**Prospectus**
*Date: 14th November, 2018*
*Please read Section 32 of Companies Act, 2013*
*Fixed Price issue*

# DIKSHA GREENS LIMITED
**(erstwhile Diksha Timber Private Limited)**

Our Company was originally incorporated at Kolkata as Diksha Timber Private Limited on July 21, 2004 under the provisions of the Companies Act, 1956, with the Registrar of Companies West Bengal, Kolkata. Subsequently our Company changed its name from Diksha Timber Private Limited to Diksha Greens Private Limited vide Certificate of Incorporation pursuant to name change dated November 29, 2017 and again our Company was converted into a Public Limited Company and the name of the Company was changed to Diksha Greens Limited vide Certificate of Incorporation consequent upon Conversion from Private to Public Limited Company dated February 06, 2018. For further details of our Company, please refer the chapter titled "General Information" and "Our History and Certain Corporate Matters" on page no. 45 and 113 of this Prospectus.

**CIN: U20100WB2004PLC099199**
Registered Office: 11Sambhu Chaterjee Street, Jorasanko Kolkata-700007
Tel No.: 03322198219; Email: cs@dikshagreens.co.in, Website: www.dikshagreens.co.in
Contact Person: Mr. Sumit Kumar Jain, Company Secretary & Compliance officer

**OUR PROMOTERS: MR. RAJESH PIROGIWAL,MRS. SUNITAPIROGIWAL, MS. TANVI PIROGIWAL AND RAJESH KUMAR PIROGIWAL & SONS HUF**

## THE ISSUE

PUBLIC ISSUE OF 44,40,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") OF DIKSHAGREENSLIMITED (THE "COMPANY"ORTHE"ISSUER") FOR CASH AT A PRICE OF ₹30/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹20/- PER EQUITY SHARE (THE"ISSUEPRICE"), AGGREGATING TO ₹1,332.00 LAKHS("THE ISSUE"),OF WHICH 2,24,000EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹30/- PER EQUITY SHARE, AGGREGATING ₹67.20 LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE ISSUE (THE"MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E., ISSUE OF 42,16,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH CASH AT A PRICE OF ₹30/- PER EQUITY SHARE, AGGREGATING ₹1,264.80 LAKHS IS HERE IN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 45.00 % AND 42.73% RESPECTIVELY OF THE POST ISSUE PAIDUP EQUITY SHARE CAPITAL OF THE COMPANY.

**THE FACE VALUE OF THE EQUITY SHARE IS ₹10/- EACH AND THE ISSUE PRICE IS ₹ 30/-I.E. 3 TIMES OF THE FACE VALUE OF THE EQUITY SHARES**

**THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATIONS, 2009, AS AMENDED.**

*For further details see "The Issue" beginning on page no. 44 of this Prospectus.*

In terms of the 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 "Issue Procedure" on page no. 202 of this Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 & 28 of the Companies Act, 2013.

## RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is 3 times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated under "Basis for Issue Price" beginning on page no.74 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

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. **Specific attention of the investors is invited to "Risk Factors" beginning on page no.14 of this Prospectus.**

## COMPANY'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the issue, which is material in the context of the issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinion or intentions misleading in any material respect.

## LISTING

The Equity Shares of our company issued through this Prospectus are proposed to be listed on the SME Platform of BSE Limited **("BSE").** Our Company has received in principal approval letter dated November 02, 2018 from BSE for using its name in this issue document for listing of our shares on the SME Platform of BSE. For the purposes of the issue, the Designated Stock Exchange will be BSE Limited ("BSE").

| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|---|---|
| FINSHORE<br>Creating Enterprise Managing Values<br>**FINSHORE MANAGEMENT SERVICES LIMITED**<br>Anandlok", Block-A, 2nd Floor, Room No. 207, 227<br>A.J.C Bose Road, Kolkata-700020, West Bengal<br>**Tel No.:** +91 – 33 – 22895101<br>**Email:**ramakrishna@finshoregroup.com<br>**Website:** www.finshoregroup.com<br>**Investor Grievance Email:** info@finshoregroup.com<br>**Contact Person:** Mr. S. Ramakrishna Iyengar<br>**SEBI Registration No:** INM000012185 | CAMEO<br>**Cameo Corporate Services Limited**<br>"Subramanian Building", #1, Club House Road,<br>Chennai - 600 002, India<br>**Telephone:** +91-44-40020700, 28460390<br>**Facsimile**: +91-44-28460129<br>**Email:** investor@cameoindia.com<br>**Contact Person:** Mr. R.D. Ramasamy, Director<br>**Website:** www.cameoindia.com<br>**SEBI Registration Number:** INR000003753 |

## ISSUE PROGRAMME

| ISSUE OPEN ON: NOVEMBER 26, 2018 | ISSUE CLOSE ON: NOVEMBER 28, 2018 |
|---|---|

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## SECTION I: GENERAL

### Definitions and Abbreviations

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the respective meanings given below. References to statutes, regulations, rules, guidelines and policies will be deemed to include all amendments and modifications thereto.

As on the date of this Prospectus, our Company has no subsidiary. Consequently, all references to "Our Company", "we", "our", "us" or "Diksha Greens Limited", "DGL" is to Company Name, incorporated under the Companies Act, 1956 and having its Registered Office at 11 Sambhu Chatterjee Street, Jorasanko Kolkata-700007, West Bengal, India.

The words and expressions used in this Prospectus, but not defined herein, shall have the same meaning ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder as the case may be. Notwithstanding the foregoing, the terms not defined but used in the Sections titled, **Statement of Possible Tax Benefits**; **Financial Statements as Restated**; **Outstanding Litigation and Material Developments**; and **Main Provisions of Articles of Association** beginning on page no. 77, 135, 173 and 241 respectively, shall have the meanings ascribed to such terms in these respective sections.

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

**Company Related Terms**

| Term | Description |
|---|---|
| Articles/Articles of Association/AoA | The Articles of Association of our Company, as amended from time to time. |
| Audit Committee | Audit Committee of our Company constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. |
| Auditor/Statutory Auditor | The Statutory Auditors of our Company, being M/s. M Raghunath & Co. Chartered Accountants, 6 Garstin Place, 1st Floor, Kolkata-700001 |
| Banker to our Company | Punjab & Sind Bank as disclosed in the Section titled, **General Information,** beginning on page no. 45 of this Prospectus. |
| Board of Director(s)/the Board/our Board/Director(s) | The Director(s) on our Board, unless otherwise specified. For further details on our Directors, please refer to Section titled, **Our Management,** beginning on page no.118 of this Prospectus. |
| Equity Shares | The Equity Shares of our Company of face value of Rs.10/- each, fully paid-up, unless otherwise specified in the context thereof. |
| Equity Shareholders | Persons/Entities holding Equity Shares of our Company. |
| Group Companies/Entities | The companies included under the definition of "Group Companies" under the SEBI (ICDR) Regulations and identified by the Company in its Materiality Policy. For further details, please refer to Section titled, **Group Entities of Our Company,** beginning on page no.131 of this Prospectus. |
| Key Managerial Personnel/KMP | The key management personnel of our Company in terms of the SEBI (ICDR) Regulations and the Companies Act, 2013, disclosed in Section titled, **Our Management,** beginning on page no 118 of this Prospectus. |
| Materiality Policy | The policy on determination of materiality, by our Board in accordance with the requirements Regulation 30 of the SEBI (ICDR) Regulations. |
| Memorandum/Memorandum of Association/MoA | The Memorandum of Association of our Company, as amended from time to time. |
| Nomination and Remuneration Committee | The nomination and remuneration committee of our Company, as disclosed in the Section titled, **Our Management**, on page no. 118 of this Prospectus. |
| Peer Review Auditor | Independent Auditor having a valid Peer Review certificate in our case being M/s. AMK & Associates, Chartered Accountants, having office at Stesalit Tower, 303, 3rd Floor, E 2-3, Block EP & GP, Sector-V, Salt Lake, Kolkata-700091. |
| Promoters | **Mr. Rajesh Pirogiwal, Mrs. Sunita Pirogiwal, Ms. Tanvi Pirogiwal and Rajesh Kumar Pirogiwal & Sons HUF** are the promoters of the company**.** For further details, please refer to |

| Term | Description |
|---|---|
| | Section titled, **Our Promoters and Promoter Group**, beginning on page no.128 of this Prospectus. |
| Promoter Group | Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI (ICDR) regulations and as disclosed under Section titled, **Our Promoters and Promoter Group**, beginning on page no.128 of this Prospectus. |
| Registered Office | 11Sambhu Chatterjee Street, Jorasanko, Kolkata-700007, West Bengal, India. |
| Restated Financial Statement | Audited Financial Statements for the half yearly ended September 30, 2018 and for the Financial Years ended March 31, 2018, 2017, 2016, 2015,and 2014, as restated in accordance with SEBI (ICDR) Regulations, comprises of (i) Financial Information as per Restated Summary Financial Statements and (ii) Other Financial Information. |
| RoC/Registrar of Companies | Registrar of Companies, Kolkata, West Bengal.<br>Nizam Palace. 2nd MSO Building. 2nd Floor, 234/4, A.J.C. Bose Road. Kolkata - 700020, India. |
| Stakeholders' Relationship Committee | Stakeholder's relationship committee of our Company constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Companies Act, 2013. |

**Issue Related Terms**

| Terms | Description |
|---|---|
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form. |
| Allot/Allotment/Allotted of Equity Shares | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of the Equity Shares to the successful Applicants. |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges. |
| Allottee(s) | A successful Applicant (s) to whom the Equity Shares are being/have been issued/allotted. |
| Applicant | Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form. Pursuant to SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, with effect from January 01, 2016, all applicants participating in this Issue are required to mandatorily use the ASBA facility to submit their Applications. |
| Application | An indication to make an offer during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations. |
| Application Amount | The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form. |
| Application Form | The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of this Prospectus. |
| Application Supported by Blocked Amount/ASBA | An application, whether physical or electronic, used by an Applicant to make an application authorizing the relevant SCSB to block the application amount in the ASBA Account maintained with the SCSB.<br><br>Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA process. |
| ASBA Account | Account maintained with a SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the appropriate Application Amount in relation to an Application by an Applicant. |
| ASBA Applicant(s) | Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this Prospectus. |
| ASBA Application Location(s)/Specified Cities | Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on www.sebi.gov.in/pmd/scsb.pdf |
| Banker to the Issue | Bank which are clearing members and registered with SEBI as banker to an issue and with whom the Public Issue Account will be opened, in this case being Kotak Mahindra Bank Ltd. |
| Basis of Allotment | The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described in the Section titled, **Issue Procedure**, - Basis of Allotment beginning on page no. 202 of this Prospectus. |

| Terms | Description |
|---|---|
| Broker Centers | Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker.<br><br>The details of such broker centers, along with the names and contact details of the Registered Brokers, are available on the website of the BSE on the following link: http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 |
| Broker to the Issue | All recognized members of the stock exchange would be eligible to act as the Broker to the Issue. |
| Business Day | Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays). |
| BSE SME | The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares issued under Section X-B of the SEBI ICDR Regulations |
| CAN or Confirmation of Allocation Note | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange. |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account. |
| Collection Centers | Centers at which the Designated Intermediaries shall accept the ASBA Forms. |
| Compliance Officer | The Company Secretary of our Company is Sumit Kumar Jain |
| Collecting Depository Participant or CDP | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI. |
| Controlling Branches of SCSBs | Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time. |
| Demographic Details | The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details. |
| Depository/Depositories | A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, being NSDL and CDSL. |
| Depository Participant/DP | A depository participant as defined under the Depositories Act, 1966. |
| Designated CDP Locations | Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.<br><br>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com |
| 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. |
| Designated Intermediaries/Collecting Agent | An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity). |
| Designated Market Maker | In our case, M/s Nikunj Stock Broker Limited |
| Designated RTA Locations | Such locations of the RTAs where Applicant can submit the Application Forms to RTAs.<br>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. http://www.bseindia.com |
| Designated Stock Exchange | SME Platform of BSE Limited. |
| Prospectus | The Prospectus dated November 14, 2018 issued in accordance with Section 32 of the Companies Act, 2013. |
| DP | Depository Participant. |
| DP ID | Depository Participant's Identity number. |

| Terms | Description |
|---|---|
| Eligible NRI(s) | NRI(s) from such jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe for the Equity Shares Issued herein on the basis of the terms thereof. |
| FII/Foreign Institutional Investors | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India. |
| First/Sole Applicant | The Applicant whose name appears first in the Application Form or Revision Form. |
| 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 23rdOctober, 2013, notified by SEBI read with SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA process. |
| Issue/Public Issue/Issue Size Initial Public Issue/IPO | Public issue of 44,40,000Equity Shares of face value of Rs.10/- each of our Company for cash at a price of Rs.30/- per Equity Share (including a share premium of Rs.20/- per Equity Share) aggregating to Rs.1332.00Lakhs by our Company, in term of this Prospectus. |
| Issue Agreement | The Issue Agreement dated 10th Aug, 2018 between our Company and Lead Manager. |
| Issue Closing Date | The date on which Issue Closes for Subscription. |
| Issue Opening Date | The date on which Issue Opens for Subscription. |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Investors may submit their application. |
| Issue Price | The price at which Equity Shares are being issued by our Company being Rs.30/- per Equity Share. |
| Issue Proceeds | The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please refer to Section titled, **Objects of the Issue**, beginning on page no. 69 of this Prospectus. |
| Lead Manager/LM | Lead Manager to the Issue, in this case being Finshore Management Services Limited. |
| Listing Agreement | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited. |
| Market Maker | Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform. In our case, M/s Nikunj Stock Broker Limited Market Maker to the Issue. |
| Market Making Agreement | The Market Making Agreement dated October 29, 2018 between our Company and Market Maker. |
| Market Maker Reservation Portion | Upto 2,24,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹30/- per Equity Share aggregating to ₹67.20 lakhs. |
| Mutual Fund(s) | Mutual fund (s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended. |
| Net Issue | The Issue (excluding the Market Maker Reservation Portion) of up to 42,16,000 Equity Shares of face value Rs. 10/- each for cash at an Issue price of Rs. 30/-per Equity Share (the "Issue Price"), including a share premium of Rs. 20/- per equity share aggregating up to Rs. 1264.80 Lakhs. |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. |
| Non-Institutional Investors or NIIs | All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than Rs.2 Lakh (but not including NRIs other than Eligible NRIs). |
| Overseas Corporate Body/OCB | Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue. |
| Other Investors | Investors other than Retail Individual Investors. These include individual Applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for. |
| Person/ Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust, or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |

| Terms | Description |
|---|---|
| Prospectus | The Prospectus, to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013. |
| Public Issue Account | The Bank Account opened with the Banker(s) to this Issue Kotak Mahindra Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Accounts on the Designated Date. |
| Qualified Institutional Buyers or QIBs | A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations. |
| Registered Brokers | Stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate. |
| 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. |
| Registrar/Registrar to this Issue/RTI | Registrar to the Issue being Cameo Corporate Services Ltd. |
| Registrar Agreement | The agreement dated 28.05.2018 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to the Issue. |
| Reserved Category/Categories | Categories of persons eligible for making application under reservation portion. |
| Retail Individual Investors/RIIs | Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs.2 Lakh in this Issue. |
| Revision Form | The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable. |
| Self-Certified Syndicate Bank(s) or SCSB(s) | Banks registered with SEBI, Issuing Services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html |
| Specified Locations | Collection Centers where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time. |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended thereto. |
| SME Exchange | The SME Platform of the BSE i.e. BSE SME. |
| SME Platform | The SME Platform of BSE i.e. BSE SME for listing equity shares Issued under Section XB of the SEBI ICDR Regulation which was approved by SEBI as an SME Exchange. |
| Underwriters | Finshore Management Services Limited. |
| Underwriting Agreement | The agreement dated October 30, 2018 entered into between our Company and the Underwriters. |
| Working Days | All days, other than second and fourth Saturday of a month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Issue Closing Date and the listing of the Equity Shares on the SME Exchange of BSE, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016. |

