cash flows from our Restated Standalone Financial Information for the financial years 2017, 2016, 2015 and for the period ended December 31. 2017:

(Rs. in lakhs)

Particulars	For the period ended December 31. 2017	For the year ended March 31,		
		2017	2016	2015
Net cash (used in)/ generated from operating activities	528.90	(63.20)	391.58	20.08
Net cash (used in)/ generated from investing activities	(562.35)	(168.35)	(203.66)	(277.98)
Net cash (used in)/ generated from financing activities	(3.06)	91.02	(146.37)	446.36
Net increase/ (decrease) in cash and cash equivalents	(36.51)	(140.51)	41.56	188.46
Cash and Cash Equivalents at the beginning of the period	173.95	314.46	272.90	84.44
Cash and Cash Equivalents at the end of the period	137.44	173.95	314.46	272.90

Operating Activities

Period Ended December 31. 2017

Our net cash generated from operating activities was Rs. 528.90 lakhs for period ended December 31, 2017. Our operating profit before working capital changes was Rs. 798.36 lakhs for the period ended December 31. 2017 which was adjusted by payment of income tax of Rs. 9.29 lakhs, decrease in trade receivables by Rs. 362.80 lakhs, decrease in inventories by Rs. 19.90 lakhs, increase in short term loans and advances by Rs. 139.46 lakhs, decrease in trade payables by Rs. 245.74 lakhs, decrease in other current liabilities by Rs. 325.79 lakhs, increase in short term provisions by Rs. 70.98 lakhs and decrease in long term provision by Rs. 2.85 lakhs.

Financial year 2016-17

Our net cash used in operating activities was Rs. 63.20 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 872.58 lakhs for the financial year 2016-17 which was primarily adjusted by payment of income tax of Rs. 16.55 lakhs, increase in inventories by Rs. 2323.26 lakhs, decrease in trade receivables by Rs. 308.42 lakhs, increase in short term loans and advances by Rs. 167.34 lakhs, increase in trade payables by Rs. 1130.91 lakhs, increase in other current liabilities by Rs. 23.31 lakhs, increase in short term provisions by Rs. 17.33 lakhs & Increase in Long term provision by Rs. 91.41 lakhs.

Financial year 2015-16

Our net cash generated from operating activities was Rs. 391.58 lakhs for the financial year 2015-16. Our operating profit before working capital changes was Rs. 452.86 lakhs for the financial year 2015-16, which was primarily adjusted by payment of income tax of Rs. 34.77 lakhs, increase in trade receivables by Rs. 1447.76 lakhs, decrease in short term loans and advances by Rs. 76.86 lakhs, decrease in inventories by Rs. 590.74 lakhs, decrease in other current assets by Rs. 0.46 lakhs, increase in trade payables by Rs. 273.37 lakhs, increase in other current liabilities by Rs. 458.61 lakhs, increase in short term provisions by Rs. 10.21 lakhs & increase in long term provision by Rs. 11.03 lakhs.

Financial year 2014-15

Our net cash generated from operating activities was Rs. 20.08 lakhs for the financial year 2014-15. Our operating profit before working capital changes was Rs. 139.72 lakhs for the financial year 2014-15, which was primarily adjusted by payment of income tax of Rs. 28.14 lakhs, increase in trade receivables by Rs. 203.55 lakhs, increase in inventories by Rs. 7.24 lakhs, decrease in short term loans and advances by Rs. 10.08 lakhs, increase in other current assets by Rs. 0.18 lakhs, increase in trade payables by Rs. 12.38 lakhs, increase in other current liabilities by Rs. 80.14 lakhs, increase in short term provisions by Rs. 9.43 lakhs and increase in long term provision by Rs. 7.44 Lakhs.

Investing Activities

Period Ended December 31. 2017

Net cash used in investing activities was Rs. 562.35 lakhs for the period ended December 31, 2017. This was primarily on account of purchases of fixed assets worth Rs. 525.62 lakhs, purchase of investments of Rs. 46.28 lakhs which was partially offset by decrease in long term loans and advances by Rs. 5.83 lakhs and receipt of interest income of Rs. 3.73 lakhs.

Financial year 2016-17

Net cash used in investing activities was Rs. 168.35 lakhs for the financial year 2016-17. This was primarily on account of purchases of fixed assets amounting to Rs. 162.33 lakhs and purchase of investments of Rs. 14.45 lakhs which was partially offset by decrease in long term loans and advances by Rs. 4.29 lakhs and receipt of interest income of Rs. 4.14 lakhs.

Financial year 2015-16

Net cash used in investing activities was Rs. 203.66 lakhs for the financial year 2015-16. This was primarily on account of purchase of fixed assets amounting to Rs. 207.69 lakhs which was partially offset by decrease in long term loans and advances by Rs. 1.71 lakhs and receipt of interest income of Rs. 2.32 lakhs.

Financial year 2014-15

Net cash used in investing activities was Rs. 277.98 lakhs for the financial year 2014-15. This was primarily on account of purchase of fixed assets amounting to Rs. 326.03 lakhs which was partially offset by decrease in long term loans and advances by Rs. 44.70 lakhs and receipt of interest income of Rs. 3.34 lakhs.

Financing Activities

Period Ended December 31. 2017

Net cash used in financing activities for the period ended December 31, 2017 was Rs. 3.06 lakhs primarily consisting of increase in long term borrowings by Rs. 342.82 lakhs which was partially offset by decrease in short term borrowings by Rs. 258.76 lakhs and payment of interest of Rs. 87.11 lakhs.

Financial year 2016-17

Net cash generated from financing activities for the financial year 2016-17 was Rs. 91.02 lakhs primarily consisting of increase in long term borrowings by Rs. 139.34 lakhs and increase in short term borrowings by Rs. 71.61 lakhs which was partially offset by payment of interest amounting to Rs. 119.92 lakhs.

Financial year 2015-16

Net cash used in financing activities for the financial year 2015-16 was Rs. 146.37 lakhs primarily consisting of decrease in long term borrowings by Rs. 41.56 lakhs and payment of interest of Rs. 108.10 lakhs which was partially offset by increase in short term borrowings by Rs. 3.29 lakhs.

Financial year 2014-15

Net cash generated from financing activities for the financial year 2014-15 was Rs. 446.36 lakhs primarily consisting of increase in short term borrowings by Rs. 365.80 lakhs and increase in long term borrowing of Rs. 136.20 lakhs which was partially offset by payment of interest of Rs. 55.65 lakhs.

Financial Indebtedness

As on December 31, 2017, the total outstanding borrowings of our Company was Rs. 1017.99 lakhs comprising of long-term borrowings amounting to Rs. 626.51 lakhs, short-term borrowings amounting to Rs. 354.93 lakhs and current maturities of long term debt of Rs. 36.56 lakhs. For further details, refer chapter titled “*Financial Indebtedness*” beginning on page 185 of this Red Herring Prospectus.

(Rs. in lakhs)

Particulars	As at December 31, 2017
Long Term Borrowings	
<i>Secured Loans</i>	
- Term Loans from Banks and Financial Institutions	546.17
<i>Unsecured Loans</i>	
- Loans from directors	80.33
Sub Total (A)	626.50
Short Term Borrowings	
<i>Secured Loan</i>	
-Working Capital Facility from Banks	354.93
Sub Total (B)	354.93
Current Maturities of Long Term Borrowings (C)	36.56
Total (A)+(B)+(C)	1017.99

In the event, any of our lenders declare an event of default, such current and any future defaults 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, directors and their entities and relatives primarily relates to remuneration payable, loans & advances given and taken and Issue of Equity Shares. For further details of such related parties under AS18, refer chapter titled “*Financial Statements*” beginning on page 171 of this Red Herring Prospectus.

Contingent Liabilities

Our Company had following Contingent Liabilities as of December 31, 2017 and March 31, 2017:

(Rs. In lakhs)

Particulars	As of December 31, 2017	As of March 31, 2017
Guarantees given on Behalf of the Company	121.47	213.60
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2012-13	4.97	4.97
TDS Defaults from FY 2014-15 to 2017-18 and financials years earlier than FY 2014-15	7.80	7.22
Total	134.24	225.79

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 chapter titled “*Financial Statements*” beginning on page 171 of this Red Herring Prospectus, there have 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 chapter titled “*Financial Statements*” beginning on page 171 of this Red Herring Prospectus, 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 December 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 chapter titled "*Risk Factors*" beginning on page 20 of this Red Herring 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*" beginning on page 23 of this Red Herring Prospectus 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 chapter titled "*Risk Factors*" beginning on page 23 of this Red Herring Prospectus and in 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 are as explained in the part "*Financial Year 2016-17 compared with financial year 2015-17 and Financial Year 2015-16 Compared With Financial Year 2014-15*" above.

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 service providers and our results of operations could be affected by competition in the engineering industry 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*" beginning on page 20 of this Red Herring Prospectus.

Increase in income

Increases in our income are due to the factors described above in in this chapter under "*Significant Factors Affecting Our Results of Operations*" and chapter titled "*Risk Factors*" beginning on page 23 of this Red Herring Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Suppliers or Customers

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company's customer and supplier vis a vis the total revenue from operations respectively as of December 31, 2017 and March 31, 2017 is as follows:

Particulars	Customers		Suppliers	
	Dec 31, 2017	Mar 31, 2017	Dec 31, 2017	Mar 31, 2017
Top 5 (%)	58.41	43.06	Not Significant	Not Significant
Top 10 (%)	74.59	63.84	Not Significant	Not Significant

Seasonality of Business

The nature of business is not seasonal.