**Conventional and General Terms**

| Term | Description |
|---|---|
| ACIT | Assistant Commissioner of Income Tax. |
| AIF(s) | The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012. |
| Air Act, 1981 | Air (Prevention and Control of Pollution) Act, 1981. |
| Category I Foreign Portfolio Investor(s) | FPIs who are registered as "Category I foreign portfolio investor" under the SEBI FPI Regulations. |
| Category II Foreign Portfolio Investor(s) | FPIs who are registered as "Category II foreign portfolio investor" under the SEBI FPI Regulations. |
| Category III Foreign Portfolio Investor(s) | FPIs who are registered as "Category III foreign portfolio investor" under the SEBI FPI Regulations. |

| Term | Description |
|---|---|
| Companies Act, 1956 | Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder. |
| Companies Act/Companies Act, 2013 | Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder. |
| Competition Act | The Competition Act, 2002. |
| Consolidated FDI Policy | Consolidation FDI Policy dated August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time. |
| CST Act | Central Sales Tax Act, 1956. |
| FCNR Account | Foreign currency non-resident account. |
| FEMA | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder. |
| FEMA Regulations | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000. |
| FII(s) | Foreign Institutional Investors as defined under the SEBI FPI Regulations. |
| Financial Year/ Fiscal/ Fiscal Year/F.Y. | Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated. |
| Foreign Portfolio Investor or FPI | Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India. |
| FVCI | Foreign Venture Capital Investor, registered under the FVCI Regulations. |
| FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000. |
| Hazardous Waste Rules, 2008 | Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008. |
| Income Tax Act or the I.T. Act | The Income Tax Act, 1961. |
| Ind AS | New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016, as amended. |
| LLP Act | The Limited Liability Partnership Act, 2008. |
| Notified Sections | The sections of the Companies Act, 2013, that have been notified by the Government as having come into effect prior to the date of this Prospectus. |
| NRE Account | Non-resident external account. |
| 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 was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA. |
| RBI Act | Reserve Bank of India Act, 1934. |
| SCRA | Securities Contracts (Regulation) Act, 1956. |
| SCRR | Securities Contracts (Regulation) Rules, 1957. |
| SEBI | The Securities and Exchange Board of India, constituted under the SEBI Act. |
| SEBI Act | Securities and Exchange Board of India Act, 1992. |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investment 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 (ICDR) Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended. |
| SEBI (LODR) Regulations/SEBI Listing Regulations | SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. |
| SEBI Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. |
| SEBI VCF Regulations | The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996. |
| Securities Act | U.S. Securities Act of 1933, as amended. |
| State Government | The government of a state of the Union of India. |

| Term | Description |
|---|---|
| STT | Securities Transaction Tax. |
| Sub-account | Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporate or foreign individuals. |
| VCFs | Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations. |
| Water Act, 1974 | Water (Prevention and Control of Pollution) Act, 1974. |
| Willful Defaulter(s) | Willful defaulter as defined under Regulation 2(1)(zn) of SEBI Regulations. |

**Technical and Industry related terms**

| Terms | Description |
|---|---|
| CAGR | Compounding Annual Growth Rate |
| GDP | Gross Domestic Product |
| FDI | Foreign Direct Investment |
| US | United States |
| GVA | Gross Value Addition |
| CPI | Consumer Price Index |
| MYEA | Mid-Year Economic Analysis |
| WPI | Wholesale Price Index |
| FCNR | Foreign Currency Non-Resident |
| FY | Financial Year |
| CSO | Central Statistics Office's |
| IMF | International Monetary Fund |
| G-sec | Government Securities |
| EPFO | Employees' Provident Fund Organisation |
| ESI | Employee State Insurance |
| CSO | Central Statistics Office's |
| THSC | Tourism and Hospitality Sector Skill Council |
| MOU | Memorandum of Understanding |
| TFA | Trade Facilitation Agreement |
| DARPAN | Digital Advancement of Rural Post Office for A New India |
| PMGKY | Pradhan Mantra Garib Kalyan Yojana |
| GST | Goods & Services Tax |
| SARDP-NE | Special Accelerated Road Development Programme for North East |
| NMCG | National Mission for Clean Ganga |
| AMRUT | Atal Mission for Rejuvenation and Urban Transformation |
| EEPC | Engineering Export Promotion Council |
| WA | Washington Accord |
| ASSOCHAM | Associated Chambers of Commerce of India |
| ESDM | Electronic System Design and Manufacturing |
| DIPP | Department of Industries Policy and Promotion |
| HVAC | Heating Ventilation and Air-Conditioning |
| LGEI | LG Electronics India |
| HCCI | Hexagon Capability Centre India |
| MBDA | Matra BAE Dynamics Alenia |
| M-SIPS | Modified Special Incentive Package Scheme |
| NITK | National Institute of Technology Karnataka |
| MBDA | Matra BAE Dynamics Alenia |
| PSUs | Private Sector Units |
| EMC | Electronics Manufacturing Clusters |
| PMA | Preferential Market Access |
| ESDM | Electronics System Design & Manufacturing |
| INR | Indian Rupee Rates |

**General terms/Abbreviations**

| Term | Description |
|---|---|
| ` or Rs. or Rupees or INR | Indian Rupees. |
| AGM | Annual General Meeting. |
| AS/Accounting Standards | Accounting Standards issued by the Institute of Chartered Accountants of India. |
| A.Y. | Assessment year. |
| BC | Before Christ. |
| BPLR | Bank Prime Lending Rate. |
| BSE | BSE Limited. |
| CARO | Companies (Auditor's Report) Order, 2003. |
| CDSL | Central Depository Services (India) Limited. |
| CEO | Chief Executive Officer. |
| CIN | Corporate Identity Number. |
| CLB | Company Law Board. |
| CrPC | Criminal Procedure Code, 1973, as amended. |
| CSR | Corporate Social Responsibility. |
| DIN | Director Identification Number. |
| DP ID | Depository participant's identification. |
| ECS | Electronic Clearing System. |
| EBITDA | Earnings before Interest, Tax Depreciation and Amortisation. |
| EGM | Extraordinary General Meeting of the Shareholders of the Company. |
| EPS | Earnings Per Share. |
| ESOS | Employee Stock Option Scheme. |
| FDI | Foreign direct investment. |
| FIPB | Foreign Investment Promotion Board. |
| GAAR | General anti avoidance rules. |
| GBP | Great Britain Pound. |
| GIR | General index register. |
| GoI/Government | Government of India. |
| HNI | High Net Worth Individual. |
| HUF | Hindu Undivided Family. |
| ICAI | Institute of Chartered Accountants of India. |
| IFRS | International Financial Reporting Standards. |
| Indian GAAP | Generally Accepted Accounting Principles in India. |
| ISO | International Organization for Standardization. |
| IT Act | The Income Tax Act, 1961, as amended. |
| IT Rules | The Income Tax Rules, 1962, as amended. |
| JV | Joint Venture. |
| MCA | Ministry of Corporate Affairs, Government of India. |
| MoU | Memorandum of Understanding. |
| N.A. | Not Applicable. |
| NAV/Net Asset Value | Net asset value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares. |
| NECS | National Electronic Clearing Services. |
| NEFT | National Electronic Fund Transfer. |
| NoC | No Objection Certificate. |
| No. | Number. |
| NR | Non-Resident. |
| NSDL | National Securities Depository Limited. |
| NTA | Net Tangible Assets. |
| p.a. | Per annum. |
| PAN | Permanent Account Number. |
| PAT | Profit After Tax. |
| PBT | Profit Before Tax. |

| Term | Description |
|---|---|
| PCB | Pollution Control Board. |
| P/E Ratio | Price per Earnings Ratio. |
| Pvt. | Private. |
| RBI | Reserve Bank of India. |
| RoC | Registrar of Companies. |
| RONW | Return on Net Worth. |
| RTGS | Real Time Gross Settlement. |
| SCN | Show Cause Notice. |
| SCSB | Self-Certified Syndicate Bank. |
| UIN | Unique Identification Number. |
| US | United States. |
| U.S. GAAP | Generally Accepted Accounting Principles in the United States of America. |
| VAT | Value Added Tax. |
| YoY | Year on Year. |

## Currency Conventions, Use of Financial Industry and Market Data, and Currency Presentation

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to "India" in this Prospectus are to the Republic of India, all references to the "U.S.", the "USA" or the "United States" are to the United States of America, together with its territories and possessions.

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

### Financial Data

Unless stated otherwise, the financial information in this Prospectus are extracted from the restated Financial Statements of our Company (i) as of and for Financial Year ended March 31, 2014, 2015,2016, 2017 and 2018, and for the period ended September 30, 2018 prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled 'Financial Statements as Restated' beginning on page no. 135 of this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

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

In accordance with India's roadmap for "Convergence of its existing standards with IFRS", referred to as "IND (AS)", as announced by the GoI, Ministry of Corporate Affairs (the "MCA") through press note dated January 22, 2010, read with the Companies (Indian Accounting Standards) Rules, 2015, issued by the MCA on February 16, 2015, effective April 1, 2015, our annual and interim financial statements must be reported under IND (AS) for accounting periods commencing on or after April 1, 2016. Therefore, our annual and interim financial statements reported after April 1, 2016, will not be directly comparable to the Restated Financial Statements.

Pursuant to a SEBI circular dated March 31, 2016, with respect to financial information to be included in any offer document filed with SEBI on or after April 1, 2016 and until March 31, 2018, we have chosen to report our Restated Financial Statements, for the preceding five years, included in this Prospectus under Indian GAAP. Further, for risk in relation to IND (AS), see **Risk Factor** and **Financial Statement as Restated** for the preceding five years, on standalone, included in this Prospectus, has been prepared under IGAAP, which varies in certain respects from other accounting principles, including IND (AS), which may be material to investors' assessment of our results of operations and financial condition on page no 14 and 135 respectively. In order to comply with requirements applicable to public companies in India, subsequent to our Equity Shares being listed on the Stock Exchanges, we will be required to prepare our annual and interim financial statements under IND (AS), as applicable. IND (AS) is different in many respects from Indian GAAP under which our audited financial statements for statutory reporting purposes under the Companies Act have been prepared until Fiscal 2016. The preparation and presentation of our financial statements after listing may be not be comparable with, or may be substantially different from, the preparation and presentation of the Restated Financial Statement is being disclosed in this Prospectus.

### Obligation to comply with Indian Accounting Standards (Ind AS) as per MCA-

(1) The Companies and their auditors shall comply with the Indian Accounting Standards Ind AS) specified in Annexure to these rules in preparation of their Financial statements and audit respectively, in the following manner, namely:-

(i) any company and its holding, subsidiary, joint venture or associate company may comply with the Indian Accounting Standards (Ind AS) for financial statements for accounting periods beginning on or after 1st April, 2015, with the comparatives for the periods ending on 31st March, 2015, or thereafter;

(ii) the following companies shall comply with the Indian Accounting Standards (Ind AS) for the accounting periods beginning on or after 1st April, 2016, with the comparatives for the periods ending on 31st March, 2016, or thereafter, namely:-

(a) companies whose equity or debt securities are listed or are in the process of being listed on any stock exchange in India or outside India and having Net worth of rupees five hundred crore or more;

(b) companies other than those covered by sub-clause (a) of clause (ii) of sub- rule (1) and having net worth of rupees five hundred crore or more;

(c) holding, subsidiary, joint venture or associate companies of companies covered by sub-clause (a) of clause (ii) of sub- rule (1) and sub-clause (b) Of clause (ii) of sub- rule (1) as the case may be; and

(iii) the following companies shall comply with the Indian Accounting Standards (Ind AS) for the accounting periods beginning on or after 1st April, 2017, with the comparatives for the periods pending on 31st March, 2017, or thereafter, namely:-

(a) companies whose equity or debt securities are listed or are in the process of being listed on any stock exchange in India or outside India and having net worth of less than rupees five hundred crore;

(b) companies other than those covered in clause (ii) of sub- rule (1) and sub-clause (a) of clause (iii) of sub-rule (1), that is, unlisted companies having net worth of rupees two hundred and fifty crore or more but less than rupees five hundred crore.

(c) holding, subsidiary, joint venture or associate companies of companies covered under sub-clause (a) of clause (iii) of sub-rule (1) and sub-clause(b) of clause (iii) of sub- rule (1), as the case may be:

Provided that nothing in this sub-rule, except clause (i), shall apply to companies whose securities are listed or are in the process of being listed on SME exchange as referred to in Chapter XB or on the Institutional Trading Platform without initial public offering in accordance with the provisions of Chapter XC of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

There are significant differences between Indian GAAP, IND (AS) and UK GAAP. Accordingly, the degree to which the Restated Financial Statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, IND (AS), the Companies Act and the SEBI ICDR Regulations, on the Restated Financial Statements presented in this Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Prospectus. You should consult your own advisors regarding such differences and their impact on our financial data.

Unless otherwise indicated, any percentage amounts, as set forth in this Prospectus, including in the Sections titled, **Risk Factors**; **Our Business**; **Management's Discussion and Analysis of Financial Condition and Results of Operations** beginning on page no.14, 95, and 165 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this Prospectus.

**Currency and Units of Presentation**

All references to "Rupees", "Rs.", "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India. All reference to "£" or "GBP" are to Great Britain Pound, the official currency of the United Kingdom. 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

Our Company has presented certain numerical information in this Prospectus in "Lakh" units. One lakh represents 1,00,000. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

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 used throughout this Prospectus has been derived from Ministry of Statistics and Programme Implementation (MOSPI), RBI, Press Information Bureau, Department of Industrial Policy & Promotion, India Brand Equity Foundation and industry publications. Industry publications generally state that the information contained in

those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although, we believe that the industry and market data used in this Prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

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 no 14 of this Prospectus. Accordingly, investment decisions should not be based on such information.

In accordance with the SEBI (ICDR) Regulations, we have included in the Section titled, **Basis for Issue Price**, beginning on page no 74 of this Prospectus, information pertaining to the peer group entities of our Company. Such information has been derived from publicly available data of the peer group companies.

**Exchange Rates**

This Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

## Forward Looking Statements

The Company has included statements in this Prospectus which contain words or phrases such as "may", "will", "aim", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "seek to", "future", "objective", "goal", "project", "should", "potential" and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All statements regarding the expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to the business strategy, the revenue, profitability, planned initiatives. These forward-looking statements and any other projections contained in this Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the Section titled, **Risk Factors**; **Management's Discussion and Analysis of Financial Condition and Results of Operations**; **Industry Overview**; and **Our Business** beginning on pages 14, 165, 79 and 95 respectively, of this Prospectus.

The forward-looking statements contained in this Prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materializes, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

Certain important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- General economic and business conditions in India and other countries;
- Increase in price and material components
- Fluctuation in other operating cost
- Ability to retain the customers is heavily dependent upon various factors including our reputation and our ability to maintain a high level of product quality including our satisfactory performance for the customers;
- We operate in a significantly fragmented and competitive market in each of our business segments;
- Regulatory changes relating to the finance and capital market sectors in India and our ability to respond to them;
- Our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks that have an impact on our business activities or investments;
- The monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Changes in the value of the Rupee and other currencies;
- The occurrence of natural disasters or calamities; and

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. Our Company, the Lead Manager, or their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being issued in this Issue, by the Stock Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this Prospectus until the Equity Shares are allotted to the investors.

## SECTION II: RISK FACTORS

**Risk Factors**

Any investment in equity securities involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, **Our Business,** and **Management's Discussion and Analysis of Financial Condition and Results of Operations** beginning on page no. 95 and 165 respectively, as well as the other financial and statistical information contained in this Prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the consequences to you of an investment in the Equity Shares.

The financial information in this section is, unless otherwise stated, derived from our Consolidated Restated Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations. The risk factors have been determined based on their materiality. Some events may not be material individually but may be found to be material collectively, some events may have a material impact qualitatively instead of quantitatively and some events may not be material at present but may have material impacts in the future.

***INTERNAL RISK FACTOR:***

1. **Our Company is involved in certain litigations, as per details mentioned below. Any adverse decisions in the cases filed by/against the Company, may impact business and operations of the Company.**

   A. ***Cases pending with Income Tax Department (Direct Tax Liabilities)***

| Particulars | Amount (in ₹ Lacs) As on September 30, 2018 | Current Status |
|---|---|---|
| Outstanding Income Tax demand for the assessment year 2011-12 | 43,77,576 | Pending with CIT (A) |
| Outstanding Income Tax demand for the assessment year 2012-13 | 31,99,392 | Pending with Appellate Tribunal |
| **TOTAL** | **75,76,968** | |

***Note:***
*a) Our company had received a Demand Order dated 29th Feb,2016 for AY 2011-12 under section 147/143(3) of the Income Tax Act,1961, of Rs. 54,73,220/-, against which as on 29th April, 2016, an appeal has been filed by our Company before CIT (A). Our company has already paid Rs. 1095644/- against the demand order. The matter is still pending before the concerned authorities.*

*b) Our company had received a Demand Order dated 03rd Feb, 2015 for AY 2012-13, under Section 143(3) of the Income Tax Act, 1961, of Rs. 57,50,490/-, against which as on 03rd Mar, 2015, an Appeal has been filed before the CIT (A) which is dismissed by CIT (A) by letter date 16/08/2017. our Company has filed an appeal to Appellate Tribunal as on 30th Oct, 2017 against the order of CIT(A). Our company has already paid Rs. 25,61,098/- against the demand order. The matter is still pending before the concerned authorities.*

***B. Indirect Tax Liabilities***

| Sl. No. | Date | Particulars of Demand | Amount Involved | Status |
|---|---|---|---|---|
| 1 | 26/04/2017 | Appeal filed against demand of Entry Tax Case No.212 of 2017-18 | Rs. 24,15,654/- | Revision has been filed on 26/04/2017 before West Bengal Commercial Taxes appellate & revisional Board. |

***C. Civil Matters***

| Sr. No. | Case No. | Name of Court | Filed by | Filed against | Particulars | Concern ADV. | Amt | Stage |
|---|---|---|---|---|---|---|---|---|
| **1** | 200 of 2017 | High Court at Calcutta | Diksha Timber Pvt. Ltd. (presently Diksha Greens Limited) | Mr. M. Shaw | Decree filed for recovery of dues. | M/s Singhania & Co. | 2,74,30,000 | Pending for hearing |
| **2** | 254 of 2017 | High Court at Calcutta | Diksha Timber Pvt. Ltd. (presently Diksha Greens Limited) | Mr. Rohit Singh | Decree filed for recovery of dues. | M/s Singhania & Co. | 3,95,76,000 | Pending for hearing |
| | | | | | | Total | 6,70,06,000 | |

*Note: Out of total debtors as per Restated Accounts, the company has filed decree for recovery of dues worth Rs. 5.25 crores which is pending for hearing. The above mentioned of Rs.6.70 crores includes Interest amount of Rs.1.45 crores and Rs.5.25 crores principal amount. Any order passed against the company or non realization of our dues would* impact our business and operations of the Company.

*2.* ***Litigation Involving our Directors***

***Cases pending with Income Tax Department (Direct Tax Liabilities) in the name of Mr. Rajesh Kumar Pirogiwal***
Mr. Rajesh Kumar Pirogiwal had received a demand notice dated 20th October, 2016 u/s 143(3) of the Income Tax Act, 1961 for the AY 2014-15 demanding an additional Tax of Rs.30,96,770/- (including interest for the period) by an addition of Rs.76,12,048/- to his total income for the AY 2014-15, with respect to income from capital gains of Rs.76,12,048/- received from sale of shares of M/s Kailash Auto Finance Limited. Mr. Rajesh Kumar Pirogiwal filed an appeal before the Commissioner of Income Tax Appeals for disallowance of such addition. The matter is presently pending before the appellate authority

***3. There are certain litigation filed by/against one of our group company M/s Ridhi Sidhi Vincom Limited , the details are as under:***

***Civil Matters***

| Sr. No. | Case No. | Name of Court | Filed by | Filed against | Particulars | Concern ADV. | Amt | Stage |
|---|---|---|---|---|---|---|---|---|
| 1 | 244 of 2017 | High Court at Calcutta | Ridhi Sidhi Vincom Pvt. Ltd. | Mr. M. Shaw | Decree filed for recovery of dues. | M/s Singhania & Co. | 1,37,77,338 | Pending for hearing |

***Indirect Tax Liabilities***

| Sl. No. | Date | Particulars of Demand | Amount Involved | Status |
|---|---|---|---|---|
| 1 | 26/04/2017 | Appeal filed against demand of Entry Tax Case No.211of 2017-18 | Rs.4,08,304/- | Revision has been filed on 26/04/2017 before West Bengal Commercial Taxes appellate & revisional Board. |

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

We require certain statutory and regulatory approvals, licenses, registrations and permissions and applications need to be made at the appropriate stages for our business to operate. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all.

Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with by us. Any default by our Company in complying with the same, may result in inter alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations, or penal action be taken against our company and its officers in default and may have a material adverse effect on our business. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations.

Further, the company has not yet taken registration for Professional Tax in the name of Diksha Green Limited. The registration is in the name of Diksha Timber Private Limited.

Moreover, the company has not yet received any approval, license to run the newly acquired cold storage. Any delay in getting approvals to run the cold storage may delay the operation and revenue generation from cold storage.

5. **The Registered Office of Our Company is not owned by us.**

We operate from our registered office situated at 11 Sambhu Chatterjee Street, Jorasanko Kolkata-700007, West Bengal, India. The registered office of our Company belongs to M/s. Murarka Properties Private Limited and we have taken the same on leave and license basis from him. The leave and license agreement is between the property owner and Mr. Rajesh Pirogiwal & Mrs. Sunita Pirogiwal (promoter director of DGL). Any discontinuance of such arrangement will lead us to locate to any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

**6. Our business could be adversely affected in case of technical failures of key utility infrastructure such as Power, Water, Machinery Failure etc.**

Being a cold storage facility, we are required to create temperatures within in the storage facility in a particular range during the year by keeping the cooling systems on for 24 hours. Our operations are hence significantly dependent on adequate and timely delivery of electricity from the State Electricity Board of West Bengal. We cannot control the availability of power and shortages if any in power requirements would have to be met through the captive stand-by power arrangement in form of DG Sets installed at the unit. The usage of D.G. Sets would increase our power costs and hence affect our profitability. Sustained technical failure in the DG Sets system as well as Government Power at the same time and our inability to arrange for stand-by power from other sources could result in us not being able to maintain the requisite temperatures and hence could damage the produce.

Further, water is required was humidifiers and human living purpose. The water is currently sourced from ground though pump sets. Certain aspects which are beyond our control could lead to a technical failure of the pump sets and other water systems related infrastructure affecting our cooling systems would lead to us incurring additional repair and maintenance costs and sustained problem with respect to the same could lead to our inability to maintain the requisite humidity controls and hence could damage the produce.

Also, other installed machinery such as Compressors, Air Cooling Systems, Fans, valves etc. could also experience technical failure and hence affect our maintenance costs as well as lead to damage of produce.

**7. Our business is seasonal in nature and hence our operating results for different periods may not be comparable.**

Fruits and vegetables are harvested in different seasons and so our business is seasonal in nature. So our operating results for different periods may not be comparable and hence could adversely affect the valuation and prices of our equity shares in the future.

**8. We rely on third party labour for a major portion of our unskilled labour activities**

We require significant number of unskilled labour at our facility for the loading, unloading, weighing, sorting etc. of agricultural products. We do not employ any such labour on our fixed payroll. Our in-house labour is responsible to supervise their activities and ensure that no damage is done by them to our facility as well as goods. Since, we do not have these labours on our pay-roll and we cannot contractually control them, we are unable to assure continued availability of the same or we may experience to disputes or other problems with local work force. This may result in our operations and customer dissatisfaction thus adversely affecting our goodwill and future revenues.

**9. Our Company does not have any long- term contracts with our dealers/retailers/distributors for Timber products which may adversely affect our results of operations.**

Our Company neither has any long-term contract with any of dealers/retailers/distributors nor any marketing tie up for our products with any of retail chain operators etc. Our inability to sell our existing products as well as products to be produced, may adversely affect our business and profitability in future.

**10. Our Company's insurance coverage may not be adequate to protect us against all material hazards which may result in disruptions of operations/monetary loss on account of stoppage of work.**

Our Company has covered itself against certain risks. In case of any casualty, there can be no assurance that any claim under the insurance policies obtained by our Company will be honoured fully/ in part on time. Further, our Company may not have obtained or may not timely renew insurance cover for any of our asset that does not expressly require us to maintain insurance. To the extent that if we suffer losses or damages not adequately covered, the same shall devolve on our Company resulting in operations and financial performance being adversely affected.

**11. Availability of inadequate labor, work stoppages and other labor problems could adversely affect our business.**

We require skilled and unskilled labor for successful running of our existing, as well as, future operations. Any shortage of adequate labor and stoppage due to any labor related issues may affect smooth running of our operations.

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

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

**13. Change in technology**

Technology plays a vital role in our plants. Our failure or inability to incorporate any change in technology might place our competitors at an advantage in terms of cost, efficiency and timely delivery of the products.

**14. Breakdown of operations at any of our existing manufacturing/Storage facilities may have a material adverse effect on the business, financial condition and result of operations.**

Our manufacturing/storage facilities are subject to operating risks such as breakdown or failure of key equipment. The frequent occurrence of such breakdown or failure may affect our operation of plants

**15. We have found some discrepancies in ROC informations filled by the company as under. Any penalties in future for wrong compliance or non compliance may effect the operating cash flow of the company:**

a. According to the Form 5 filed with ROC for increase in Authorized capital dated 11th March, 2008, the authorized capital increased from 1,000,000 to 2,500,000 but the balance sheet which was filed with ROC for the year ended 31st March, 2008 is showing the Authorized Capital as 1,500,000. The increase in capital to 2,500,000 is showing in the Balance sheet filed with ROC for the year ended 31st March, 2009

b. According to the Form 5 filed with ROC for increase in Authorized capital dated 15th March, 2010, the authorized capital increased from 2,500,000 to 3,500,000 but the balance sheet which was filed with ROC for the year ended 31st March, 2010 is showing the Authorized Capital as 3,000,000.

c. According to the Form 5 filed with ROC for increase in Authorized capital dated 14th February, 2011, the authorized capital increased from 3,500,000 to 4,000,000 but the balance sheet which was filed with ROC for the year ended 31st March, 2010 is showing the Authorized Capital as 3,000,000 and for the year ended 31st March, 2011 is showing 4,000,000

d. The company has not filled Form-2 for the allotment of 95,000 shares in the financial year 2009-10. The share allotment has been traced out from the books of accounts and share application received from shareholders.

e. The premium amount of Rs. 11,700,000 against the allotment of 130,000 Equity Shares dated 28th June, 2011 is not reflecting in the Form-2 filed with ROC but it is reflected in the Balance Sheet filed with ROC for the year ended 31st March, 2012

We cannot predict the effect of such non/late filings made by our Company and this may lead to certain difficulties and/or contingences however the same shall not have any major adverse impact on the business and growth of our Company.

16. **In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company**

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects. For further information, see the chapter titled ―*Our Management* and ―*Our Promoters and Promoter Group* on page no 118 and 128 respectively of this Prospectus and the section titled ―*Financial Statements* beginning on page no 135 of this Prospectus.

17. **We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.**

We operate in an industry, which faces intense competition from established as well as unorganized players. Our competition depends on several factors, which include quality, price and our pace in keeping up with the changing trends. Competition emerges from both organized as well as unorganized sector.

18. **Our business may be materially and adversely affected by our reliance on customers who fail to grow at a certain pace and on our ability to attract merchants and customers.**

We business growth depends on our customers growth and demands from them. Hence it is necessary for us that our customers too grow at a certain pace with us to support our operations.

19. **Our Company has not registered any Trade Mark till the date of filling of this prospectus. Any delay in making an application and/or granting registration or in obtaining registration could result in loss of brand equity and the company`s right to use the said brand.**

Till the date of filling this prospectus, company has not filled for the registration of any trade mark or logo. Any delay in making an application and/or granting registration or in obtaining registration could result in loss of brand equity and the company`s right to use the said brand.

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

| Name of the Promoters | No. of Shares Held | Average cost of acquisition |
|---|---|---|
| Mr. Rajesh Pirogiwal | 1,172,039 | 1.29 |
| Mrs. Sunita Pirogiwal | 441,639 | 0.87 |
| Rajesh Kumar Pirogiwal& Sons HUF | 385,000 | 0.91 |
| Ms. Tanvi Pirogiwal | 110,000 | - |

Our promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price due to allotment of bonus shares. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the section titled *"Risk Factors - Prominent Notes"* and chapter titled *"Capital Structure"* beginning on page no. 14 and 51 respectively of this Prospectus.

21. **We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects.**

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

22. **We are dependent on our main Promoter, Mr. Rajesh Pirogiwal for their expertise and market goodwill. Our separation, if any, from our Promoters may adversely affect our business.**

Our main promoter Mr. Rajesh Pirogiwal has vast experience. We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day to day operations and management since the incorporation of the Company. Accordingly, our Group performance is heavily dependent upon the services of our Promoters. If our main Promoter is unable or unwilling to continue in their present position, we may not be able to replace him easily or at all. The loss of promoter's services could impair our ability to implement our strategy, and our business, results of operations and prospects may be materially and adversely affected.