FINANCIAL INDEBTNESS

In terms of the Article of Association of the Company, the Board of Directors is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or up to such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on March 28, 2018, our Company has total outstanding-

- (i) Secured borrowings from banks aggregating to Rs. 1,792.65 lakhs *inter alia* including 1,725.57 lakhs as its principal amount and 67.08 lakhs as its interest amount; and
- (ii) Unsecured borrowings from financial institution aggregating to 17.00 lakhs *inter alia* including 15.77 lakhs as its principal amount and 1.23 lakhs as its interest amount.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a consolidated basis as of March 28, 2018:

SECURED BORROWINGS

(Rs.in Lakhs)

Name of the Lender	Type of Loan	Amount Sanctioned	Amount outstanding as on March 28, 2018	Interest (in %p.a.)	Repayment Schedule/ Tenor	Security
HDFC Bank	Auto Loan emerging market	10.00*	7.64	9.85%	60 Monthly installments commencing from April 7, 2016	Hypothecation of Motor Vehicle
Kotak Mahindra	Car Finance	7.00	5.67	10.00%	60 Instalments commencing from March 7, 2016	Hypothecation of Motor Vehicle
Karnataka Bank Ltd.	Car Loan	12.00	11.61	10.1%	84 loan period in months commencing from September 23, 2016	Hypothecation of Motor Vehicle
Axis Bank	Cash Credit	1200.00	1192.05	MCLR (3M) +1.35% (presently at 9.50% p.a.)	On Demand	Note: 1

Axis Bank	Term Loan	462.00	506.83	1 Year MCRL+1.10 % (Presently at 9.50% p.a.)	31 Months	Note: 2
Axis Bank	Term Loan	63.00	69.24	1 Year MCRL+1.10 % (Presently at 9.50% p.a.)	24 Months	Note: 3
Total			1793.04			

* Amount financed is Rs.10 lakhs whereas the actual amount disbursed is Rs. 9.93 lakhs.

Note 1:

The terms of the loan facility is as follows:

A. Primary Security

First and exclusive charge on entire current assets of the company both present and future by way of hypothecation.

B. Collateral Security

The Security offered for the above mentioned loans include Land and Building, details of which are as mentioned below:

- i. First hypothecation charge on entire movable fixed assets of the company both present and future, excluding vehicles. Industrial property of land measuring 5600 square meters and building/shade constructed there on at gat no. 1209, situated at village wadki, Taluk Haveli dist. Pune.
- ii. AEM of Flat No. 302 on third floor, C Building namely "Krome Citroena complex" having built up area of 1889.75 sq ft, situated in survey number 16/ 12, near bishop school, Undri Pune, Taluk Haveli, Dist. Pune.
- iii. Industrial Plot in the name of the company area - 2450 square meters at Gat no. 1217, Wadki, Pune.

Co-Obligants/ Gurantors

- i. Personal Guarantee by Manohar Padole and Milind Padole.
- ii. Co-obligation Guarantee by Mrs. Bhagirati Padole and Shabri Ramnath Malvankar.

Note 2:

The terms of the loan facility is as follows:

A. Primary Security

First hypothecation charge on the entire movable and assets of the company, both present and future excluding, vehicles.

B. Collateral Security

The Security offered for the above mentioned loans include Land and Building, details of which are as mentioned below:

- i. Industrial property of land measuring 5600 square meters and building/shade constructed there on at gat no. 1209, situated at village wadki, Taluk Haveli dist. Pune.
- ii. AEM of Flat No. 302 on third floor, C Building namely “Krome Citroena complex” having built up area of 1889.75 sq ft, situated in survey number 16/ 12, near bishop school, Undri Pune, Taluk Haveli, Dist. Pune standing in the name of Mr Manohar Pandurang Padole and Mrs Bhagirathi Manohar Padole;
- iii. Industrial Plot in the name of the company area - 2450 square meters at Gat no. 1217, Wadki, Pune.

Co-Obligants/ Gurantors

- i. Personal Gurantee by Manohar Pandurang Padole (director) and Milind Manohar Padole (director).
- ii. Co-obligation Guarantee by Mrs .Bhagirati M. Padole and Mrs Shabri Ramnath Malvankar.

Note 3:

The terms of the loan facility is as follows:

A. Primary Security

First hypothecation charge on the entire movable and assets of the company, both present and future excluding, vehicles.

B. Collateral Security

The Security offered for the above mentioned loans include Land and Building, details of which are as mentioned below:

- i. Industrial property of land measuring 5600 square meters and building/shade constructed there on at gat no. 1209, situated at village wadki, Taluk Haveli dist. Pune.
- ii. AEM of Flat No. 302 on third floor, C Building namely “Krome Citroena complex” having built up area of 1889.75 sq. ft., situated in survey number 16/ 12, near bishop school, Undri Pune, Taluk Haveli, Dist. Pune standing in the name of Mr Manohar Padole and Mrs Bhagirathi Manohar Padole;
- iii. Industrial Plot in the name of the company area - 2450 square meters at Gat no. 1217, Wadki, Pune.

Co-Obligants/ Guarantors

- i. Personal Guarantee By Manohar Padole (director) and Milind Padole.
- ii. Co-obligation Guarantee by Mrs. Bhagirati Padole and Shabri Ramnath Malvankar.

Key Restrictive Covenants of the Loan Availed from Axis Bank:

Borrower shall not without the prior written approval of the bank

- i. Enter into any merger / amalgamation etc. or do a buy back
- ii. Make any restricted payments other than as permitted
- iii. Wind up or liquidate its affairs
- iv. Agree / authorise to settle any litigation / arbitration having a material adverse effect
- v. Change the general nature of its business or undertake any expansion or invest in any other entity
- vi. Permit any change in its ownership / control / management (including any pledge of promoters / sponsor shareholding in the Borrower of any third party
- vii. Change remuneration of its Directors in any manner other than as mandated by legal or regulatory provisions
- viii. Effect any change in its accounting methods or policies
- ix. Make any amendments to its constitutional documents
- x. Avail any loan; and/or stand as surety or guarantor for any third party liability or obligation; and/or provide any loan or advance to any third party, save and except follows;
- xi. Encumber its assets, save and except as follows:
 - a. Vehicles
- xii. Pay any commission to its promoters/directors/security providers;
- xiii. Dispose its assets other than as permitted by the Bank in writing; and
- xiv. Utilise the facility sanctioned for any purpose other than the end use as permitted;
- xv. Change its financial year-end from the date it has currently adopted; and
- xvi. Enter into arrangement whereby its business/ operations are managed or controlled, directly or indirectly, by any other person.

UNSECURED BORROWING

In addition to the borrowings availed from the banks/financial institutions, we have also availed certain Unsecured Loans.

Set forth below is a brief summary of Unsecured Loans as of March 28, 2018

(Rs.in Lakhs)

Name of Lender	Nature	Tenor	Rate of Interest	Amount Sanctioned	Outstanding Amount as on March 28, 2018
Neo-Growth Credit Private Limited.	Business Loan	24 Instalment in a year Started From October 2017	12%	25.5	17.00

UNSECURED LOAN FROM DIRECTORS

The details of unsecured loan are as follows:

(Rs. in Lakhs)

Name of Director	Amount Outstanding as on March 28, 2018
Milind Padole	37.11
Manohar Padole	4.57

SECTION VI- LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT

Except, as stated in this section and mentioned elsewhere in this Red Herring 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 February 8, 2018 determined that outstanding dues to creditors in excess of Rs. 15.00 lakhs as per last audited financial statements shall be considered as material dues (“Material Dues”).

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered ‘material’ for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds Rs. 1 lakhs as determined by our Board, in its meeting held on February 08, 2018. 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 Red Herring Prospectus.

LITIGATIONS INVOLVING OUR COMPANY

LITIGATIONS AGAINST OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

1. **MR. YOGESH ANANDA KOLPE V/S AFFORDABLE ROBOTICS & AUTOMATION PVT LIMITED**

A complaint titled as aforesaid bearing reference no. **ID/277/2106** has been filed by Mr. Yogesh Ananda Kolpe (hereinafter referred as the “**Complainant**”) against Affordable Robotics & Automation Private Limited (hereinafter referred as the “**Company**”), before Presiding Officer, First Labour Court, Pune. The Complainant in his complaint has stated that he was recruited as a fitter in the Company on February 12, 2014, Subsequently, he was deputed from usual work and transferred to Pantnagar (Delhi), for which he claimed travelling expenses and expenses for a month as he had no knowledge about the living expenses, weekly vacation and eight – hour working as work hours, remuneration for overtime etc. but nothing has been paid to him by the Company. An industrial dispute no. ID 101/2016 was filed under Section 12(4) of Industrial Dispute Act which has been referred to present authority. The Complainant has prayed for stopping the malpractice and initiation of the investigation process as early as possible and demanding salary for the interim period. The matter is currently pending.

The official website of District Courts of India - e-courts displays three more cases under Section 10 of the Industrial Dispute Act, 1947 filed by Santosh Sarjerao Thopte, Rajesh Hiranman Lokhande, Sambhaji Dhulaji Mote. However, the company is yet to receive notices of these three cases from Hon’ble Court.

Taxation Matters

INCOME TAX PROCEEDINGS

A.Y. 2012-13

1. The Income Tax Department’s website under the head ‘Response to Outstanding Tax Demand’ displays an outstanding demand dated May 15, 2013 under Section 143 (1)(a) read with Section 245 of the Income Tax Act, 1961 (hereinafter referred to as the “**I.T. Act**”) amounting to Rs. 4,97,000/- against Affordable Robotics and Automation Limited (hereinafter referred to as the “**Assessee Company**”). The Deputy Commissioner of Income Tax (hereinafter referred to as the “**Assessing Officer**”) issued a notice bearing reference no. PN/DCIT/Cir-1(1)/Outstanding Demand/2017-18/ dated July 05, 2017 under section 220(2) of the I.T. Act for an outstanding amount of **Rs. 4,97,000/- plus Interest**. The Assessee Company has paid demand amounting to **Rs. 4,71,950/-** on October 31, 2012. The Assessee Company has filed a reply letter dated July 14, 2017 before the Assessing Officer. The part amount is still outstanding and the matter is pending.

A.Y. 2014-15

2. Affordable Robotics & Automation Limited (hereinafter referred to as the “**Assessee Company**”) has received an order bearing reference no. CPC/1415/U6/1627622184 dated February 23, 2017 under Section 154 of Income Tax Act, 1961 (hereinafter referred to as the “**I.T. Act**”) issued by Income Tax Department (hereinafter referred to as the “**Income Tax Authority**”) wherein the net amount payable was determined at **Rs. 27,74,250/-**. The Assessee Company has made a rectification request dated February 23, 2017 against the aforesaid amount payable as determined by the Income Tax Authority. The Assessee Company is awaiting reply from Income Tax Authority. The amount is outstanding and matter is currently pending.
3. The Income Tax Department’s website under the head ‘Response to Outstanding Tax Demand’ displays an outstanding demand raised on August 18, 2017 under Section 154 of the Income Tax Act, 1961 (hereinafter referred to as the “**I.T. Act**”). Affordable Robotics and Automation Limited (hereinafter referred to as the “**Assessee Company**”) received notice under Section 245 of the I.T. Act for an outstanding demand amounting to **Rs. 26,56,640/-**. The matter is currently pending.