23. **There is no monitoring agency appointed by Our Company and deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.**

As per SEBI (ICDR) Regulations, 2009 appointment of monitoring agency is required only for Issue size above Rs. 100 Crores. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds.

Further, our Company shall inform about material deviations in the utilization of Issue proceeds to BSE Limited and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

Further, we propose to utilize the Net Proceeds for purposes identified in the chapter titled ―*Objects of the Issue* and the manner of deployment and allocation of such funds is entirely at the discretion of our management and our Board, subject to compliance with the necessary provisions of the Companies Act.

24. **Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations. Further, we have incurred losses in the previous Financial Years and may continue to incur losses for upcoming financial years.**

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

| Particulars | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
|---|---|---|---|---|---|---|
| Net cash from operating activities (A) | 1,23,94,158 | (3,14,98,108) | (1,74,19,220) | 1,55,93,978 | (2,17,75,439) | 3,18,22,607 |
| Net Cash (used in) / from investing activities (B) | (8,44,17,327) | 37,68,549 | (37,29,648) | 24,63,878 | 3,35,19,067 | (89,15,014) |
| Net Cash used in financing activities ( C ) | 7,14,05,878 | 2,51,22,410 | 2,43,49,308 | (1,85,97,148) | (1,20,35,878) | (2,40,40,184) |
| **Net increase / (decrease) in cash and cash equivalents (A+B+C)** | **(6,17,291)** | **(26,07,149)** | **32,00,440** | **(5,39,293)** | **(2,92,250)** | **(11,32,591)** |

25. **We have entered into certain related party transactions and may continue to do so.**

We have entered into related party transactions with our Promoters, its group members/ entities, Directors and other associates. While we believe that all such transactions have been conducted on arm length basis, however it is difficult to ascertain whether more favourable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we will continue to enter into related party transactions in the near future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For further details regarding the related party transactions, see the disclosure on related party transactions contained in the financial statements included in this Prospectus and, also see the section *"Related Party Transactions"* on page no. 158.

26. **Our success depends largely on our senior management and our ability to attract and retain our key personnel**

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of our Promoter could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition. We do not maintain keyman life insurance for our Promoter, senior members of our management team or other key personnel

27. **Any involvement in certain legal proceedings with our Directors and Promoters, which, if determined adversely, may adversely affect our business and financial condition.**

Our Company may in the future be, implicated in lawsuits in the ordinary course of our business, including lawsuits and arbitrations involving compensation for loss due to various reasons including tax matters, civil disputes, labour and service matters, statutory notices, regulatory petitions, consumer cases and other matters. Any Litigation or arbitration could result in substantial costs and a diversion of effort by us and/or subject us to significant liabilities to third parties. In addition, our Company is subject to risks of litigation including public interest litigation, contract, employment related, personal injury and property damage. Our Company cannot provide any assurance that these legal proceedings will be decided in our favour. Any adverse decision may have a significant effect on our business including the financial condition of our Company, delay in implementation of our current or future project and results of operations. There can be no assurance that the results of such legal proceedings will not materially harm our business, reputation or standing in the marketplace or that our Company will be able to recover any losses incurred from third parties, regardless of whether our Company is at fault or not. There can be no assurance that losses relating to litigation or arbitration will be covered by insurance, that any such losses would not have a material adverse effect on the results of our operations or financial condition, or that provisions made for litigation and arbitration related losses would be sufficient to cover our ultimate loss or expenditure. Details of outstanding proceedings that have been initiated against our Company, our Promoters, our Group Companies and our Directors are set forth in the chapter titled *"Outstanding Litigation and Material Developments"* starting from page no. 173 of this Prospectus.

28. **Delay in raising funds from the IPO could adversely impact the implementation schedule.**

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

29. **Upon completion of the Issue, our Promoters / Promoter Group may continue to retain significant control, which will allow them to influence the outcome of matters submitted to the shareholders for approval.**

After completion of the Issue, our Promoters and Promoter Group will collectively own 55.00% of the total Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

30. **Our actual results could differ from the estimates and projections used to prepare our financial statements.**

The estimates and projections are based on and reflect our current expectations, assumptions and/ or projections as well as our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. There can be no assurance that our expectations, estimates, assumptions and/or projections, including with respect to the future earnings and performance will prove to be correct or that any of our expectations, estimates or projections will be achieved.

31. **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 the chapter titled *"Dividend Policy* beginning on page no. 134 of this Prospectus.

32. **Any future issuance of Equity Shares may dilute your shareholdings, and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.**

Any future equity issuances by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

33. **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 is based on numerous factors. For further information, see the chapter titled *—Basis for Issue Price* beginning on page no. 74 of this Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Quarterly 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;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

34. **Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm our financial condition and operating results.**

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, or through tie-ups, acquisitions, strategic alliances, partnerships or joint ventures across countries and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are currently evaluating opportunities and speaking to several potential partners, we have not entered into any definitive agreements in relation to this. Further, the identification of suitable acquisition can be difficult, time-consuming and costly, and we may not be able to successfully complete acquisitions that we target in the future. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and sales and marketing functions and the diversion of management time and focus from operating our business to addressing acquisition integration challenges. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could cause us to fail to realise the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

35. **Managing employee benefit pressures in India may prevent us from sustaining our competitive advantage which could adversely affect our business prospects and future financial performance.**

Employee benefits represent a major expense for us and our ability to maintain or reduce such costs is critical for our business operations. We may be required to increase employee compensation levels to remain competitive and manage attrition, and consequently we may need to increase the prices of our products and services. An increase in wages/ salaries paid to our employees may result in a material adverse effect on our profits in the event that we are unable to pass on such increased expenditure to our users or customers without losing their business to our competitors. Likewise, if we are unable to sustain or increase the number of employees as necessary to meet growing demand, our business, financial condition and results of operations could be adversely affected.

36. **We may become a target for public scrutiny, including complaints to regulatory agencies, negative media coverage, including social media and malicious reports, all of which could severely damage our reputation and materially and adversely affect our business and prospects.**

Post Listing we will be subjected to several regulatory filings and public scrutiny. Since we will be constantly under the public view, there is possibility of complaints to regulatory agencies, negative media coverage, including social media and malicious reports, all of which could severely damage our reputation and materially and adversely affect our business and prospects.

37. **We may not be able to secure sufficient financing on favourable terms, or at all, to meet our future capital needs.**

In the future, we may require additional capital to pursue business opportunities or acquisitions or respond to challenges, competition and unforeseen circumstances. We may also decide to engage in equity or debt financings or enter into credit facilities for other reasons. We may not be able to secure debt or equity financing in a timely manner, on favourable terms, or at all. Any debt financing obtained by us in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions.

**EXTERNAL RISK FACTORS:**

1. **Exchange Rate Fluctuations may have impact on the performance of the Company.**
The Company is exposed to exchange rate fluctuations. Uncertainties in the global financial market may have an adverse impact on the exchange rate between Rupee vis-à-vis other currencies. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in the future. Such fluctuations can have a serious impact on the cost structure of the Company.

2. **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, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

*3.* **The Government of India had recently implemented certain currency demonetization measures, which may affect the Indian economy and our business, results of operations, financial condition and prospects.**

On November 8, 2016, the RBI and the Ministry of Finance of the GoI withdrew the legal tender status of ₹500 and ₹1,000 currency notes pursuant to notification dated November 8, 2016. The short-term impact of these developments has been, among other things, a decrease in liquidity of cash in India. There is uncertainty on the medium- and long-term impact of this action. The medium- and long-term effects of demonetization on the Indian economy and our business are uncertain and we cannot accurately predict its effect on our business, results of operations, financial condition and prospects.

*4.* **Any changes in the regulatory framework could adversely affect our operations and growth prospects**

Our Company is subject to various regulations and policies. For details see Section titled, **Key Industry Regulations and Policies**, beginning on page no. 105 of this Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

*5.* **Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance**

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

*6.* **The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.**

Prior to this Issue, there has been no public market for our Equity Shares. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

*7.* ***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***

Our Issue price is based on Fixed Price. This price is based on numerous factors (For further information, please refer Section titled, **Basis for Issue Price**, beginning on page 74 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts; Speculation in the press or investment community;

- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

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

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

9. ***Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.***

   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. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally.

10. ***The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.***

    Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, IFRS announced by the Ministry of Corporate Affairs, GoI(MCA), through a press note dated January 22, 2010. The MCA through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues including tax-related issues are resolved. The MCA is expected to announce the date of implementation of the converged accounting standards at a later date. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IFRS than under Indian GAAP. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding period in the comparative fiscal year/period. In addition, in our transition to IFRS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. Moreover, our transition may be hampered by increasing competition and increased costs for the relatively small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements.

11. ***Economic developments and volatility in securities markets in other countries may cause the price of the Equity Shares to decline.***

    The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investor's reactions to developments in one country may have adverse effects on the market price of securities of companies situated in other countries, including India. For instance, the recent financial crisis in the United States and European countries lead to a global financial and economic crisis that adversely affected the market prices in the securities markets around the world, including Indian securities markets. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

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

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

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

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

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

The Government of India has from July 01, 2017, has implemented the Goods and Service Tax a comprehensive national goods and service tax (GST) regime that combines taxes and levies by the Central and State Governments into a unified rate structure.

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

While facts and other statistics in the Prospectus relating to India, the Indian economy has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the Section titled, **Industry Overview**, beginning on page no 79 of the Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

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

Global economic, social 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.

***18. 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.

***19. 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.

***20. 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.

***21. 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.

**Prominent Notes to Risk Factors**

1. Public Issue of 44,40,000equity shares of face value Rs.10/- each of Diksha Greens Limited for cash at a price of Rs.30/- per Equity Share (the "Issue Price"), including a share premium of Rs.20/- per equity share aggregating up to Rs.1332.00 Lakh.

2. The Net Asset Value per Equity Share of our Company as per the Restated Financial Information as of March 31, 2018 is Rs. 231.26 (Pre Bonus) and Rs. 21.02 (After Bonus with retrospective effect). The Net Asset Value per Equity Share of our Company as per the Restated Financial Information as of September 30, 2018 is Rs. 21.71. For further details, please refer to Annexure 34 (Summary of Accounting Ratio) in Section titled, Financial Statements as Restated, on page no 135 of this Prospectus.

3. The Net Worth of our Company as per the Restated Financial Information as on March 31, 2018 is Rs.1139.30 Lakhs and as on September 30, 2018 is Rs. 1180.75 Lakhs. For further details, please refer to the Section titled, "Financial Statements as Restated", beginning on page no 135 of this Prospectus.

4. The average cost of acquisition per Equity Share of our Promoters is set out below:

| Sr. No. | Name of the Promoters | No. of Shares Held | Average cost of acquisition (In Rs.) |
|---|---|---|---|
| 1 | Mr. Rajesh Pirogiwal | 1,172,039 | 1.29 |
| 2 | Mrs. Sunita Pirogiwal | 441,639 | 0.87 |
| 3 | Rajesh Kumar Pirogiwal& Sons HUF | 385,000 | 0.91 |
| 4 | Ms. Tanvi Pirogiwal | 110,000 | - |

*Note: The average cost of acquisition is less than face value mainly due to issue of bonus shares by the company.*

5. For further details, please refer to Section titled, *"Capital Structure"*, beginning on page no 51 of this Prospectus.

6. Except as mentioned in the chapter titled *"History and Certain Corporate Matters"*, beginning on page no 113, there has been no change of name of our Company at any time during the last three (3) years immediately preceding the date of filing Prospectus.

7. There has been no financing arrangement whereby our Directors or any of their respective relatives have financed the purchase by any other person of securities of our Company during the six (6) months preceding the date of this Prospectus.

8. The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to Annexure 33.3 (Related Party Transaction) under Section titled, Financial Statements as Restated, of the standalone financial statement beginning on page no 158 of this Prospectus.

9. Except as stated under the Section titled, **Capital Structure**, beginning on page no 51 of this Prospectus, our Company has not issued any Equity Shares for consideration other than cash.

10. For information on changes in the Company's name and Objects Clause of the Memorandum of Association of our Company, please refer to the Section titled, **Our History and Certain Corporate Matters**, beginning on page no. 113 of this Prospectus.

Except as disclosed in the Sections titled, **Capital Structure**, **Our Promoters and Promoter Group**, **Group Entities of our Company** and **Our Management**, beginning on page no 51, 128, 131 and 118 respectively, of this Prospectus, none of our Promoters, Directors or Key Managerial Personnel has any interest in our Company.

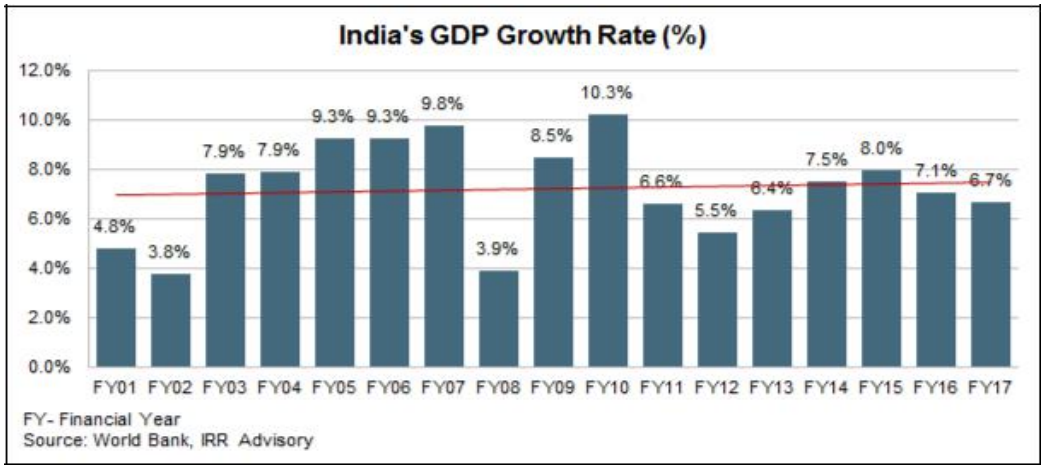
## SECTION III: INTRODUCTION

### Summary of Industry

***Unless specified otherwise, the information in this section has been obtained from other Sources of which Link are mentioned (As available on Public domain). So, all the Information Shared is believed to be accurate and reliable. None of the Company, the LM or any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on or base their investment decision on this information.***

### OVERVIEW OF INDIAN ECONOMY

India, the world's third largest economy in terms of its PPP (purchasing power parity) and with a population of over 1.2 billion, has witnessed significant economic growth since the country was liberalized in early 1990s. Industrial deregulation, divestment of state-owned enterprises, and reduced Governmental controls on foreign trade and investment, served to accelerate the country's growth and India has posted an average of 7% GDP growth since the beginning of this millennium. According to IMF, India's GDP was estimated at 6.7% in 2017 and it is projected to jump to 7.4% in 2018 and 7.8% in 2019.