CENTRAL EXCISE PROCEEDINGS

4. Affordable Robotics & Automation Limited (hereinafter referred to as the “Assessee Company”) has received a notice dated May 15, 2017 bearing reference No. F.No.Wadki/Defaulter/2016-17 from Office of the Superintendent of Central Excise, Wadki Range for failure of the Assessee Company to pay Central Excise duty on the goods cleared during the months April, 2016 and September, 2016 aggregating to **Rs. 10,12,221** (Rupees Ten Lakhs Twelve Thousand Two Hundred and Twenty one only) and the Assessee Company has been directed to pay the same along with interest calculated at the rate of 1% p.m. The matter is currently pending.
5. Affordable Robotics & Automation Limited (hereinafter referred to as the “Assessee Company”) has received a notice dated May 15, 2017 bearing reference no. F.No.Wadki/ER1 returns /16-17 from Office of the Superintendent of Central Excise, Wadki Range for the late filing of return for the period July, 2016 to March, 2017. By the same notice the department has imposed penalty amount aggregating to **Rs. 60,300/-** (Rupees Sixty Thousand Three Hundred only) calculated at the rate of one hundred rupees per day, as per provisions of Rule 12(6) of the Central Excise Rules, 2002. The matter is currently pending.

VAT PROCEEDINGS

6. Affordable Robotics & Automation Limited (hereinafter referred to as the “Assessee Company”) has received a demand notice dated April 02, 2017 bearing reference no. RC No 27630764301V from Office of Deputy Commissioner of Sales Tax for an amount of **Rs. 32,30,792/-** including tax, interest and penalty for the period December 01, 2016 to December 31, 2016. The Assessee Company in VAT annual audit report has asked for set off the same however final order from authorities are awaited.

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

1. AFFORDABLE ROBOTICS & AUTOMATION PVT. LTD. V/S RAVINDRA DHARANGAONKAR

Affordable Robotics & Automation Pvt. Ltd. (hereinafter referred to as “**Complainant**”) has filed a complaint dated January 27, 2014 against Ravindra Dharangaonkar (hereinafter referred to as “**Accused**”) under Section 138 of Negotiable Instrument Act, 1881 in the Court of Judicial Magistrate First Class, Pune. The Complainant in his complaint has stated that the Accused approached the Complainant and showed his willingness to promote the products of the Complainant along with marketing the products of other companies which are not competing with products of the Complainant. Complainant started paying the Accused for expenses like conveyance, travelling, etc. and provided facilities like laptop for business use on the understanding that relevant supporting vouchers need to be submitted. The Accused demanded an advance of **Rs. 1,30,000/-** from the Complainant for the tentative business tour program for booking travel tickets and the same was provided to him. However, he started delaying tactics and warned by Complainant After warning received from Complainant, accused provided a cheque to complainant which was dishonored due to stop payment instructions to Bank. Complainant served a notice on Accused to pay the relevant amount however Accused failed to pay the same. Thereafter, Complainant filed the present complaint. The matter is currently pending.

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

Milind Padole and Manohar Padole are Promoters as well as Directors of our Company. For litigation pertaining to them, kindly refer the head “LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY”

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

INCOME TAX PROCEEDINGS

MANOHAR PADOLE FOR AY 2011-12

1. The Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand raised on June 24, 2014 under Section 154 of the Income Tax Act, 1961 (hereinafter referred to as the "**I.T. Act**") vide notice issued under Section 245 of the Act against Manohar Padole (hereinafter referred to as the "**Assessee**") for an outstanding demand amounting to Rs. 39,990/-. Assessee has issued a letter dated February 02, 2013 for rectification. The amount has been duly paid. However, challan is not available for the same but payment is recorded in Form 26AS of Income Tax Act confirming payment vide CIN 00043290802201 00095.

MILIND PADOLE FOR AY 2007-08

2. The Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand raised on March 28, 2009 under Section 143(1) of the Income Tax Act, 1961 (hereinafter referred to as the "I.T. Act") vide notice issued under Section 245 of the Act against Milind Padole (hereinafter referred to as the "Assessee") for an outstanding demand amounting to **Rs. 2,84,946/-**. Department has also written letters to Milind Padole for short payment of tax which has been replied on February 24, 2009 by Milind Padole wherein it has been stated that tax of **Rs. 2,47,017/-** has been paid in SBI, Katraj, Pune Branch on October 30, 2007, however no final order is available. The matter is currently pending.

MILIND PADOLE FOR AY 2009-2010

3. The Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand raised on January 07, 2011 under Section 143(1)(a) of the Income Tax Act, 1961 (hereinafter referred to as the "I.T. Act") vide notice issued under Section 245 of the Act against Milind Padole (hereinafter referred to as "the Assessee") for an outstanding demand amounting to **Rs. 2,42,160/-**. The amount is still outstanding.

FOR AY 2011-12

4. The Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand raised on May 16, 2013 under Section 143(1)(a) of the Income Tax Act, 1961 (hereinafter referred to as the "Act") vide notice issued under Section 245 of the Act against Milind Padole (hereinafter referred to as the "Assessee") for an outstanding demand amounting to **Rs. 177/-**. The amount is still 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

LITIGATIONS FILED BY OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR GROUP COMPANIES

LITIGATIONS AGAINST OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Group Companies

Nil

Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies

Nil

Adverse finding against Group Companies for violation of Securities laws or any other laws

Nil

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

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

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 172 of this Red Herring 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 December 31, 2017, our Company had 507 (five hundred and seven) creditors, to whom a total amount of Rs. 1,714.35 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated February 8, 2018, considered creditors to whom the amount due exceeds Rs. 15.00 lakhs as per our Company’s audited 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)
Tunkers Automation India Pvt. Ltd.	40.07
Dhanlaxmi Steel Industries	35.04
Electrofab Narhe	35.03
Shivtej Engineering Works	33.23
Patil Auto Talwade	31.98
Seimitsu Factory Automation Pvt. Ltd	30.89
Bavkar Engineers	29.77
Honesty Traders	25.27
Rahil Enterprises	25.18
Nirmitee Engineering Corporation	25.13
Sadguru Enterprises	24.92
Mayuresh Fabtech Industries	24.35
Shree Mohta Devi Transport Company	23.59
Industrial Trading Company	22.43
FARO Business Technologies (I) Pvt.	21.83
New Reliable Sales & Services	16.67
Sampat Engineering Works	15.08
Shree Enterprises	15.04

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.arapl.com

Information provided on the website of our Company is not a part of this Red Herring 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.arapl.com*, would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Red Herring 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 of manufacturing of BIW robotic welding line and car parking solutions, 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 to the chapter titled “*Key Industry Regulations and Policies*” on page 133 of this Red Herring Prospectus.

The Company has its business located at:

Registered & Manufacturing Office: Gate No. 1209, Near Hotel Vijay Executive, Pune-Saswad Highway, Wadki, Taluka – Haveli, Pune – 412 308, Maharashtra, India

Branch Office: F35, DLF Centre Point, Sector-11, Mathura Road, Faridabad - 121007, Haryana, India.

Sales and Marketing Office:

Pune: F35, DLF Centre Point, Sector-11, Mathura Road, Faridabad - 121007, Haryana, India.

China Office: Office No.-4, 345, Rongmei Road, Songjiang, Dist – Shanghai, Public Republic of China – 210 600

Warehouse and Raw Material Storage: The Company’s Warehouse and Raw Material Storage facility is same as its Registered Office and is located at Gate No 1209, Village Wadaki, Taluka Haveli, Pune Saswad Road, District Pune, Pune – 412308, Maharashtra, India.

Further, except as mentioned herein below, our Company has not yet applied for any licenses for the proposed activities as contained in the chapter titled ‘*Objects of the Issue*’ beginning on page no. 86 of this Red Herring Prospectus to the extent that such licenses/approvals may be required for the same.

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 8th February 2018, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on 9th February 2018 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 May 07, 2018 bearing reference no. DCS/SMEIPO/RB/IP265/2018-19.

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated March 15, 2018 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Pvt. Ltd. for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated March 23, 2018 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Pvt. Ltd. for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE692Z01013.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated January 12, 2010 issued by the Registrar of Companies, Maharashtra, Pune, in the name of “AFFORDABLE ROBOTIC & AUTOMATION PRIVATE LIMITED”.
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on February 02, 2018 by the Registrar of Companies, Pune in the name of “AFFORDABLE ROBOTIC & AUTOMATION LIMITED”.
3. The Corporate Identification Number (CIN) of the Company is U29299PN2010PLC135298

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, Office of Jt. Director General Of Foreign Trade Government of India Ministry of Commerce and Industry, Government of India	3110003651	May 31, 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	Registration Certificate of Establishment (Maharashtra Shops and Establishments Act, 1948 and the rules made thereunder)	Inspector under Maharashtra Shops and Establishments Act, 1948	PN 0054046	March 31, 2010	NA
3	Udyog Aadhar Memorandum for setting micro, small and medium Enterprises Unit	Ministry of Micro, Small and Medium Enterprises, Government of India	MH26C0030106	December 19, 2017	NA

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	AAICA1955B	February 16, 2010	Perpetual
2	Tax Deduction Account Number (TAN)	Income Tax Department Ministry of Finance, Government of India	PNEA12944B	February 02, 2010	Perpetual
3	Goods and Service Tax Identification Number (GSTIN) Form GST REG-06 Registration Certificate	Government of India	27AAICA1955B1ZY	Date of issue of Certificate: September 22, 2017 Valid from: July 01, 2017	NA
3	Certificate of Registration	Sales Tax Officer, Vat-C-105 Registration Br. Pune	27630764301V	Date of Issue: April 26, 2010	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	(under Maharashtra Value Added Tax Act, 2002 read with Rule 9 of the Maharashtra Value Added Tax Rules, 2005)			Valid from: March 26, 2010	
4	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Central Board of Excise and Customs, , Department of Revenue, Ministry of Finance	AAICA1955BSD001	Date of Issue of Original ST-2 : January 27, 2012 Date of Last Amendment of ST-2 : May 06, 2015	NA
5	Certificate of Registration Central Sales Tax (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Sales Tax Officer, Vat-C-105 Registration Br. Pune	27630764301V	Date of Issue: April 26, 2010 Valid from: March 26, 2010	NA
6	Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002)	Assistant Commissioner of Central Excise, Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAICA1955BEM001	Date of Issue of Original RC : April 15, 2010 Date of Last Amendment of RC : July 28, 2015	NA
7	Professional Tax Enrollment	Profession Tax Officer, PUN-PTO-C-015	99171757713P	Valid from: January 25, 2010	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Certificate (PTEC) (under section 5(2), (2A) and (3) of Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 and rules made thereunder)			Date of Issue: June 26, 2015	
8	Professional Tax Registration Certificate (PTRC) (under section 5(1) of Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 and rules made thereunder)	Profession Tax Officer, PUN-PTO-C-015	27630764301P	Valid from: March 16, 2010 Date of Issue: June 26, 2015	NA

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 and rules made thereunder)	Employees Provident Fund Organisation, Ministry of Labour, Government of India	MH/PUN/304229	August 20, 2010

2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948 and rules made thereunder)	Employees State Insurance Corporation	Establishment Code: 330005335500006 99	January 08, 2017
---	---	---------------------------------------	--	------------------

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

Company has confirmed that no applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

PENDING APPROVALS:

1. The Company has made an application dated January 13, 2018 to the Industrial Safety & Health Department of Maharashtra for the License to work a factory under the Factories Act, 1948 and it is currently pending.