India Ratings (Ind-Ra) expects economic recovery to become more broad-based in FY19 with both consumption and investment providing support to economic growth. The four GDP growth drivers from the demand side are private final consumption expenditure (PFCE), government final consumption expenditure (GFCE), gross fixed capital formation (GFCF) and net exports (NE). In the last few years, only PFCE and GFCE have demonstrated sustained and robust growth. Although exports growth picked up in FY18 (till December, 2017), hardening of commodity prices, particularly crude, has led to imports growth outpacing exports growth in FY18.

Ind-Ra expects PFCE to grow at 6.8% in FY19. PFCE grew at an average rate of 6.9% during FY14-FY18, despite two consecutive years of monsoon failure in 2014 and 2015, due to favourable demographic and inflation factors. Given the demographic composition, a large number of people are entering the workforce every year. Assuming only a fraction of them get gainful employment (anecdotal evidence suggests that while about 10-12 million people are entering working-age population every year, only about 3.7 million jobs are created annually), the numbers are still staggering, resulting in a significant impact on consumption. Moreover, sustained expansion of the middle class in India is fuelling growth in

consumption. Also, consumer price index (CPI) based inflation, which averaged 9.8% during FY12-FY14, plunged to 5.9% in FY15, and since then has declined to 4.9% in FY16 and 4.5% in FY17; it is expected to decline further to 3.6% in FY18. Such a sharp decline in the CPI inflation is largely driven by collapse of global commodity prices, particularly crude.

Ind-Ra expects GFCE to grow at 8.1% in FY19. Given the size of the government machinery, a significant proportion of demand in the economy is created/generated on account of government expenditure. Also, governments across the globe have been found to step up their expenditure, if need arises, to boost the aggregate demand in the economy. As this was the case in the aftermath of 2008 global financial crisis, even in India, government consumption expenditure grew at an average 11.3% during FY08-FY10 vis-à-vis an average of 4.9% during FY04-FY07. With private investment faltering, the government has again stepped up its spending to support growth. As a result, GFCE grew at an average 10.6% during FY15-FY18 compared to 0.6% during FY14. However, capex spending by the government alone will not be sufficient to step-up investment/GDP ratio in the economy.

**Economic Outlook FY19**

| (%) | FY14 | FY15 | FY16 | FY17 | FY18F | FY19F |
|---|---|---|---|---|---|---|
| GVA at FY12 prices | 6.1 | 7.2 | 7.9 | 6.6 | 6.1[a] | 6.9 |
| - Agriculture | 5.6 | -0.2 | 0.7 | 4.9 | 2.1[a] | 2.7 |
| - Industry | 3.8 | 7.5 | 8.8 | 5.6 | 4.4[a] | 6.2 |
| - Services | 7.7 | 9.7 | 9.7 | 7.7 | 8.3[a] | 8.5 |
| Real GDP | 6.4 | 7.5 | 8.0 | 7.1 | 6.5* | 7.1 |
| - PFCE | 7.3 | 6.2 | 6.1 | 8.7 | 6.3[a] | 6.8 |
| - GFCE | 0.6 | 9.6 | 3.3 | 20.8 | 8.5[a] | 8.1 |
| - Gross fixed capital formation | 1.6 | 3.4 | 6.5 | 2.4 | 4.5[a] | 6.5 |
| Nominal GDP | 13.0 | 10.8 | 9.9 | 11.0 | 9.5[a] | 10.8 |
| Average wholesale inflation | 5.2 | 1.3 | -3.7 | 1.7 | 3.0 | 4.4 |
| Average retail inflation | 9.4 | 5.9 | 4.9 | 4.5 | 3.6 | 4.6 |
| Year-end interest rate (10-yr G-sec) | 8.8 | 7.8 | 7.5 | 6.7 | 7.2-7.3 | 7.5-7.6 |
| Average exchange rate (INR/USD) | 60.5 | 61.14 | 65.47 | 67.09 | 64.96 | 66.06 |
| Fiscal deficit (central government, % of GDP) | 4.4 | 4.0 | 3.9 | 3.5 | 3.5 | 3.2 |
| Current account deficit (% of GDP) | 1.7 | 1.3 | 1.1 | 0.7 | 1.6 | 1.9 |

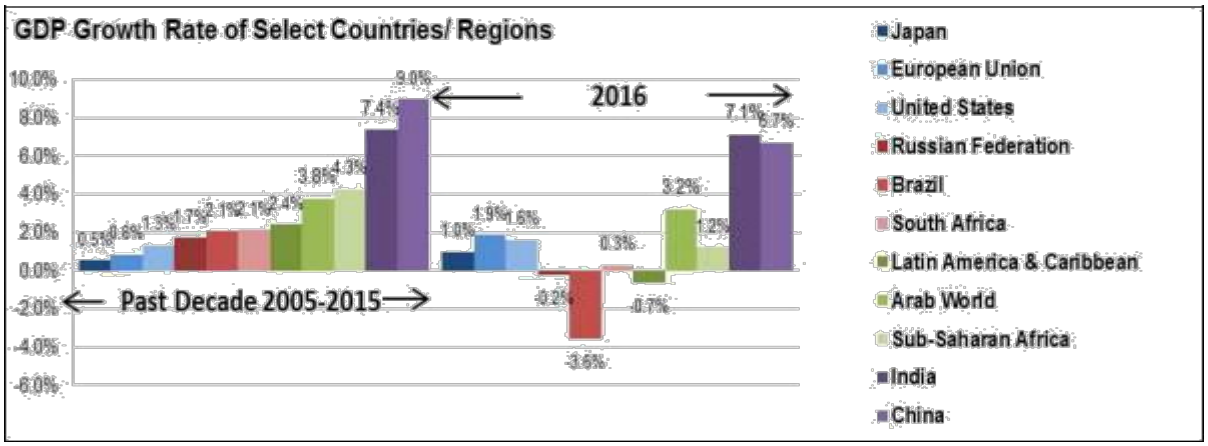
[a] First advance estimates of national income 2017-18
F denotes Ind-Ra forecast
Source: Ind-Ra, Union budget, CSO and RBI

Ind-Ra expects investment as measured by GFCF to grow at 6.5% in FY19. This certainly is an improvement over GFCF growth of 2.4% in FY17 and 4.5% in FY18, but is nowhere close to GFCF growth of 16.2% witnessed during FY04-FY08. There is a strong correlation between the GDP growth and investment. With GFCF growth faltering and clocking an average growth of 3.7% during FY14-FY18, the GDP growth during the same period averaged 7.1%. In fact, due to the slowdown in GFCF growth, particularly private corporates and households, the GDP growth has failed to accelerate and sustain itself close to or in excess of 8.0%. Private corporate sector investment grew at an average 48.1% during FY05-FY08. Ind-Ra's study of top 200 listed and unlisted non-financial asset-heavy corporates suggests that private sector capex revival is likely to remain muted till FY20.

Although the Indian economy has largely been driven by domestic demand, external demand played a vital role in pushing the GDP growth during FY04-FY10. The share of exports (goods and services) in India's GDP increased to 25.4% in FY14 from 12.8% in FY01, but thereafter declined sharply to 19.2% in FY17. A reduction in exports contribution to GDP and a plunge in exports growth have been a cause of concern lately. Exports growth of goods and services plummeted to 6.7% in FY17 from average exports growth of 26.3% during FY05-FY09. With the popular sentiment in developed economies turning against globalization of which the Brexit vote and Donald Trump's surprise victory in the US presidential election are testimonies, India is likely to face continued headwinds on the exports front.

From the supply side, all major sectors namely agriculture, industry and services are expected to contribute to FY19 gross value-added (GVA) growth, but the most significant rebound will come from the industrial sector, which reeled under the twin impact of the demonetization and GST in FY18. Ind-Ra therefore sees industrial GVA growing at 6.2% in FY19 as against 4.4% in FY18. Even agriculture and services sectors are expected to grow 2.7% and 8.5% in FY19, a tad higher than 2.1% and 8.3% in FY18, respectively. This will translate into an overall GVA growth of 6.9% in FY19 (FY18: 6.1%).

India now stands at a critical juncture. It needs massive investments to create the jobs, housing, and infrastructure to meet its people's aspirations. GoI has set development of infrastructure as one of the prime objective to accelerate the growth momentum and has initiated a host of bold new initiatives to address these and other challenges. For instance, the country's flagship 'Skill India' initiative seeks to equip India's growing young workforce with the skills needed to compete in today's rapidly changing workplace. The skills program is complemented by the 'Make in India' initiative, as well as with efforts to ease the process of doing business. The 'Smart Cities' and 'Atal Mission for Rejuvenation and Urban Transportation' (AMRUT) programs focus on creating dynamic urban centres in towns and cities across the country. Thus, India's gross domestic product (GDP) is expected to reach USD 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.




**India: The Fastest Growing Major Economy Over the Next Decade**

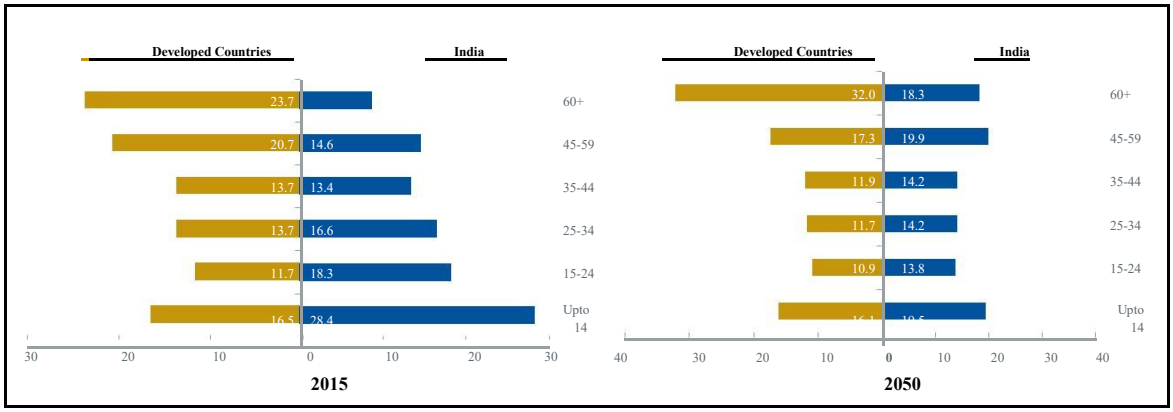
On the basis of the economic growth projection observed in 700 locations globally, a recent study estimated that the epicentre of global economy by FY25 will lie in India and China. This is also corroborated by the past decadal and last year's growth rate in select regions.

*Source: World Bank, IRR Advisory*

Given the global scenario, independent third-party external forecasters such as IMF and OECD believe India will be the fastest growing major economy in the world over the next decade. The key factors supporting India's growth include favourable age demographics, income dynamics and growing urbanization.

India benefits from a large and growing population in the working age group, as also a relatively young population. This is in sharp contrast to the developed countries – for example, the US, Japan, Germany, France, Italy, etc. – which has seen a sharp fall in working age population growth and which is expected to become lower over the next decades, which will significantly impact their growth prospects. 63.3% of India's population is below 34 years of age (advanced economy: 41.9%) in 2015 and India is expected to ride this demographic advantage for the next three decades.

**Trends in Demographic Profile – India versus Developed Countries**




*Figures in percentage*

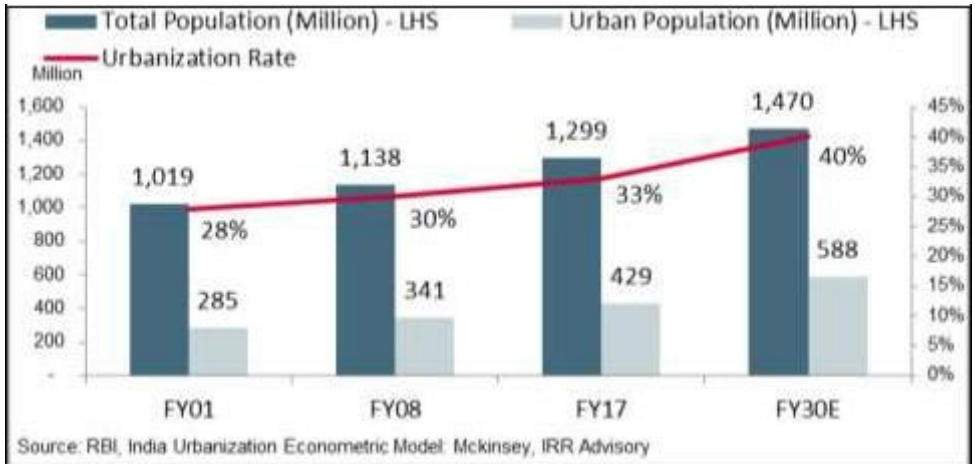
*Source: World Bank, IRR Advisory*

The other key factor is the income dynamics which saw a rapidly rising middle-class and increased growth in high-income categories. This is an outcome of liberalization post which the Indian economy grew at an annual growth rate exceeding 7% while population growth slowed down to a CAGR of 1.5%. This saw per capita GDP (GDP at market prices) rising strongly over the past decade

**India's Population and Per Capita GDP trends**

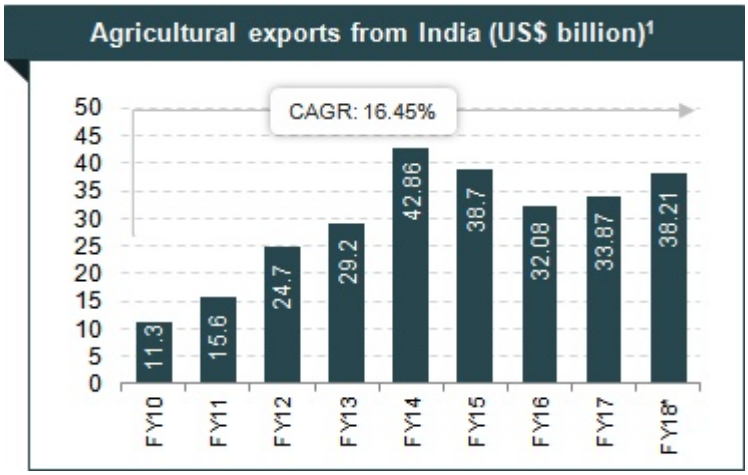
*Source: RBI, IRR Advisory*

Meanwhile, urbanization is taking place at a fast pace in India. As the stride of migration from rural to urban areas continues, about 40% of India's population will be living in urban areas by 2030. By 2050, it is estimated that the number of people living in Indian cities will exceed 800 million – double the current population of the US -- and India will need about 500 new cities to accommodate the influx. India's continuing pattern of urbanization is expected to further increase the need for infrastructure development in the country.




**Agriculture in India: Information About Indian Agriculture & Its Importance**

- India is among the 15 leading exporters of agricultural products in the world.
- Total agricultural exports from India grew at a CAGR of 16.45 per cent over FY10-18 to reach US$ 38.21 billion in FY18.
- The contribution of agriculture to total export was 12.26 per cent in FY17.
- Tea exports from India reached a 36 year high of 240.68 million kgs in CY 2017




***Notes:*** *CAGR - Compound Annual Growth Rate, FY18* - up to January 2018, 1_Principal Agriculture commodities, CY Calendar Year*
***Source:*** *Ministry of Commerce, World Trade Organisation, Indian Budget 2016, APEDA, Business Standard, DGCIS*

***Introduction***

Agriculture is the primary source of livelihood for about 58 per cent of India's population. Gross Value Added by agriculture, forestry and fishing is estimated at Rs 17.67 trillion (US$ 274.23 billion) in FY18

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and six per cent of total industrial investment.

***Market Size***
During 2017-18 crop year, food grain production is estimated at 279.51 million tonnes, as per third advance estimates while rice and wheat production in the country is estimated at 111.52 MT and 98.61 MT, respectively in the same period. Milk production was estimated at 165.4 million tonnes during FY17, while meat production was 7.4 million tonnes. Total area in India, sown with rabi crops reached 64.29 million hectares in February 2018.

India is the second largest fruit producer in the world. Production of horticulture crops is estimated at record 307.16 million tonnes (mt) in 2017-18 as per second advance estimates.

Total agricultural exports from India grew at a CAGR of 16.45 per cent over FY10-18 to reach US$ 38.21 billion in FY18. In April-May 2018 agriculture exports were US$ 6.43 billion. India is the largest producer, consumer and exporter of spices and spice products. Spice exports from India reached US$ 3.1 billion in 2017-18. Tea exports from India reached a 36 year high of 240.68 million kgs in CY 2017 while coffee exports reached record 395,000 tonnes in 2017-18.
Food & Grocery retail market in India was worth US$ 380 billion in 2017.

***Investments***
According to the Department of Industrial Policy and Promotion (DIPP), the Indian agricultural services and agricultural machinery sectors have cumulatively attracted Foreign Direct Investment (FDI) equity inflow of about US$ 2.02 billion and US$ 466.31 million, respectively, during April 2000 to December 2017. The food processing sector attracted FDI of US$ 8.37 billion in the same period.
Some major investments and developments in agriculture are as follows:

- The first mega food park in Rajasthan was inaugurated in March 2018.
- Sugar production in India is expected to reach 27.2 million tonnes in 2017-18 season (October-September).
- In January 2018, India Agri Business Fund II (IABF-II), co-sponsored by Rabobank, the UK's CDC Group and Asian Development Bank (ADB), made an investment worth US$ 10 million for a minority stake in Global Gourmet Pvt Ltd, a frozen food products exporting company.
- A loan agreement of US$ 318 million was signed between the Government of India, Government of Tamil Nadu and the World Bank in December 2017 for the 'Tamil Nadu Irrigated Agriculture Modernization Project' through which is expected to benefit around 500,000 farmers in the state.
- Cotton output in India is expected to increase by 9 per cent in 2017-18* to 37.7 million bales.

***Government Initiatives***
Some of the recent major government initiatives in the sector are as follows:

- In March 2018, the Government of India extended the urea subsidy to the farmers till 2020 with the aim of ensuring supply of urea at statutory controlled prices. Urea subsidy for 2018-19 is estimated at Rs 45,000 crore (US$ 6.95 billion).
- As of March 2018, the Government is working on a plan to provide air cargo support to promote agriculture exports from India.
- The implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) will be made faster and the government is aiming to increase the coverage under the scheme to 50 per cent of gross cropped area in 2018-19.
- The Government of India is going to provide Rs 2,000 crore (US$ 306.29 million) for computerisation of Primary Agricultural Credit Society (PACS) to ensure cooperatives are benefitted through digital technology.
- Around 100 million Soil Health Cards (SHCs) have been distributed in the country during 2015-17 and a soil health mobile app has been launched to help Indian farmers.
- With an aim to boost innovation and entrepreneurship in agriculture, the Government of India is introducing a new AGRI-UDAAN programme to mentor start-ups and to enable them to connect with potential investors.

- The Government of India has launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs 50,000 crore (US$ 7.7 billion) aimed at development of irrigation sources for providing a permanent solution from drought.
- The Government of India plans to triple the capacity of food processing sector in India from the current 10 per cent of agriculture produce and has also committed Rs 6,000 crore (US$ 936.38 billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India has allowed 100 per cent FDI in marketing of food products and in food product e-commerce under the automatic route.
- A new platform for selling agricultural produce named e-RaKam has been launched by the Government of India and will operate as a joint initiative of Metal Scrap Trade Corporation Limited and Central Railside Warehouse Company Limited (CRWC).

***Road Ahead***

India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to concerted efforts of scientists to get early-maturing varieties of pulses and the increase in minimum support price.

The government of India targets to increase the average income of a farmer household at current prices to Rs 219,724 (US$ 3,420.21) by 2022-23 from Rs 96,703 (US$ 1,505.27) in 2015-16.

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits.
Exchange rate used: INR 1 = US$ 0.015 as of March 30, 2018.

***References:*** *The Economic Survey 2016–17, Agricultural and Processed Food Products Export Development Authority (APEDA), Department of Commerce and Industry, Union Budget 2017–18, Press Information Bureau, Ministry of Statistics and Programme Implementation, Press Releases, Media Reports, Ministry of Agriculture and Farmers Welfare, Crisil*
***Note:*** **cotton year starts in October and ends in September*
Source: https://www.ibef.org/industry/agriculture-india.aspx

**WOOD AND WOOD PRODUCTS IN INDIA**

**Source: Euromonitor International March 2018**

**HEADLINES**

- The turnover of India's quarrying industry grows by a mere 1.8% in 2016 as costs rise and oversupply remains strong
- Demonetisation and GST tax have a negative short-term effect on the industry; however, it should contribute to the growth of the organised business in the near future
- Wood and wood products industry projected to se 8% CAGR over 2016-2021, as demand grows due to residential housing programmes and changing consumption trends

**PROSPECTS**

**Rising Costs To Eventually Be Passed on To Consumers As Demand Increases**

The monthly Indian Wholesale Price Index (WPI) of wood and of products of wood and cork increased only marginally. Overall wood prices remained weak or falling as demonetisation swiped new orders from the plate of the construction and other sectors for a portion of 2016. Moreover, plywood manufacturers in Indian have faced rising production costs, yet opportunities to pass the increase on to consumers were limited due to slower demand from the construction sector over the year.

The imposition of service tax on the ocean freight component of all imports is expected to further pushed production costs and prices of imported raw materials, as 4.5% service tax over freight on cargoes imported on a delivered or CFR basis was extended in 2017. Nevertheless, as the construction industry in India is recovering from a temporary demonetisation effect, increasing consumption is expected to allow wood producers to start passing their rising costs on to consumers. Anticipated price recovery is expected to be an important driver of the industry's turnover value growth over the forecast period.

**Residential Housing Programmes To Support Wood Products Industry**

Demonetisation had a negative impact on a number of industries as shortage of cash cut into household spending in the second half of the year. The construction sector has also felt a shortage, and the situation continued into 2017 as housing starts in India's eight largest cities fell by over 40% during H1 2017 – the biggest drop of the last seven years. However, the industry has started to rebound, and it is expected that growth will accelerate over 2018, translating into growth opportunities for India's wood sector.

The PMAY ("Affordable Housing") programme is at the centre of India's residential construction growth, and this is expected to remain a driving force of wood product demand over the forecast period. The 19 million units of housing shortage in India has been getting attention to fill the urban housing gap. Housing programmes are expected to bring a USD1.3 trillion investment to the construction sector over the coming seven years. The government's financial and political thrust, regulatory support, growing urbanisation, along with rising affordability are converting demand for affordable homes into a production opportunity for wood manufacturers. Moreover, other government programmes such as the Swachh Bharat Abhiyan and Smart Cities, will help accelerate demand for building materials over the forecast period.

**Ready-made Furniture Growth Driving Wood Demand**

Despite the recent economic slowdown related to demonetisation and hasty implementation of the Goods and Services Tax (GST), India remains among the fastest-growing economies in the world, with growth expected to swing back to positive trends after the effects of the GST introduction settle in. This, combined with changes in Indian society and consumption habits, will have a positive effect on consumption of wood products.

The most prominent changes important to the wood sector include the transition of the Indian wood furniture industry towards ready-made furniture, propelled by increasing urbanisation.

Demand for furniture made with MDF is growing rapidly as people find it increasingly inconvenient to get customised furniture made by carpenters. Also, furniture made with MDF is more suited to the requirements of an upward-moving middle-class, seeking trendy and high- quality interiors at reasonable prices.

Rising disposable incomes and the young population are expected to drive demand for wood products.

**COMPETITIVE LANDSCAPE**

**Industry To Benefit From Formalisation of the Indian Economy**

The attempt to combat the illegal market and formalise the economy is expected to lead to a reduction in the price difference between the players in the wood products market. It is anticipated that Goods and Services Tax (GST would ensure legal companies have an advantage over unorganised manufacturers of ply and laminates. A large proportion of transactions for laminates and plywood took place via cash deals as buyers did not want to pay tax. The practice is believed to change under the new GST regime, promising a gradual reduction of the black market. With the change of GST from 28% to 18% on plywood, which came into effect from 15 November 2017, official players in this sector are expecting to further increase their market share.

## Summary of Our Business

Our company M/s Diksha Green Limited was originally incorporated on July 21, 2004 by the name of M/s Diksha Timber Private Limited as Private Limited Company under the provisions of the Companies Act, 1956, with the Registrar of Companies West Bengal, Kolkata. The company started with the object of carrying business in trading of timber, wooden logs, sawn timber as well as manufacturing of veneer sheets. The company is being promoted and managed by Mr. Rajesh Kumar Pirogiwal (Promoter Director) who has almost 3 (three) decades of experience to his credit in the timber and plywood industry. Mr. Rajesh Kumar Pirogiwal has got the enriching experience of this trade as a legacy from his father who started the trade way back in 1970 with a small retail shop of timber and was involved in trading of timber.

Later in the year 2006 the company obtained Importer-Exporter code (IEC) from Dy. Director General of Foreign Trade, Ministry of Commerce, Government of India and started importing the wooden logs and timber from countries such as Malaysia, Vietnam, and Burma in Asia, Nigeria, Ghana and Ivory Coast in Africa, Ecuador, Salvador, and Costa Rica in America, Solomon Island, Papua and Guinea etc.

Once wooden logs are received in India, they are transferred to the godown cum Factory located in Baidyabati, Hooghly, West Bengal from where the logs are sold in raw form as well as the sawn timber (the logs are converted into different shapes and sizes of timber as per the requirements of the customers) and veneer sheets are produced to suit varied customer preferences.

In the year 2014, two group companies, Diksha Exim Private Limited and Wizard Vincom Private Limited have merged with Diksha Timber Private Limited for better economies of scale as well as better compliance and the merger proposal got approved from Kolkata High Court vide order no CP No. 237 of 2015 with CA No. 177 of 2015 dated May 14, 2015 for amalgamation.

Subsequently our Company changed its name from Diksha Timber Private Limited to Diksha Greens Private Limited vide Certificate of Incorporation pursuant to name change dated November 29, 2017 and again our Company was converted into a Public Limited Company and the name of the Company was changed to Diksha Greens Limited vide Certificate of Incorporation consequent upon Conversion from Private to Public Limited Company dated February 06, 2018.

After getting rich experience in timber business, in the year 2018, the promoters of the company decided to go for further expansion cum diversion of business activity. Having seen the potential of Agri market, the company acquired a multi commodity cold storage located at Village & PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India having capacity of 5000 MT with two pre cooling chambers and reefer vans towards storage of seasonal produce.

**Brief about the activities of the company:**

**A. Trading in wooden Logs and Timber:**

In the year 2004, the company started with the object of carrying business in trading of timber and wooden logs. They started importing the wooden logs and timber from places like Malaysia, Vietnam, and Burma in Asia, Nigeria, Ghana and Ivory Coast in Africa, Ecuador, Salvador, and Costa Rica in America, Solomon Island, Papua and Guinea etc.

Once wooden logs are received in India port, they are transferred to the godown cum Factory located in Baidyabati, Hooghly, West Bengal from where the logs are sold in raw form as well as the sawn timber and veneer sheets. Our Company in addition to Import also buys domestically.

**B. Operation of Saw Mill**

The godown cum manufacturing facility is located at 174/G/N T Road, Baidyabati, Hooghly, Delhi Road, West Bengal on an area of around 37,000 Sqft. Once wooden logs are received in India port, they are transferred to the godown cum Factory, from where the logs are processed in saw mill machine and converted into the different shapes and sizes of timber as per the requirements of the customers.

**The company has the below machineries for the processing of Timber for the Saw Mill:**

| Type of Machine | No. of Machines | Capacity for 1 working day |
|---|---|---|
| Horizontal & Vertical Cutting Machine | 1 | 20 CBM |
| Puller Machine | 1 | 20 CBM |

**C. Manufacturing of Veneer sheets**

Veneer sheets are normally a thin decorative covering of fine wood applied to a coarser wood or other material. In woodworking, veneer refers to thin slices of wood, usually thinner than 3 mm (1/8 inch), that typically are glued onto core panels (typically, wood, particle board or medium-density fibre board) to produce flat panels such as doors, tops and panels for cabinets, parquet floors and parts of furniture. Plywood consists of three or more layers of veneer. Normally, each is glued with its grain at right angles to adjacent layers for strength.

**The company has the below machineries for the manufacturing of veneer sheets:**

| Type of Machine | No. of Machines | Capacity for 1 working day |
|---|---|---|
| Peeling Machine | 2 | 40CBM |
| Dryer | 1 | 35000 Sqmt |
| Pneumatic Clipper | 3 | 35000 Sqmt |
| Monorail | 3 | 40 CBM |
| Hand Trolley | 23 | 35000 Sqmt |
| Knife Grinding Machine | 1 | - |

**Manufacturing Process:** Firstly the logs are sectioned between 2m to 2.60 m in length. Then they are lifted by hydraulic monorail and debarked in the peeling machine to make the surface smooth and easy. After that they are peeled into sheets of veneer measuring around 0.20 mm to 1.80 mm in thickness. Then they are cut into sizes of requirements as per the customers by using the pneumatic clipper. After that they are taken to the dryer for drying through the hand trolley. Then after, the finished product veneer is ready for sale.

**D. Multi-Commodity Cold Storage:**

Recently in the month of April, 2018, the promoters of the company decided to go for further expansion cum diversion of business activity. Having seen the potential of Agri market in West Bengal, they acquired a ready to use Multi-Commodity Cold Storage at Village & PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India having capacity of 5000 MT for storage of Agriculture produce.

The total land area is 6.22 acres. The Cold Storage is built on an area of around 3983.98 Sqmt.

**Our Business strategy for Cold Storage:**

Currently, we are providing cold storage facilities for storage of different kind of fruits and vegetables from traders/farmers for a fixed rent.

Apart from the above rental incomes earned from cold storage activities, we are also planning to be involved in the trading of fruits, vegetables, Dry Fruits, Egg, Fish and Spices. Our marketing team will approach all the Wholesale markets, Food Marts, Star Hotels, Big Housing Complexes, Populated Areas and other establishments for selling the agricultural produce with doorstep delivery.