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

1. Consent to Establish and Consent to Operate under the provisions of Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 from Maharashtra Pollution Control Board
2. Company has not yet applied for the registration of its corporate logo with Trademark Registry, Government of India under Trademark Act, 1999.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by the Board of Directors of our company vide a resolution passed at its meeting held on February 08, 2018 and by the shareholders of our Company vide a special resolution pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the Extraordinary General Meeting of our Company held on February 09, 2018 at the Registered Office of our Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither our Company nor any of, our Directors, our Promoters, relatives of Promoters, our Promoter Group and our Group Companies has been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoter, Promoter Group, Directors or Group Companies have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoter, nor any of our Directors or persons in control of our Company were or 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 or any other governmental authorities.

None of our Directors are associated with the securities market in any manner, including securities market related business.

ELIGIBILITY 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 is more than Rs. 1,000 lakhs and upto 2,500 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE Limited 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 100% underwritten and that the BRLM 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 61 of this Red Herring 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 BRLM submits the copy of Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus with Stock Exchange and the RoC.
4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLM 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 61 of this Red Herring Prospectus.

5. The Company has track record of 3 Years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application.
6. The Distributable Profit of the Company as per the restated financial statements for the period ended December 31, 2017 and year ended March 31, 2017, 2016, 2015, 2014, and 2013 is as set forth below:

Based on Standalone Restated Financials

Rs. In Lakhs

Particulars	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Distributable Profit*	406.78	395.63	122.04	14.07	81.2	43.35
Net Tangible Assets**	5,470.73	5,304.80	3,182.94	2,254.27	1,663.89	913.94
Net Worth***	1096.4	689.62	293.99	171.96	159.45	78.26

Based on Consolidated Restated Financials

Rs. In Lakhs

Particulars	December 31, 2017	March 31, 2017
Distributable Profit*	376.32	371.69
Net Tangible Assets**	5549.82	5412.48
Net Worth***	1041.82	665.68

* “Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

** ‘Net tangible assets’ are defined as the sum of all net assets of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

*** “Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any.

7. Net-worth of the company is positive.
8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
10. No material regulatory or disciplinary action has been taken by any Stock Exchange or regulatory authority in the past 3 years against the Company.
11. The Company has a website: www.arapl.co.in
12. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting companies of the Company.

13. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA 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 MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE AND WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE RED HERRING PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE.

“WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT 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 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 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 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 ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT 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 UNDERWRITER TO FULFILL THEIR UNDERWRITING COMMITMENT – NOTED FOR COMPLIANCE**
 - 5. WE CERTIFY THAT WRITTEN CONSENTS FROM PROMOTERS HAVE 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 PROMOTERS 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. – NOTED FOR COMPLIANCE**
 - 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 COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED TO THE EXTENT APPLICABLE.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY 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, AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT FORM ONLY.**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT 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 DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY (CHECKLIST ENCLOSED) – NOTED FOR COMPLIANCE.**
- 16. WE ENCLOSE STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER’ AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”**
- 17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.” COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS**
- 18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS – NOT APPLICABLE**

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 COMPANY 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 DEMATERIALIZATION OF THE EQUITY SHARES OF THE ISSUER. – NOTED FOR COMPLIANCE
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISOR 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.
- (6) WE CONFIRM THAT UNDERWRITING ARRANGEMENT 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 – NOTED FOR COMPLIANCE.

Note:

The filing of this Red Herring 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 manager any irregularities or lapses in this Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Delhi in terms of Section 26 and 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Red Herring 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.arapl.co.in would be doing so at his or her own risk.

Caution

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the BRLM and our Company dated March 12, 2018, the Underwriting Agreement dated April 04, 2018, entered into among the Underwriter and our Company and the Market Making Agreement dated April 04, 2018 entered into among the Market Maker (s), BRLM and our Company.

Our Company and the BRLM 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 BRLM and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to act as Book Running Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and

approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer “Annexure A” to this Red Herring Prospectus and the website of Book Running Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red Herring 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 Red Herring 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, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with BSE Limited for its observations and BSE Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring 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 Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED

“As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE). BSE has given vide its letter Ref.: DCS/SMEIPO/RB/IP265/2018-19 dated May 07, 2018 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. BSE has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by BSE should not in any way be deemed or construed that the offer document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever”.

FILING

The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 106(M) (3). However, a copy of the Red Herring Prospectus and Prospectus shall be filed with SEBI Office, the Regional Director, Plot No. C 4-A , G Block, Near Bank of India, Bandra Kurla Complex, Bandra East, G Block BKC, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051. A copy of the Red Herring Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at Registrar of Companies PMT Building ,Pune Stock Exchange, 3rd Floor, Deccan Gymkhana, Pune - 411004, Phone: 020-25521376, Fax: 020-25530042

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in- principle approval from SME Platform of BSE Limited. However, application will be made to the SME Platform of BSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE Limited has given its in-principle approval for using its name in our Red Herring Prospectus vide its letter No. DCS/SMEIPO/RB/IP265/2018-19 dated May 07, 2018.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 working days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE Limited mentioned above are taken within 6 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, Statutory Auditor, Peer Reviewed Auditor, Banker to the Company and (b) Book Running Lead Manager, Syndicate Member, Underwriters, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue, Syndicate Member to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits
- Report of the Peer Reviewed Auditor on Restated Standalone Financial Statements for the period ending on December 31, 2017, March 31, 2013, 2014, 2015, 2016 and 2017 and Report of the Peer Reviewed Auditor on Restated Consolidated Financial Statements for the period ending on December 31, 2017 and March 31, 2017.

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 86 of this Red Herring Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Book Running Lead Manager

The total fees payable to the BRLM will be as per the Mandate Letter issued by our Company to the BRLM, 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 March 12, 2018, 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 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, Banker to issue *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 BRLM. 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

We have not made any previous rights and/or public issues since Incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 72 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

None of the equity shares of our Group Companies are listed on any recognised stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, 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 / Bidder, 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 / bidders. Anchor Investors are required to address all grievances in relation to the Issue to the BRLM.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee/ Investor Grievance Committee of the Board *vide* resolution passed at the Board Meeting held on February 02, 2018. For further details, please refer to the chapter titled “*Our Management*” beginning on page 148, of this Red Herring Prospectus.

Our Company has appointed Ms. Harshada Hendre as Company Secretary and Compliance Officer and she may be contacted at the following address:

Affordable Robotic & Automation Limited

Village Wadki, Gat No.1209, Taluka Haveli,

Dist. Pune – 412308 Maharashtra, India

Tel.: +91 7720018914

Email id: cs@arapl.co.in

Website: www.arapl.co.in

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

There have been no changes in Auditors of our Company during the last three years preceding the date of this Red Herring Prospectus.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 72 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

There has been no revaluation of our assets since incorporation.

PURCHASE OF PROPERTY

Except as disclosed in this Red Herring 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 Red Herring Prospectus.

Except as stated elsewhere in this Red Herring 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 Red Herring 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 282 of this Red herring 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 170 of this Red Herring Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price at the lower end of Price Band is Rs. [●] per Equity Share and at the higher end of the Price Band is Rs. [●] 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 BRLM 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 Prabhat, each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. 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 282 of this Red herring 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 March 23, 2018 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated March 15, 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] 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 [●] Equity Share subject to a minimum allotment of [●] 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 BRLM, 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 Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	Thursday, May 24, 2018
Bid / Issue Closing Date	Monday, May 28, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before Thursday, May 31, 2018
Initiation of Refunds	On or before Friday, June 01, 2018
Credit of Equity Shares to demat accounts of Allottees	On or before Monday, June 04, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday, June 05, 2018

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. 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 Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than

5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Red Herring 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 Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, 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 Manager and at the terminals of the Syndicate Member.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been 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 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 be 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 SME 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 Platform. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 61 of this Red herring Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of [●] 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 Platform.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

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 72 of this Red herring Prospectus and except as provided in the AoA, 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 282 of this Red herring 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 Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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 STRUCTURE

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 exceeds ten crore rupees but does not exceed twenty five crores. 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 217 and 228 of this Red Herring Prospectus.

Our Company has considered a Pre-IPO placement of upto 10,00,000 Equity Shares aggregating up to Rs.750.00 lakhs with certain investors ("Pre-IPO Placement).