- The Company will source Vegetables and fruits from the various districts of West Bengal as well as other states of the country. Like orange can be procured from Nagpur, apple can be procured from Himachal & Kashmir and Ginger in bulk

quantity can be procured from North Eastern States like Meghalaya, Nagaland, Imphal and Mizoram and similarly others products will be procured from different states during the respective season.

- The company is also planning to import the following items from different countries like
  - Dates from Iraq Saudi Arabia, import
  - Almonds and Cloves from California and Walnut from Russia.

**Raw Materials for Cold Storage:**

Since there is no manufacturing or processing activities carried out, there is no specific raw material applicable toour company's operations. The only material requirement is fruits, vegetables, Dry Fruits, Egg and spices which will be stored as well as traded by the company. No scarcity of fruits and vegetables is anticipated due to substantial quantities of production in our district, different States as well as other Countries.

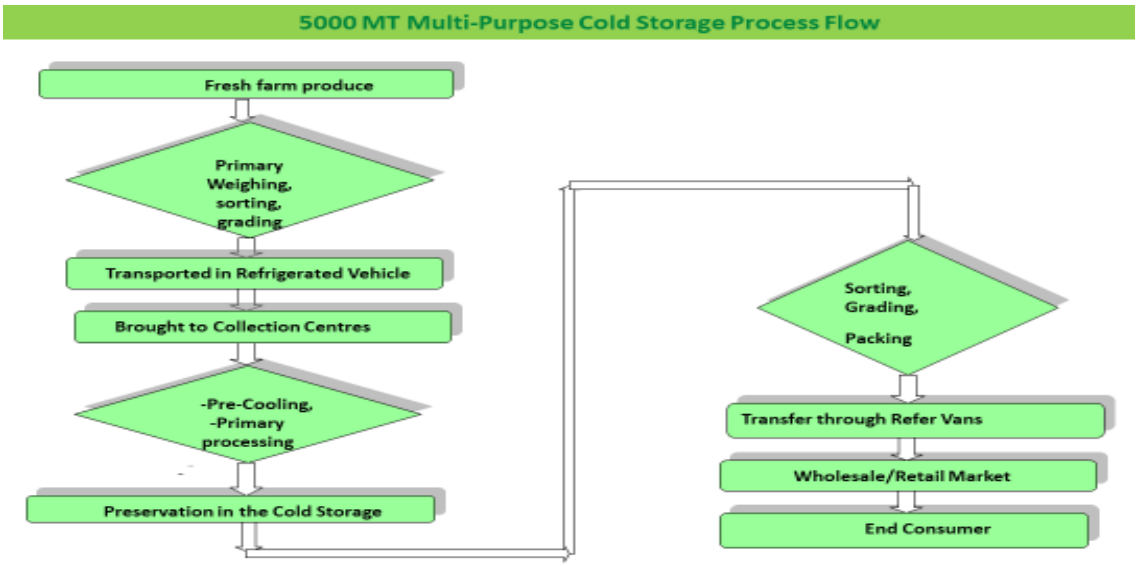
**Cold Storage Highlights:-**

- Pre-engineered Building concept and PUF (Polyurethane Foam) panels for Insulation
- The PUF panels acts as wall cum insulation of the building as also on the roof. The roof is provided with profiled steel sheets.
- The Refrigerant used is Freon CFC Free (R-404a) system which is the latest and globally accepted refrigerant. R-404a is ozone friendly gas and is a green gas.
- Thereby the Cold Store: -Is Structurally Robust & Thermally Efficient
- Meets technical standards and protocol for the Cold Chain as per Ministry of Food Processing Industries (MOFPI).
- There are 10 Cold Rooms of 500 MT each and Two Pre-Cooling Chambers. Each cold room has different temperature & Humidity controls
- The Cold rooms are fitted with Humidifiers with automatic controls & $CO_2$ extractors
- Centralized monitoring system for viewing the temperature and humidity of each cold room
- 24 Hour Power Back-up facility with two DG sets(365 KVA & 125 KVA)
- Transformer -500 KVA
- Loading &Unloading Area
- Two Refrigerated Trucks (Tata 407 & 709).
- Weigh Bridge-60 Ton Capacity
- Office Room, Labour Quarters and other Utilities
- Collection Centre

**Location Advantages**

- Located at a distance of 75 km from Kolkata, Pandua has well connected network of roadways and railways.
- Proximity to vegetable growing belts of Hooghly, 24 Parganas and Burdwan
- Easy availability of cheap and skilled labour.
- Close proximity to the selling points. Marketability of the stored products in Kolkata Markets hub namely Sealdah, Howrah and Mechua market.
- Durgapur,Asansol and Burdwan are few other major selling locations.

**Proposed Business Model of Multi-commodity Cold Storage**



## Summary of Financial Information

## AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENT

### *RESTATED BALANCE SHEET*

(Amt in Rs.)

| | Particulars | As at | | | | | |
|---|---|---|---|---|---|---|---|
| | | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
| A | **EQUITY AND LIABILITIES** | | | | | | |
| 1 | **Shareholders' funds** | | | | | | |
| | (a) Share capital | 5,42,72,900 | 49,33,900 | 49,33,900 | 49,33,900 | 49,33,900 | 52,34,000 |
| | (b) Reserves and surplus | 6,38,02,089 | 10,89,96,040 | 10,34,90,225 | 9,71,11,891 | 9,25,16,229 | 5,94,29,727 |
| | | 11,80,74,989 | 11,39,29,940 | 10,84,24,125 | 10,20,45,791 | 9,74,50,129 | 6,46,63,727 |
| 2 | **Share application money pending allotment** | - | - | - | - | - | - |
| 3 | **Non-current liabilities** | | | | | | |
| | (a) Long-term borrowings | 5,25,00,000 | 48,41,000 | 38,41,000 | - | - | - |
| | (b) Defered Tax liability (Net) | - | 1,72,988 | 1,28,334 | - | - | 84,685 |
| | | 5,25,00,000 | 50,13,988 | 39,69,334 | - | - | 84,685 |
| 4 | **Current liabilities** | | | | | | |
| | (a) Short-term borrowings | 13,57,26,732 | 10,44,31,444 | 6,72,26,886 | 3,87,86,978 | 4,86,01,556 | 5,00,78,533 |
| | (b) Trade payables | 4,71,188 | 2,28,70,390 | 14,34,04,677 | 4,40,15,841 | 5,92,02,753 | 9,31,74,002 |
| | (c) Other current liabilities | 27,39,877 | 2,11,777 | 73,591 | 1,59,684 | 5,40,888 | 51,24,215 |
| | (d) Short-term provisions | - | - | - | - | - | 2,31,157 |
| | | 13,89,37,797 | 12,75,13,611 | 21,07,05,154 | 8,29,62,503 | 10,83,45,197 | 14,86,07,907 |
| | **TOTAL (1+2+3+4)** | **30,95,12,786** | **24,64,57,539** | **32,30,98,613** | **18,50,08,294** | **20,57,95,326** | **21,33,56,319** |
| B | **ASSETS** | | | | | | |
| 1 | **Non-current assets** | | | | | | |
| | (a) Fixed assets | | | | | | |
| | (i) Tangible assets | 10,52,78,848 | 1,00,54,510 | 1,14,66,137 | 1,20,99,694 | 1,21,77,147 | 89,07,859 |
| | (ii) Intangible assets | - | - | - | - | - | - |
| | (iii) Capital work-in-progress | - | - | - | - | - | - |
| | | 10,52,78,848 | 1,00,54,510 | 1,14,66,137 | 1,20,99,694 | 1,21,77,147 | 89,07,859 |
| | (b) Deferred tax assets (Net) | 2,22,028.00 | - | - | 94,823 | 48,497 | - |
| | (c) Non-current investments | - | - | - | 1,70,000 | 1,70,000 | - |
| | (d) Long-term loans and advances | 21,49,920 | 4,24,820 | 4,07,813 | 6,54,185 | 6,54,185 | 53,500 |
| | (e) Other non current assets | - | - | 1,00,00,000 | - | 49,89,453 | - |
| | | 10,76,50,796 | 1,04,79,330 | 2,18,73,950 | 1,30,18,702 | 1,80,39,282 | 89,61,359 |
| 2 | **Current assets** | | | | | | |
| | (a) Inventories | 11,53,21,584 | 10,22,84,404 | 10,49,36,339 | 7,50,81,950 | 14,61,52,505 | 14,18,48,450 |
| | (b) Trade receivables | 6,01,02,025 | 7,68,87,654 | 17,36,29,847 | 7,24,66,221 | 2,14,69,729 | 3,14,12,235 |
| | (c) Cash and cash equivalents | 2,12,818 | 8,30,109 | 34,37,258 | 2,36,818 | 7,76,111 | 10,68,361 |
| | (d) Balances with Bank other than (c) | 89,84,385 | 2,11,73,820 | 1,39,23,364 | 1,83,45,796 | 1,54,66,855 | 2,78,78,548 |
| | (e) Short-term loans and advances | 1,63,13,806 | 3,32,69,152 | 15,83,710 | 8,98,163 | 13,07,453 | - |
| | (f) Other current assets | 9,27,372 | 15,33,070 | 37,14,145 | 49,60,644 | 25,83,391 | 21,87,366 |
| | | 20,18,61,990 | 23,59,78,209 | 30,12,24,663 | 17,19,89,592 | 18,77,56,044 | 20,43,94,960 |
| | **TOTAL (1+2)** | **30,95,12,786** | **24,64,57,539** | **32,30,98,613** | **18,50,08,294** | **20,57,95,326** | **21,33,56,319** |

***RESTATED STATEMENT OF PROFIT & LOSS ACCOUNT***

| (Amt in Rs.) | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Particulars** | | **For the year ended** | | | | | |
| | | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| **A** | **REVENUE** | | | | | | |
| **1** | Revenue from operations (gross) | 12,53,00,687 | 41,63,42,086 | 54,18,55,437 | 54,05,81,486 | 54,00,85,832 | 52,82,35,720 |
| **2** | Other income | 3,06,999 | 19,53,478 | 28,12,930 | 16,79,796 | 23,99,517 | 18,17,806 |
| **3** | **Total revenue (1+2)** | **12,56,07,686** | **41,82,95,564** | **54,46,68,367** | **54,22,61,282** | **54,24,85,349** | **53,00,53,526** |
| **B** | **EXPENSES** | | | | | | |
| | Cost of material consumed | 6,30,34,243 | 9,71,19,964 | 18,86,80,136 | 10,32,19,609 | 5,17,45,318 | 27,02,84,157 |
| | Purchase of stock-in-trade | 7,54,21,544 | 26,49,68,484 | 38,72,86,938 | 32,62,17,179 | 46,47,16,752 | 26,51,43,015 |
| | Changes in inventories of finished goods and work in progress | (3,49,88,463) | 2,18,47,102 | (5,79,44,665) | 8,07,02,090 | (1,05,78,192) | (3,88,71,885) |
| | Employee benefit expenses | 13,72,000 | 22,85,000 | 15,18,000 | 18,18,000 | 18,18,000 | 15,18,000 |
| | Finance Costs | 75,48,410 | 1,30,82,148 | 79,31,600 | 87,82,570 | 1,05,58,901 | 87,19,672 |
| | Depreciation and amortisation expense | 15,08,507 | 20,17,853 | 17,68,568 | 13,99,638 | 16,16,481 | 5,33,809 |
| | Other expenses | 63,29,267 | 88,20,725 | 66,19,481 | 1,34,65,271 | 1,67,48,024 | 1,71,06,191 |
| **4** | **Total expenses** | **12,02,25,508** | **41,01,41,276** | **53,58,60,058** | **53,56,04,357** | **53,66,25,284** | **52,44,32,959** |
| | | | | | | | |
| **5** | **Profit / (Loss) before tax ( 3-4)** | **53,82,178** | **81,54,288** | **88,08,309** | **66,56,925** | **58,60,065** | **56,20,567** |
| **6** | **Tax expense:** | | | | | | |
| | Current Tax | 16,32,145 | 26,03,819 | 22,06,819 | 21,03,343 | 19,59,923 | 17,37,203 |
| | Defered Tax (Asset)/Liability | (3,95,016) | 44,654 | 2,23,156 | (46,326) | (1,33,181) | 23,373 |
| | **Total Tax Expenses** | **12,37,129** | **26,48,473** | **24,29,975** | **20,57,017** | **18,26,742** | **17,60,576** |
| | | | | | | | |
| **7** | **Profit / (Loss) after tax (5-6)** | **41,45,049** | **55,05,815** | **63,78,334** | **45,99,908** | **40,33,323** | **38,59,991** |
| **8** | **Earnings per share (of Rs. 10/- each):** | | | | | | |
| | Basic | 0.76 | 1.01 | 1.18 | 0.85 | 0.74 | 0.74 |
| | Diluted | 0.76 | 1.01 | 1.18 | 0.85 | 0.74 | 0.74 |