Following is the issue structure:

Initial Public Issue of Up to 26,81,600 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. [●] (including a premium of Rs. [●]) aggregating to Rs. [●]. The Issue comprises a Net Issue to the public of up to 26,81,600 Equity Shares (the "Net Issue"). The Issue and Net Issue will constitute [●] and [●] of the post-Issue paid-up Equity Share capital of our Company. The issue comprises a reservation of up to 1,36,000 Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	Net issue to QIB	Market Maker Reservation Portion	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares	Upto 12,68,800 Equity Shares	Upto 1,36,000 Equity Shares	Up to 3,84,000 Equity Shares	Up to 8,92,800 Equity Shares
Percentage of Issue Size available for allocation	49.84% of Net the Issue size shall be available for allocation to QIBs. However, up to 5% of net QIB Portion will be available for allocation proportionately to Mutual Fund only.	5.07% of Issue Size	15.08% % of the net Issue shall be available for allocation	35.07 % of Issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate as follows:- a) upto 62,400 Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only and; b) 12,06,400 Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above	Firm allotment	Proportionate	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each. For further details please refer to the section titled " <i>Issue Procedure</i> " beginning on

Particulars	Net issue to QIB	Market Maker Reservation Portion	Non Institutional Bidders	Retail Individual Bidders
	For further details please refer to the section titled “ <i>Issue Procedure</i> ” beginning on page 228 of the Red Herring Prospectus			page 228 of the Red Herring Prospectus
Mode of Bid cum Application	Online or Physical through ASBA Process only	Through ASBA Process only	Through the ASBA Process only	Through ASBA Process only
Minimum Bid Size	Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size exceeds Rs 2,00,000	1,36,000 Equity Shares of Face Value of Rs. 10.00 each	Such number of Equity shares in multiple of [●] Equity shares that Application size exceeds Rs. 2,00,000	Up to [●] Equity Shares in multiple of [●] Equity shares
Maximum Bid Size	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, subject to limits as applicable to the Bidder	[●] Equity Shares of Face Value of Rs 10 each	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs. 2,00,000
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	[●] Equity Shares	[●] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Terms of payment	The entire Bid Amount will be payable at the time of submission of the Bid Form			

1) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category other than the QIB Category would be allowed to be met with spill-over from other

categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

- 2) The Issue is being made through the Book Building Process, wherein not more than 49.84% of the Net Issue shall be available for allocation on a proportionate basis to QIBs 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. Further not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

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 BRLM, 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 BRLM 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	Thursday, May 24, 2018
Bid / Issue Closing Date	Monday, May 28, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before Thursday, May 31, 2018
Initiation of Refunds	On or before Friday, June 01, 2018
Credit of Equity Shares to demat accounts of Allottees	On or before Monday, June 04, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday, June 05, 2018

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 BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLM 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 Red Herring 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 Red Herring 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 Limited 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)(2) 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 BRLM, 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 [●] Equity Shares and in multiples of [●] 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 [●] 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 Manager 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 BRLM is Rs. [●] per Equity Share. The Floor Price of Equity Shares is Rs. [●] per Equity Share and the Cap Price is Rs. [●] per Equity Share and the minimum bid lot is of [●] Equity Shares. Our Company shall also announce the Price Band at least five Working Days 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 BRLM 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 BRLM, 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.

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 BRLM, 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 MANAGER AND SYNDICATE MEMBERS

The BRLM 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 BRLM 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 BRLM 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 initial 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 initial 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 BRLM 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 BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager 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 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 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 BRLM 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. [●] 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 UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated April 04, 2018.
- b) A copy of the Red Herring Prospectus and Prospectus will be filed with the RoC in terms of Section 32 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 IPO 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 DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a) Our Company in consultation with the BRLM, 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 BRLM, 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 BRLM undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated March 23, 2018 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated March 15, 2018 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE692Z01013.

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 BRLM 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*” beginning on page 271 of this Red Herring Prospectus.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the Red Herring Prospectus.

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 IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post- issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and 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 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 BRLM 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 BRLM 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 BRLM 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 has track record of distributable profits in terms of section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. The net worth of the Company is positive.
- (f) The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crore.

- (g) The issuer shall mandatorily facilitate trading in demat securities.
- (h) The issuer should not be referred to Board for Industrial and Financial Reconstruction.
- (i) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
- (j) 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
- (k) 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 (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed 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 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 five Working Days before the Bid/ Issue Opening Date, in case of an IPO 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 BRLM 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:

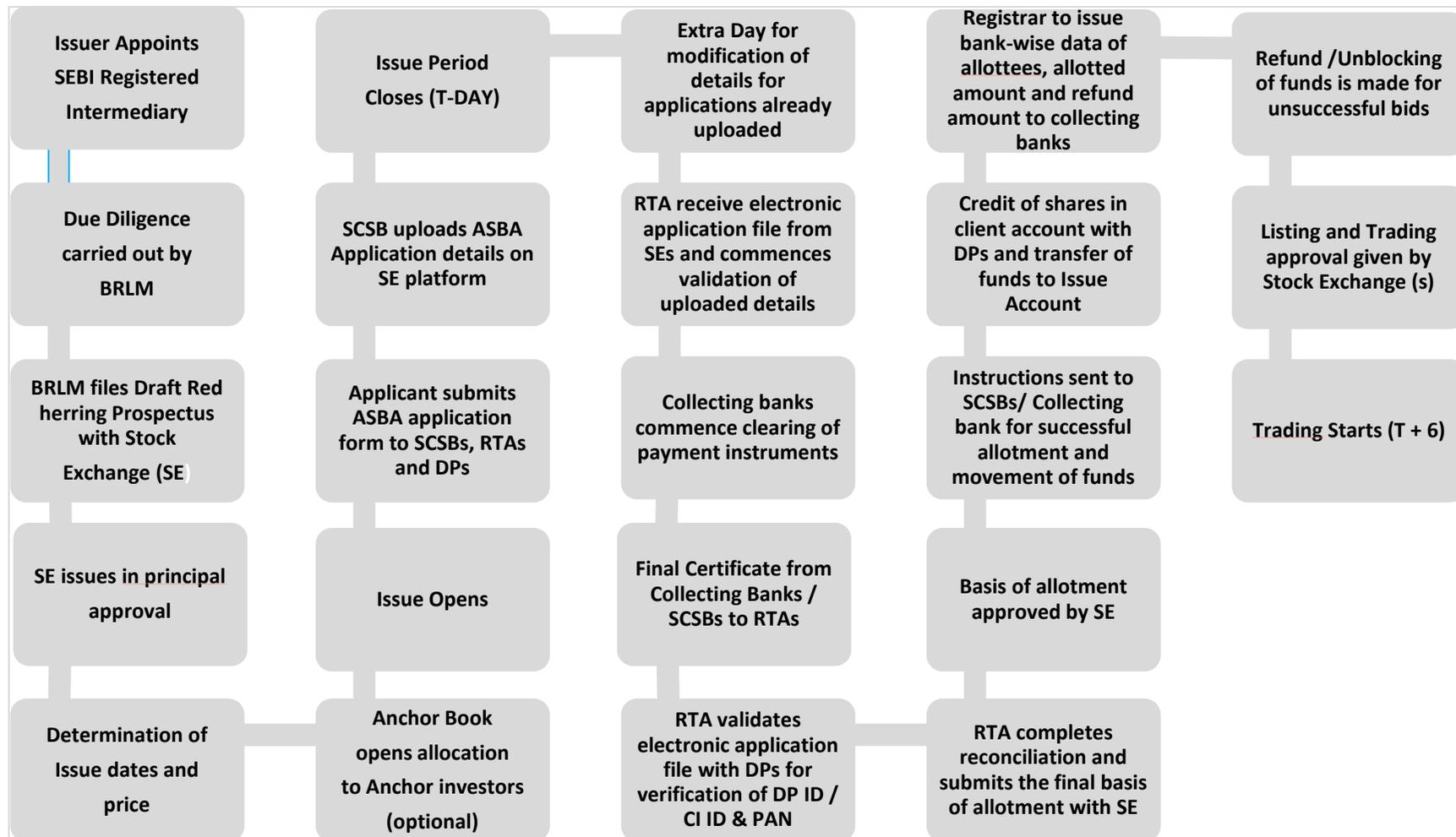
- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other 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



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 BRLM, 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 IPO 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 BID, 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	AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - R Registered Office: Village Wadki, Gat No.1209, Taluka Haveli, Dist. Pune – 412308, India CIN: U29299PN2010PLC135298; Tel. No.: 91720018914; E-mail: info@arapl.co.in; Website: www.arapl.co.in	FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
To, The Board of Directors AFFORDABLE ROBOTIC & AUTOMATION LIMITED	BOOK BUILT ISSUE ISIN - _____	Bid Cum Application Form No. _____
SYNDICATE MEMBER'S STAMP & CODE SUB-BROKER'S / SUB-AGENT'S STAMP & CODE BANK BRANCH SERIAL NO.	BROKER'S / SCSB / CDP / RTA STAMP & CODE ESCROW BANK / SCSB BRANCH STAMP & CODE SCSB SERIAL NO.	1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER Mr./Ms./M/s. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ 2. PAN OF SOLE / FIRST BIDDER _____
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		6. INVESTOR STATUS <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternate Investment Funds - AIF <input type="checkbox"/> Others (Please Specify) - OTH <small>*HUF Should apply only through Karta (Application by HUF would be treated on par with individual)</small>
4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off"). Price band Rs. ___/- to Rs. ___/-		
Bid Options Option 1 (OR) Option 2 (OR) Option 3	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) _____
5. CATEGORY <input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non Institutional Bidder <input type="checkbox"/> QIB		
7. PAYMENT DETAILS PAYMENT OPTION : Full Payment <input type="checkbox"/>		
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 ISSUE ("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: _____, 2018	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
TEAR HERE		
AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - 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		
AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - R	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA _____	Name of Sole / First Bidder _____ Acknowledgment Slip for Bidder Bid Cum Application Form No. _____

NR Bid cum Application ASBA Form

COMMON BID CUM APPLICATION FORM	AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - NR Registered Office: Village Wadka, Gat No.1209, Taluka Haveli, Dist. Pune - 412308, India CIN: U29299PN2010PLC135298; Tel. No.: 917720018914; E-mail: info@arapl.co.in; Website: www.arapl.co.in	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCI, ETC APPLYING ON A REPATRIATION BASIS																																				
To, The Board of Directors AFFORDABLE ROBOTIC & AUTOMATION LIMITED	BOOK BUILT ISSUE ISIN - _____	Bid Cum Application Form No. _____																																				
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%; text-align: center;">SYNDICATE MEMBER'S STAMP & CODE</td> <td style="width:50%; text-align: center;">BROKER'S / SCSB / CDP / RTA STAMP & CODE</td> </tr> <tr> <td style="width:50%; text-align: center;">SUB-BROKER'S / SUB-AGENT'S STAMP & CODE</td> <td style="width:50%; text-align: center;">ESCROW BANK / SCSB BRANCH STAMP & CODE</td> </tr> <tr> <td style="width:50%; text-align: center;">BANK BRANCH SERIAL NO.</td> <td style="width:50%; text-align: center;">SCSB SERIAL NO.</td> </tr> </table>	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.	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER</td> </tr> <tr> <td colspan="2">Mr./Ms./M/s. _____</td> </tr> <tr> <td colspan="2">Address _____</td> </tr> <tr> <td colspan="2">Email _____</td> </tr> <tr> <td colspan="2">Tel. No (with STD code) / Mobile _____</td> </tr> <tr> <td colspan="2">2. PAN OF SOLE / FIRST BIDDER</td> </tr> <tr> <td colspan="2">_____</td> </tr> </table>		1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER		Mr./Ms./M/s. _____		Address _____		Email _____		Tel. No (with STD code) / Mobile _____		2. PAN OF SOLE / FIRST BIDDER		_____																	
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) / Mobile _____																																						
2. PAN OF SOLE / FIRST BIDDER																																						

<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL</td> </tr> <tr> <td colspan="2">For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.</td> </tr> </table>		3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">6. INVESTOR STATUS</td> </tr> <tr> <td colspan="2"><input type="checkbox"/> NRI Non-Resident Indian(s) (Repatriation basis)</td> </tr> <tr> <td colspan="2"><input type="checkbox"/> FI FI or Sub Account not a Corporate/ Foreign Individual</td> </tr> <tr> <td colspan="2"><input type="checkbox"/> FIIA FI Sub Account Corporate/Individual</td> </tr> <tr> <td colspan="2"><input type="checkbox"/> FVCI Foreign Venture Capital Investor</td> </tr> <tr> <td colspan="2"><input type="checkbox"/> FPI Foreign Portfolio Investor</td> </tr> <tr> <td colspan="2"><input type="checkbox"/> OTH Others (Please Specify) _____</td> </tr> </table>	6. INVESTOR STATUS		<input type="checkbox"/> NRI Non-Resident Indian(s) (Repatriation basis)		<input type="checkbox"/> FI FI or Sub Account not a Corporate/ Foreign Individual		<input type="checkbox"/> FIIA FI Sub Account Corporate/Individual		<input type="checkbox"/> FVCI Foreign Venture Capital Investor		<input type="checkbox"/> FPI Foreign Portfolio Investor		<input type="checkbox"/> OTH Others (Please Specify) _____																			
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL																																						
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.																																						
6. INVESTOR STATUS																																						
<input type="checkbox"/> NRI Non-Resident Indian(s) (Repatriation basis)																																						
<input type="checkbox"/> FI FI or Sub Account not a Corporate/ Foreign Individual																																						
<input type="checkbox"/> FIIA FI Sub Account Corporate/Individual																																						
<input type="checkbox"/> FVCI Foreign Venture Capital Investor																																						
<input type="checkbox"/> FPI Foreign Portfolio Investor																																						
<input type="checkbox"/> OTH Others (Please Specify) _____																																						
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off"). Price band Rs. ___/- to Rs. ___/-</td> <td colspan="2">5. CATEGORY</td> </tr> <tr> <td rowspan="2" style="width:15%;">Bid Options</td> <td rowspan="2" style="width:15%;">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of _____ equity shares)</td> <td colspan="4" style="text-align: center;">Price per Equity Share (₹) / "Cut-off"</td> <td rowspan="2" style="width:10%;"> <input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non Institutional Bidder <input type="checkbox"/> QIB </td> </tr> <tr> <td style="width:10%;">Bid Price</td> <td style="width:10%;">Retail Discount</td> <td style="width:10%;">Net Price</td> <td style="width:10%;">"Cut-Off" (Please ✓/tick)</td> </tr> <tr> <td>Option 1</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> </table>			4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off"). Price band Rs. ___/- to Rs. ___/-		5. CATEGORY		Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of _____ equity shares)	Price per Equity Share (₹) / "Cut-off"				<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non Institutional Bidder <input type="checkbox"/> QIB	Bid Price	Retail Discount	Net Price	"Cut-Off" (Please ✓/tick)	Option 1						<input type="checkbox"/>	(OR) Option 2						<input type="checkbox"/>	(OR) Option 3						<input type="checkbox"/>
4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off"). Price band Rs. ___/- to Rs. ___/-		5. CATEGORY																																				
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of _____ equity shares)	Price per Equity Share (₹) / "Cut-off"				<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non Institutional Bidder <input type="checkbox"/> QIB																																
		Bid Price	Retail Discount	Net Price	"Cut-Off" (Please ✓/tick)																																	
Option 1						<input type="checkbox"/>																																
(OR) Option 2						<input type="checkbox"/>																																
(OR) Option 3						<input type="checkbox"/>																																
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">7. PAYMENT DETAILS</td> <td colspan="2" style="text-align: right;">PAYMENT OPTION : Full Payment <input type="checkbox"/></td> </tr> <tr> <td colspan="2">Amount Blocked (₹ in Figures) _____</td> <td colspan="2">(₹ in words) _____</td> </tr> <tr> <td colspan="2">ASBA Bank A/c No. _____</td> <td colspan="2">Bank Name & Branch _____</td> </tr> </table>			7. PAYMENT DETAILS		PAYMENT OPTION : Full Payment <input type="checkbox"/>		Amount Blocked (₹ in Figures) _____		(₹ in words) _____		ASBA Bank A/c No. _____		Bank Name & Branch _____																									
7. PAYMENT DETAILS		PAYMENT OPTION : Full Payment <input type="checkbox"/>																																				
Amount Blocked (₹ in Figures) _____		(₹ in words) _____																																				
ASBA Bank A/c No. _____		Bank Name & Branch _____																																				
<p style="font-size: x-small;">I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</p>																																						
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">8A. SIGNATURE OF SOLE / FIRST BIDDER</td> <td style="width:40%;">8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue</small></td> <td style="width:30%;">SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</td> </tr> <tr> <td>Date: _____, 2018</td> <td>1) _____ 2) _____ 3) _____</td> <td></td> </tr> </table>		8A. SIGNATURE OF SOLE / FIRST BIDDER	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue</small>	SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)	Date: _____, 2018	1) _____ 2) _____ 3) _____																																
8A. SIGNATURE OF SOLE / FIRST BIDDER	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue</small>	SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)																																				
Date: _____, 2018	1) _____ 2) _____ 3) _____																																					
TEAR HERE		Bid Cum Application Form No. _____																																				
AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - NR		Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA																																				
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">DPID / CLID</td> <td style="width:30%;">PAN of Sole / First Bidder</td> <td style="width:40%;"></td> </tr> <tr> <td>Amount Blocked (₹ in figures)</td> <td>ASBA A/c. No.</td> <td rowspan="2" style="text-align: center; vertical-align: middle;">Stamp & Signature of SCSB Branch</td> </tr> <tr> <td>Bank & Branch</td> <td></td> </tr> <tr> <td>Received from Mr./Ms./M/s.</td> <td></td> <td></td> </tr> <tr> <td>Telephone / Mobile</td> <td>Email</td> <td></td> </tr> </table>		DPID / CLID	PAN of Sole / First Bidder		Amount Blocked (₹ in figures)	ASBA A/c. No.	Stamp & Signature of SCSB Branch	Bank & Branch		Received from Mr./Ms./M/s.			Telephone / Mobile	Email																								
DPID / CLID	PAN of Sole / First Bidder																																					
Amount Blocked (₹ in figures)	ASBA A/c. No.	Stamp & Signature of SCSB Branch																																				
Bank & Branch																																						
Received from Mr./Ms./M/s.																																						
Telephone / Mobile	Email																																					
TEAR HERE		Bid Cum Application Form No. _____																																				
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%; text-align: center;">AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - NR</td> <td style="width:15%;">Option 1</td> <td style="width:15%;">Option 2</td> <td style="width:15%;">Option 3</td> <td style="width:20%; text-align: center;">Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA</td> <td style="width:20%;">Name of Sole / First Bidder</td> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Amount Blocked (₹)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No.:</td> <td colspan="5"></td> </tr> <tr> <td>Bank & Branch:</td> <td colspan="5"></td> </tr> </table>		AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - NR	Option 1	Option 2	Option 3	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Bidder	No. of Equity Shares						Bid Price						Amount Blocked (₹)						ASBA Bank A/c No.:						Bank & Branch:						Acknowledgment Slip for Bidder
AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - NR	Option 1	Option 2	Option 3	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Bidder																																	
No. of Equity Shares																																						
Bid Price																																						
Amount Blocked (₹)																																						
ASBA Bank A/c No.:																																						
Bank & Branch:																																						
TEAR HERE		Bid Cum Application Form No. _____																																				
AFFORDABLE ROBOTIC & AUTOMATION LIMITED 1																																						

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 IPOs 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 BRLM 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 refer 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 DRHP 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

- (a) 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.

- (b) Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- (c) Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.
- (d) All Bidders can participate in the Offer only through the ASBA mechanism.
- (e) 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 finalization 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 BRLM 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	AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - REVISION - R Registered Office: Village Wadki, Gat No.1209, Taluka Haveli, Dist. Pune – 412308, India CIN: U29299PN2010PLC135298; Tel. No.: 917720018914; E-mail: info@arapl.co.in; Website: www.arapl.co.in	FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
---------------------------------	---	---

To, The Board of Directors AFFORDABLE ROBOTIC & AUTOMATION LIMITED	BOOK BUILT ISSUE ISIN - _____	Bid Cum Application Form No. _____
--	---	------------------------------------

SYNDICATE MEMBER'S STAMP & CODE	BROKER'S / SCSB / DP / RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER Mr./Ms./M/s. _____ Address _____ _____ _____ Email _____ _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S/SUB-AGENT'S STAMP & CODE	ESCROW BANK / SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	
2. PAN OF SOLE / FIRST BIDDER _____		
3. BIDDERS DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL <small>For NSDL, enter 8 Digit DPID followed by 8 Digit Client ID / For CDSL, enter 16 Digit Client ID</small>		

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)											
	8	7	6	5	4	3	2	1	Price per Equity Share (₹) / "Cut-off" (In Figures)			
									Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

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)											
	8	7	6	5	4	3	2	1	Price per Equity Share (₹) / "Cut-off" (In Figures)			
									Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

6. PAYMENT DETAILS										PAYMENT OPTION : Full Payment <input type="checkbox"/>	
Additional Amount Blocked (₹ in Figures) _____ (₹ in words)											
ASBANK 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.

7A. SIGNATURE OF SOLE / FIRST BIDDER Date: _____, 2018	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>If We authorize the SCSB to do all acts as necessary to make the Application in the Offer</small> 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
--	---	--

TEAR HERE

ARAPL	AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - REVISION - R	Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA	Bid Cum Application Form No. _____
--------------	--	---	------------------------------------

DPID / CLID _____	PAN of Sole / First Bidder _____	
Additional Amount Blocked (₹ in figures) _____	ASBA A/c. No. _____	Stamp & Signature of SCSB Branch _____ _____
Bank & Branch _____		
Received from Mr./Ms. _____		
Telephone / Mobile _____	Email _____	

TEAR HERE

AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - R	Option 1 Option 2 Option 3	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Bidder _____
No. of Equity Shares		_____ _____	
Bid Price			
Additional Amount Blocked (₹)			
ASBA Bank A/c No.: _____		Acknowledgment Slip for Bidder	
Bank & Branch: _____			Bid Cum Application Form No. _____

Revision Form – NR

COMMON BID REVISION FORM	AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR Registered Office: Village Wadki, Gat No.1209, Taluka Haveli, Dist. Pune – 412308, India CIN : U29299PN2010PLC135298; Tel. No.: 917720018914; E-mail: info@arapl.co.in; Website: www.arapl.co.in	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS
--------------------------	--	---

 To, The Board of Directors AFFORDABLE ROBOTIC & AUTOMATION LIMITED	BOOK BUILT ISSUE ISIN - _____	Bid Cum Application Form No. _____
SYNDICATE MEMBER'S STAMP & CODE	BROKER'S / SCSB / DP / RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER Mr./Ms./M/s. _____ Address _____ _____ Email _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S/SUB-AGENT'S STAMP & CODE	ESCROW BANK / SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	
3. BIDDERS DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL <small>For NSDL enter 8 Digit DPID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID</small>		

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)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount, if any	Net Price
Option 1											<input type="checkbox"/>
(OR) Option 2											<input type="checkbox"/>
(OR) Option 3											<input type="checkbox"/>
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)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount, if any	Net Price
Option 1											<input type="checkbox"/>
(OR) Option 2											<input type="checkbox"/>
(OR) Option 3											<input type="checkbox"/>
6. PAYMENT DETAILS											
Additional Amount Blocked (₹ in Figures)					PAYMENT OPTION : Full Payment <input type="checkbox"/>						
ASBANK 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.

7A. SIGNATURE OF SOLE / FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>If We authorize the SCSB to do all acts as necessary to make the Application in the Offer</small>	SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date: _____, 2018	1) _____ 2) _____ 3) _____	

 AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR	Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA	Bid Cum Application Form No. _____
PAN of Sole / First Bidder _____		
DPID / CLID	ASBA A/c No.	Stamp & Signature of SCSB Branch
Additional Amount Blocked (₹ in figures)	Bank & Branch	
Received from Mr./Ms.	Telephone / Mobile	
Email		

AFFORDABLE ROBOTIC & AUTOMATION LIMITED - INITIAL PUBLIC ISSUE - NR	Option 1	Option 2	Option 3	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Bidder
	No. of Equity Shares				
	Bid Price				
	Additional Amount Blocked (₹)				Acknowledgement Slip for Bidder
ASBA Bank A/c No.:				Bid Cum Application Form No.	
Bank & Branch:					

1.1.1.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.

1.1.2.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.

1.1.3.PAYMENT DETAILS

- (a) 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.
- (b) 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.
- (c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs.2,00,000, 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.
- (d) 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.

1.1.4. 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 BRLM, 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 BRLM 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:**
 - i. the Bids accepted by the Designated Intermediaries,
 - ii. the Bids uploaded by the Designated Intermediaries, and
 - iii. the Bid cum Application Forms accepted but not uploaded by the Designated Intermediaries.
- (b) The BRLM 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) BRLM 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.

GROUND 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 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 BRLM 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 BRLM, 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 (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 [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] 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 [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] 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 [●] 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 BRLM 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, Ahmedabad and Indore.
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 and Karnataka 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 “ <i>Issue Procedure</i> ” beginning on page 228 of this Red Herring 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

Term	Description
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
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 Prabhat, 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 BRLM	The Book Running Lead Manager to the Issue namely Pantomath capital Advisors Private Limited
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

Term	Description
Cut-off Price	Offer Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM. 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
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 Locations	CDP Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com)
Designated Locations	CDP 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 Locations	RTA 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 Exchange	Stock The designated stock exchange as disclosed in the 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 April 02, 2018 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

Term	Description
	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 Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Issue	The Initial Public Issue of up to 26,81,600 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each, aggregating up to Rs.[●]
Issuer/Company	The Issuer proposing the initial 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
Mutual Funds Portion	5% of the QIB Category available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the DRHP/RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
Net Issue	Issue less Market maker 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

Term	Description
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 BRLM 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 Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price band of a minimum price of Rs.[●] per Equity Share (Floor Price) and the maximum price of Rs.[●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the BRLM 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 Pune edition of the regional newspaper Prabhat, each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 32 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. The Red Herring Prospectus will be 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

Term	Description
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of BSE 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/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime Private Limited having registered office at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai -400 083, Maharashtra, India.
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 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 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 April 04, 2018 entered into amongst the BRLM, 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 BRLM and the Syndicate Members
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated April 04, 2018 entered into between the Underwriter and our Company

Term	Description
Working Day	<ol style="list-style-type: none"> <li data-bbox="539 232 1385 297">1. Till Application / Issue closing date: All days other than a Saturday Sunday or a public holiday <li data-bbox="539 304 1385 436">2. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 India

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 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, , FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. 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 FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. 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.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI 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/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI 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 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this 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 Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**SECTION VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION
THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION*
OF
AFFORDABLE ROBOTIC & AUTOMATION LIMITED**

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 AFFORDABLE ROBOTIC & AUTOMATION LIMITED	
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative

Sr. No	Particulars	
	(h) Words importing the masculine gender also include the feminine gender.	Gender
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) "Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number

Sr. No	Particulars	
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	Increase of capital by the Company how carried into effect
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized 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

Sr. No	Particulars	
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in 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</p>	Provisions to apply on issue of Redeemable Preference Shares
10.	<p>The Company may (subject to the provisions of Sections 52, 55, 66 and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p>	Reduction of capital

Sr. No	Particulars	
	<p>(c) any security premium account</p> <p>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.</p>	
11.	<p>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.</p>	Debentures
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	Issue of Sweat Equity Shares
13.	<p>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.</p>	ESOP
14.	<p>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.</p>	Buy Back of shares
15.	<p>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.</p>	Consolidation, Sub-Division And Cancellation
16.	<p>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.</p>	Issue of Depository Receipts

Sr. No	Particulars	
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.	<p>(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.</p> <p>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.</p>	Modification of rights
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
19.	Subject to the provisions of Section 62 of the Act and these 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.
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62	Power to issue shares on preferential basis.

Sr. No	Particulars	
	subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided.
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
25.	Every Member, or his heirs, executors, administrators, or 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.
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	

Sr. No	Particulars	
27.	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	
28.	<p>(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, subdivision, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge</p>	Share Certificates.

Sr. No	Particulars	
	<p>not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
<p>29.</p>	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<p>Issue of new certificates in place of those defaced, lost or destroyed.</p>
<p>30.</p>	<p>(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.</p>	<p>The first named joint holder deemed Sole holder.</p>
	<p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>	<p>Maximum number of joint holders.</p>
<p>31.</p>	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto,</p>	<p>Company not bound to recognize any interest in share other than that of registered holders.</p>

Sr. No	Particulars	
	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.	
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
35.	<p>(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>	Directors may make calls
36.	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
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the	Calls to date from resolution.

Sr. No	Particulars	
	discretion of the Directors on such subsequent date as may be fixed by Directors.	
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	Proof on trial of suit for money due on shares.
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part	Judgment, decree, partial payment

Sr. No	Particulars	
	<p>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.</p>	<p>motto proceed for forfeiture.</p>
<p>44.</p>	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	<p>Payments in Anticipation of calls may carry interest</p>
	<p>LIEN</p>	
<p>45.</p>	<p>The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p>	<p>Company to have Lien on shares.</p>
<p>46.</p>	<p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but</p>	<p>As to enforcing lien by sale.</p>

Sr. No	Particulars	
	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.	
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	Application of proceeds of sale.
	FORFEITURE AND SURRENDER OF SHARES	
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	If call or installment not paid, notice may be given.
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at 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. 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	Terms of notice.

Sr. No	Particulars	
	in respect of which the call was made or installment is payable will be liable to be forfeited.	
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of Forfeiture.
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may	Title of purchaser and allottee of Forfeited shares.

Sr. No	Particulars	
	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.	
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
	TRANSFER AND TRANSMISSION OF SHARES	
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory	Transfer Form

Sr. No	Particulars	
	<p>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.</p> <p>The instrument of transfer shall be in a common form approved by the Exchange;</p>	
63.	<p>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.</p>	<p>Transfer not to be registered except on production of instrument of transfer</p>
64.	<p>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—</p> <p>(a) any transfer of shares on which the company has a lien.</p> <p>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;</p>	<p>Directors may refuse to register transfer</p>
65.	<p>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.</p>	<p>Notice of refusal to be given to transferor and transferee</p>
66.	<p>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.</p>	<p>No fee on transfer</p>
67.	<p>The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and</p>	<p>Closure of Register of Members or</p>

Sr. No	Particulars	
	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..
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
71.	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(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.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	Recognition of legal representative.
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of	Titles of Shares of deceased Member

Sr. No	Particulars	
	<p>two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.</p>	
73.	<p>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.</p>	<p>Notice of application when to be given</p>
74.	<p>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'.</p>	<p>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</p>
75.	<p>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.</p>	<p>Refusal to register nominee.</p>
76.	<p>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</p>	<p>Board may require evidence of transmission.</p>

Sr. No	Particulars	
	obligation on the Company or the Directors to accept any indemnity.	
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, 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.	Company not liable for disregard of a notice prohibiting registration of transfer.
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
80.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p>	Nomination

Sr. No	Particulars	
	iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	
81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(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;</p> <p>(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.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	Transmission of Securities by nominee
	DEMATERIALIZATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.

Sr. No	Particulars	
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to 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
86.	<p>(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.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	Deposit of share warrants
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or	Privileges and disabilities of the

Sr. No	Particulars	
	<p>exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(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.</p>	holders of share warrant
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
	CONVERSION OF SHARES INTO STOCK	
89.	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	Conversion of shares into stock or reconversion.
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	Transfer of stock.
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if 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.
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit 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	Power to borrow.

Sr. No	Particulars	
	<p>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.</p>	
<p>94.</p>	<p>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.</p>	<p>Issue of discount etc. or with special privileges.</p>
<p>95.</p>	<p>The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.</p>	<p>Securing payment or repayment of Moneys borrowed.</p>
<p>96.</p>	<p>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.</p>	<p>Bonds, Debentures etc. to be under the control of the Directors.</p>
<p>97.</p>	<p>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.</p>	<p>Mortgage of uncalled Capital.</p>
<p>98.</p>	<p>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</p>	<p>Indemnity may be given.</p>

Sr. No	Particulars	
	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.	
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not 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
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.

Sr. No	Particulars	
104.	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	Chairman with consent may adjourn meeting.
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
VOTES OF MEMBERS		
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote.
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a 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	Number of votes each member entitled.

Sr. No	Particulars	
	sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
114.	<p>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.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	Votes of joint members.
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representative
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the	Representation of a body corporate.

Sr. No	Particulars	
	Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	Members paying money in advance.
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy.
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.

Sr. No	Particulars	
122.	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.
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objections to votes.
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
DIRECTORS		
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	Number of Directors
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
127.	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to</p>	Nominee Directors.

Sr. No	Particulars	
	<p>attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	
128.	<p>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.</p>	<p>Appointment of alternate Director.</p>
129.	<p>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.</p>	<p>Additional Director</p>
130.	<p>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.</p>	<p>Directors power to fill casual vacancies.</p>
131.	<p>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.</p>	<p>Sitting Fees.</p>
132.	<p>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.</p>	<p>Travelling expenses Incurred by Director on Company's business.</p>
	<p>PROCEEDING OF THE BOARD OF DIRECTORS</p>	

Sr. No	Particulars	
133.	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(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.</p>	Meetings of Directors.
134.	<p>a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.</p> <p>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.</p>	Chairperson
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	Continuing directors may act notwithstanding any vacancy in the Board
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meetings how to be governed.
139.	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time</p>	Chairperson of Committee Meetings

Sr. No	Particulars	
	appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	
140.	<p>a) A committee may meet and adjourn as it thinks fit.</p> <p>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.</p>	Meetings of the Committee
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them 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.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
	RETIREMENT AND ROTATION OF DIRECTORS	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
	POWERS OF THE BOARD	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board

Sr. No	Particulars	
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct.
	(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.

Sr. No	Particulars	
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or 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.

Sr. No	Particulars	
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and 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 deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	Transfer to Reserve Funds.

Sr. No	Particulars	
	<p>(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.</p>	<p>To appoint and remove officers and other employees.</p>
	<p>(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.</p>	<p>To appoint Attorneys.</p>
	<p>(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.</p>	<p>To enter into contracts.</p>
	<p>(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.</p>	<p>To make rules.</p>

Sr. No	Particulars	
	(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 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. (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	

Sr. No	Particulars	
	institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	<p>(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.</p> <p>(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.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p>	
	MANAGING AND WHOLE-TIME DIRECTORS	

Sr. No	Particulars	
145.	<p>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.</p> <p>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 Director or Whole-time Director.</p>	Powers to appoint Managing/ Whole-time Directors.
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the 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 Whole-time Director
147.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the</p>	Powers and duties of Managing Director or Whole-time Director

Sr. No	Particulars	
	<p>Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	<p>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</p>	
<p>148.</p>	<p>a) Subject to the provisions of the Act,—</p> <p>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 think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>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.</p>	<p>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</p>
	<p>THE SEAL</p>	
<p>149.</p>	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p>	<p>The seal, its custody and use</p>

Sr. No	Particulars	
	(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.	
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	Deeds how executed
	Dividend and Reserves	
151.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	Division of profits
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends
153.	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.	Transfer to reserves

Sr. No	Particulars	
	b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under 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
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to 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
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address	Dividends how remitted

Sr. No	Particulars	
	<p>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.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends
	CAPITALIZATION	
165.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	Capitalization
166.	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —	Fractional Certificates

Sr. No	Particulars	
	<p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to 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.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	
167.	<p>(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.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<p>Inspection of Minutes Books of General Meetings.</p>
168.	<p>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.</p>	<p>Inspection of Accounts</p>

Sr. No	Particulars	
	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.	
	FOREIGN REGISTER	
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings
	WINDING UP	
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
	INDEMNITY	
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be	Directors' and others right to indemnity.

Sr. No	Particulars	
	<p>indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.</p>	
<p>174.</p>	<p>Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss 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.</p>	<p>Not responsible for acts of others</p>
	<p style="text-align: center;">SECRECY</p>	
<p>175.</p>	<p>(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.</p>	<p>Secrecy</p>
	<p>(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the</p>	<p>Access to property information etc.</p>

Sr. No	Particulars	
	<p>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.</p>	

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at VILLAGE WADKI, GAT NO.1209, TALUKA HAVELI, PUNE MAHARASHTRA INDIA 412308, from date of filing the Red Herring Prospectus with Roc to Bid Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated March 12, 2018 between our Company and the BRLM.
2. Registrar Agreement dated March 12, 2018 between our Company and Link Intime India Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated April 04, 2018 between our Company and Underwriter viz. BRLM
4. Market Making Agreement dated April 04, 2018 between our Company, Market Maker and the BRLM.
5. Bankers to the Issue Agreement dated April 09, 2018 amongst our Company, the BRLM, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated March 23, 2018
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated March 15, 2018
8. Syndicate Agreement dated April 04, 2018 between our Company, the BRLM and Syndicate Member viz. Pantomath Stock Brokers Private Limited.

Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time.
2. Resolutions of the Board of Directors dated February 08, 2018 in relation to the Issue and other related matters.
3. Special resolution of the Shareholders' passed at the Extra-ordinary General meeting dated February 09, 2018 authorizing the Issue.
4. Statement of Tax Benefits dated March 22, 2018 issued by our Peer Reviewed Auditor.
5. Report of the Peer Reviewed Auditor dated March 22, 2018 on the Restated Financial Statements for the period ended December, 2017 and financial years 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, Banker to the Company, Legal Advisor to the Issue, the Book Running Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue, Refund Banker to the Issue and Syndicate Member to the Issue to act in their respective capacities.
7. Copy of In-Principle approval from BSE Limited vide letter dated May 07, 2018, to use its name in this Issue document for listing of Equity Shares on SME Platform of BSE Limited.

None of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the 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 Red Herring Prospectus are true and correct.

Signed by all the Directors of our Company

Name and Designation	Signature
Milind Padole <i>Managing Director</i>	Sd/-
Manohar Padole <i>Whole time Director</i>	Sd/-
Rahul Padole <i>Non-Executive Director</i>	Sd/-
Bhagirathi Padole <i>Additional Non-Executive Director</i>	Sd/-
Bharat Jhamvar <i>Additional Independent Director</i>	Sd/-
Dr. Ajay Deshmukh <i>Additional Independent Director</i>	Sd/-
Rohan Akolkar <i>Additional Independent Director</i>	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance officer of the Company.

Sengunthar Dakshnamurty Kalidass
Chief Financial Officer

Harshada Hendre
Company Secretary and
Compliance Officer

Place: Pune Maharashtra
Date: May 10, 2018

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.	A and M Jumbo Bags Limited	4.00	65.00	February 12, 2018	70.50	0.85% (-1.07%)	Not Applicable	Not Applicable
2.	Sintercom India Limited	42.55	65.00	February 15, 2018	78.00	15.00% (-3.32%)	Not Applicable	Not Applicable
3.	Mohini Health & Hygiene Limited	20.71	42.00	February 16, 2018	50.40	61.90%(-3.43%)	Not Applicable	Not Applicable
4.	South West Pinnacle Exploration Limited	35.85	78.00	February 19, 2018	93.60	3.72% (-2.45%)	Not Applicable	Not Applicable
5.	Macpower CNC Machines Limited	36.61	140.00	March 22, 2018	149.00	84.54% (4.44%)	Not Applicable	Not Applicable
6.	Benara Bearings and Pistons Limited	33.49	63.00	April 3, 2018	64.00	3.97% (5.41%)	Not Applicable	Not Applicable
7.	Soni Soya Products Limited	4.50	25.00	April 12, 2018	26.00	Not Applicable	Not Applicable	Not Applicable
8.	Vera Synthetic Limited	5.34	40.00	April 12, 2018	45.00	Not Applicable	Not Applicable	Not Applicable
9.	S.S. Infrastructure Development Consultants Limited	17.11	40.00	April 12, 2018	42.95	Not Applicable	Not Applicable	Not Applicable
10.	Mahickra Chemicals Limited	5.25	25.00	April 26, 2018	35.00	Not Applicable	Not Applicable	Not Applicable

Innovators Façade Systems Limited have registered the Red Herring Prospectus with Registrar of Companies for Initial Public Offering.

Akshar Spintex Limited and SofiTech Engineers Limited have registered the Prospectus with Registrar of Companies for Initial Public Offering and are in the process of listing.

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	5	3	8	-	1	5	10	1	6
17-18	***30\$\$	610.90	-	-	4	10	7	9	-	1	2	11	2	4
18-19	****5\$\$\$	65.69	-	-	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, 2015, 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, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines 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 04, 2017,

October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

****The scripts of Benara Bearings and Pistons Limited, Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited and Mahickra Chemicals Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018 and April 26, 2018 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 One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited, Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited have not completed 180 Days, 180 Days and 180 Days respectively from the date of listing.

\$\$\$ The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited and Mahickra Chemicals Limited have not completed 180 Days, 30 Days, 30 Days and 30 Days respectively from the date of listing.

Note: Majestic Research Services and Solutions Limited and Ambition Mica Limited are Further Public Offerings lead managed by Pantomath Capital Advisors Private Limited in the Financial Years 2016-17 and 2017-18 respectively and the same have not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.