**ANNEXURE 3: RESTATED CASH FLOW STATEMENT**

| (Amt. in Rs.) | | | | | | |
|---|---|---|---|---|---|---|
| **PARTICULARS** | **For the Year Ended** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| **A. Cash flow from operating activities :** | | | | | | |
| Profit/ (Loss) before tax | **53,82,178** | **81,54,288** | **88,08,309** | **66,56,925** | **58,60,065** | **56,20,567** |
| **Adjustments for :** | | | | | | |
| Depreciation & Amortisation | 15,08,507 | 20,17,853 | 17,68,568 | 13,99,638 | 16,16,481 | 5,33,809 |
| Finance Costs | 75,48,410 | 1,30,82,148 | 79,31,600 | 87,82,570 | 1,05,58,901 | 87,19,672 |
| Loss/(Profit) on Slae of Fixed Assets | 1,03,166 | (1,20,184) | (13,00,000) | - | - | - |
| Interest received | (2,29,249) | (15,05,047) | (15,12,930) | (16,79,796) | (23,99,517) | (18,17,806) |
| **Operating Profit before working capital changes** | **1,43,13,012** | **2,16,29,058** | **1,56,95,547** | **1,51,59,337** | **1,56,35,930** | **1,30,56,242** |
| **Adjustments for :-** | | | | | | |
| (Increase)/ Decrease in Inventories | (1,30,37,180) | 26,51,935 | (2,98,54,389) | 7,10,70,555 | (43,04,056) | (4,60,07,430) |
| (Increase)/Decrease in Trade Receivables | 1,67,85,629 | 9,67,42,193 | (10,11,63,626) | (5,09,96,492) | 99,42,506 | 3,26,48,229 |
| (Increase)/Decrease in Loans and Other Advances | 1,58,35,944 | (2,84,41,307) | 14,92,871 | (18,77,253) | (14,96,710) | (12,53,860) |
| Increase/(Decrease) in Trade Payables, Other Current Liabilities and Provisions | (1,98,71,102) | (12,03,96,101) | 9,93,02,743 | (1,55,68,116) | (3,85,54,576) | 3,52,11,109 |
| **Cash generated from operations** | **1,40,26,303** | **(2,78,14,222)** | **(1,45,26,854)** | **1,77,88,031** | **(1,87,76,906)** | **3,36,54,290** |
| Net Income Tax (paid) / refunds | (16,32,145) | (36,83,886) | (28,92,366) | (21,94,053) | (29,98,533) | (18,31,683) |
| **Net cash from operating activities (A)** | **1,23,94,158** | **(3,14,98,108)** | **(1,74,19,220)** | **1,55,93,978** | **(2,17,75,439)** | **3,18,22,607** |
| **B. Cash flow from investing activities :** | | | | | | |
| Acquisition of assets on account of merger scheme | - | - | - | - | 2,87,55,422 | - |
| Purchase of PPE | (9,70,36,022) | (8,86,042) | (41,35,010) | (13,26,431) | (48,90,454) | (19,52,000) |
| Sell of PPE | 2,00,011 | 4,00,000 | 43,00,000 | - | 2,342 | - |
| Sell / (Purchase) of Investments | - | - | 1,70,000 | - | (1,70,000) | - |
| Reedmption / (Investment) in Fixed Deposit | 1,21,89,435 | 27,49,544 | (55,77,568) | 21,10,512 | 74,22,240 | (87,80,820) |
| Interest Income | 2,29,249 | 15,05,047 | 15,12,930 | 16,79,796 | 23,99,517 | 18,17,806 |
| **Net Cash (used in) / from investing activities (B)** | **(8,44,17,327)** | **37,68,549** | **(37,29,648)** | **24,63,878** | **3,35,19,067** | **(89,15,014)** |
| **C. Cash flow from financing activities :** | | | | | | |
| Proceeds from Issue of Equity Shares | - | - | - | - | - | - |
| Net Increase / (Decrease) in Short Term & Long Term Borrowing | 7,89,54,288 | 3,82,04,558 | 3,22,80,908 | (98,14,578) | (14,76,977) | (1,53,20,512) |
| Finance Costs paid | (75,48,410) | (1,30,82,148) | (79,31,600) | (87,82,570) | (1,05,58,901) | (87,19,672) |
| **Net Cash used in financing activities ( C )** | **7,14,05,878** | **2,51,22,410** | **2,43,49,308** | **(1,85,97,148)** | **(1,20,35,878)** | **(2,40,40,184)** |
| **Net increase / (decrease) in cash and cash equivalents (A+B+C)** | **(6,17,291)** | **(26,07,149)** | **32,00,440** | **(5,39,293)** | **(2,92,250)** | **(11,32,591)** |
| Cash and cash equivalents (Opening Balance) | 8,30,109 | 34,37,258 | 2,36,818 | 7,76,111 | 10,68,361 | 22,00,952 |
| **Cash and cash equivalents(Closing Balance)** | **2,12,818** | **8,30,109** | **34,37,258** | **2,36,818** | **7,76,111** | **10,68,361** |
| **Components of Cash & Cash Equivalent** | | | | | | |
| a) Cash in Hand | 2,12,818 | 8,16,610 | 34,17,657 | 1,73,214 | 4,89,644 | 4,37,000 |
| b) Balance with Banks | | | | | | |
| In Current Account | - | 13,499 | 19,601 | 63,604 | 2,86,467 | 6,31,361 |
| **Cash and cash equivalents(Closing Balance)** | **2,12,818** | **8,30,109** | **34,37,258** | **2,36,818** | **7,76,111** | **10,68,361** |

**The Cash Flow has been prepared under Indirect method as per Accounting Standard -3 "Cash Flow Statements" .**

## The Issue

The following is the summary of the Issue.

| | |
|---|---|
| Issue of Equity Shares | Upto 44,40,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹30/- per Equity Share aggregating to ₹1332.00Lakhs. |
| Out of which: | |
| Market Maker Reservation Portion | Upto 2,24,000Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹30/- per Equity Share aggregating to ₹67.20Lakhs. |
| Net Issue to the Public | Upto 42,16,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹30/- per Equity Share aggregating to ₹1264.80Lakhs. |
| Out of which: | |
| Allocation to Retail Individual Investors for up to Rs. 2.00 lakh | 21,08,000 Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹ 30 per Equity Share aggregating to ₹ 632.40lakhs. |
| Allocation to other investors for above Rs. 2.00 lakh | 21,08,000 Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹ 30 per Equity Share aggregating to ₹ 632.40Lakhs. |
| Pre- and Post-Issue Equity Shares | |
| Equity Shares outstanding prior to the Issue | 54,27,290 Equity Shares of ₹10/- each |
| Equity Shares outstanding after the Issue* | 98,67,290 Equity Shares of ₹10/- each |
| Objects of the Issue | Please refer to the section titled "Objects of the issue" beginning on page no. 69 of this Prospectus. |

**Assuming Full Allotment*

*This Issue is being made in terms of Section XB of the SEBI (ICDR) Regulations, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, the allocation in the net issue to public category shall be made as follow:*

*(a) Minimum 50% to the Retail individual investors; and*
*(b) remaining to:*
  *i. individual applicants other than retail individual investors; and*
  *ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;*
*(c) The unsubscribed portion is either of the categories specified in clauses (a) and (b) may be allocated to applicants in the other category.*

*For the purpose of Regulation 43(4), if the retail individual investor category is entitled to more than fifty percent, on proportionate basis, the retail individual investors shall be allocated that higher percentage.*

*For further details, please refer to Section titled*, **The Issue**, *beginning on page no 44 of this Prospectus.*

*The present Issue of 44,40,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors* held on July 27, 2018 *and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Extra-Ordinary General Meeting of the members held on* Aug 9, 2018.

*Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spillover from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and BSE. Such interse spillover, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.*

## General Information

Our Company was originally incorporated at Kolkata as Diksha Timber Private Limited on 21st July, 2004 under the provisions of the Companies Act, 1956, with the Registrar of Companies Kolkata , subsequently our Company changed its name from Diksha Timber Private Limited to Diksha Greens Private Limited vide Certificate of Incorporation pursuant to name change dated 29th November, 2017 and again our Company was converted into a Public Limited Company and the name of the Company was changed to Diksha Greens Limited vide Certificate of Incorporation consequent upon Conversion from Private to Public Limited Company dated 6th February, 2018.

For further details, please refer **Our History and Certain Corporate Matters** and **Our Business** on page no. 113 and 95, respectively, of this Prospectus.

| **Brief of Company and Issue Information** | |
|---|---|
| Registered & Corporate Office | **Diksha Green Limited**<br>11Sambhu Chatterjee Street,<br>2nd Floor, Room no: 7<br>Jorasanko Kolkata-700007<br>Telephone: 033 - 22198219<br>Website: www.dikshagreens.co.in<br>Email id: info@dikshagreens.co.in |
| Location of Project | Work Address:<br><br>**Timber Unit:**<br>174/G/1, N T Road, Baidyabati, Hooghly,West Bengal – 712222 India<br><br>**Cold Storage Unit:**<br>Village & PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India |
| Date of Incorporation | 21stJuly, 2004 |
| Company Registration Number | 099199 |
| Corporate Identification Number | U20100WB2004PLC099199 |
| Company Category | Company Limited by Shares |
| Company Sub Category | Indian Non-Government Company |
| Address of Registrar of Companies | Registrar of Companies, Kolkata, West Bengal,<br>Nizam Palace. 2nd MSO Building. 2nd Floor, 234/4, A.J.C. Bose Road. Kolkata - 700020, India. |
| Designated Stock Exchange | BSE Limited (SME Platform of BSE)<br>P.J. Towers, Dalal Street,<br>Mumbai – 400 001 |
| Company Secretary and Compliance Officer | **Sumit Kumar Jain**<br>11Sambhu Chaterjee Street,<br>2nd Floor, Room no: 7<br>Jorasanko Kolkata-700007<br>Telephone: 033- 22198219<br>Email id: cs@dikshagreens.co.in |
| Chief Financial Officer | **Mr. Biswanath Singh**<br>11Sambhu Chatterjee Street,<br>Jorasanko Kolkata-700007<br>Telephone: 033- 22198219<br>Email id: info@dikshagreens.co.in |
| Statutory Auditor of the Company | **M/s. M Raghunath & Co.**<br>Chartered Accountants,<br>6 Garstin Place, 1st Floor,<br>Kolkata-700001<br>**Mob:** 9830480338<br>**Email:** fcavishal@gmail.com<br>**Contact Person:** Mr. Vishal Kumar Agrawal |

**Board of Directors of Our Company**

Our Company's Board comprises of the following Directors:

| Name, Nature of Directorship and DIN | Age | Residential Address |
|---|---|---|
| **Mr. Rajesh Pirogiwal**<br>Managing Director<br>DIN : 01279323 | 50 years | BG-115, Sector-II, Salt Lake City, Kolkata-700091 West Bengal, India |
| **Mrs. Sunita Pirogiwal**<br>Whole Time Director<br>DIN : 01279325 | 48 years | BG-115, Sector-II, Salt Lake City, Kolkata-700091 West Bengal, India |
| **Ms. Tanvi Pirogiwal**<br>Non-Executive Director<br>DIN : 07757429 | 26 years | BG-115, Sector-II, Salt Lake City, Kolkata-700091 West Bengal, India |
| **Mr. Sreejita Chowdhury**<br>Independent Director<br>DIN:08185074 | 35 Years | 61 Lakshmi Pally, Rishar, Morepukur, Hooghly, Rishra, Pin-712250 |
| **Mr. Vikash Kedia**<br>Independent Director<br>DIN :08165666 | 37 Years | Poddar Plaza 119/1 Shyam Nagar Road, Baguiati, Bangur Avenue, Kolkata 700055 |

For further details of the Board of Directors, please refer to the Section titled, **Our Management**, beginning on page no 118 of this Prospectus.

***Note: Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.***

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

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

**Details of Key Intermediaries pertaining to this Issue and our Company:**

| Lead Manager | Registrar to The Issue |
|---|---|
| **Finshore Management Services Limited**<br>Anandlok, Block-A, 2nd Floor, Room No. 207,<br>227 A.J.C. Bose Road, Kolkata-700020, India<br>**Telephone:** +91-33-22895101<br>**Facsimile**: +91-33-22895101<br>**Email: ramakrishna@finshoregroup.com**<br>**Investor grievance email:info@finshoregroup.com**<br>**Contact Person:** Mr. S. Ramakrishna Iyengar<br>**Website:**www.finshoregroup.com<br>**SEBI Registration Number:** INM000012185 | **Cameo Corporate Services Ltd.**<br>"Subramanian Building",<br>#1, Club House Road,<br>Chennai 600 002<br>**Telephone:** 044 - 2846 0390, 2846 0425<br>**Facsimile**: 044 - 2846 0129<br>**Email:** rdr@cameoindia.com<br>**Contact Person:** Mr. R.D. Ramasamy, Director<br>**Website:** www.cameoindia.com<br>**SEBI Registration Number:INR000003753** |
| **Banker to The Company** | **Legal Advisor To The Issue** |
| Punjab & Sind Bank<br>IBD, Kolkata<br>14/15 Old Court House Street,<br>Kolkata – 700 001 | **J MUKHERJEE & ASSOCIATES**<br>20/33 N.S.C. Bose Road, Ground Floor, Grahams Land, Kolkata-700040, West Bengal, India<br>**Telephone:** +91 9830640366<br>**Email:**jmalegal@outlook.com<br>**Contact Person:** Mr. Jayabrata Mukherjee |

| Peer Review Auditor* | Banker to The Issue |
|---|---|
| **M/s. AMK & Associates**<br>Chartered Accountants,<br>Stesalit Tower, 303, 3rd Floor, E 2-3,<br>Block EP & GP, Sector-V,<br>Salt Lake, Kolkata-700091<br>**Tel:** 033 40630462/40697147<br>**Email:** caamkassociates@gmail.com<br>**Contact Person:** Mr. Bhupendra Kumar Bhutia | **Kotak Mahindra Bank Limited**<br>Kotak Infinity, 6th Floor, Building No 21<br>Infinity Park, Off Western Expressway Highway<br>General AK Vaidya Marg, Malad (E)<br>Mumbai – 400097, Maharashtra, India<br>**Tel:** +91 22 66056588<br>**Fax:** +91 22 67132416<br>**Email:** cmsipo@kotak.com<br>**Contact Person:** Mr. Prashant Sawant<br>**SEBI Registration Number: - INBI00000927** |

***AMK & Associates, Chartered Accountants,** are appointed as peer review auditors of our Company in compliance with Section IX of part A of Schedule VIII of SEBI (ICDR) and hold a valid peer review certificate No.009747 dated March 17, 2017valid till March 16, 2022 issued by the "Peer Review Board" of the ICAI.*

**Statement of *Inter Se* Allocation of Responsibilities**

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

**Self-Certified Syndicate Banks ("SCSBs")**

The lists of banks that have been notified by SEBI to act as SCSB for the ASBA process are provided onhttp://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned SEBI link.

**Brokers to This Issue**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at BSE Limited at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 as updated from time to time.

**Registrar to Issue and Share Transfer Agents**

The list of the RTAs eligible to accept 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 Limited, as updated from time to time.

**Collecting Depository Participants**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

**Credit Rating**

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

**Trustees**

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

**Debenture Trustees**

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

**IPO Grading**

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

**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 Lakh. Since the Issue size is only of Rs. 1332.00Lakhs, 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.

**Appraising Entity**

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

**Expert Opinion**

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

Our Company has received consent from the Peer review Auditors of the Company to include their name as an expert in this Prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits by the Peer review Auditors and such consent has not been withdrawn as on the date of this Prospectus.

**Inter-Se allocation of Responsibilities**

Since Finshore Management Services Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

**Underwriter**

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated October 30, 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, Address, Telephone, Facsimile, and Email of the Underwriters | Indicated number of Equity Shares to be Underwritten | Amount Underwritten (in Lakh) | % of the total Issue Size Underwritten |
|---|---|---|---|
| **Finshore Management Services Limited**<br>Anandlok, Block-A, 2nd Floor, Room No. 207,<br>227 A.J.C. Bose Road,<br>Kolkata-700020, India<br>**Telephone:** +91-33-22895101<br>**Facsimile**: +91-33-22895101<br>**Email: ramakrishna@finshoregroup.com**<br>**Investor grievance email:info@finshoregroup.com**<br>**Contact Person:** Mr. S. Ramakrishna Iyengar<br>**Website:**www.finshoregroup.com<br>**SEBI Registration Number:** INM000012185 | 42,16,000 Equity Shares | ₹ 1264.80 | 94.95 |
| **M/s Nikunj Stock Broker Limited**<br>**(Market Maker)**<br>A-92, GF, Kamla Nagar, Delhi - 110007<br>**Tel No:** 011 – 47030015/16<br>**Fax No:** 011 - 23845104<br>**Email ID**: info@nikunjonline.com<br>**Contact Person**: Mr. Pramod Kumar Sultania<br>**SEBI Registration Number:** INZ0001691333<br>**Market Maker Registration No:**<br>SMEMM0664523112017 | 2,24,000 Equity Shares | ₹67.20 | 5.05 |
| **TOTAL** | **44,40,000** | **₹ 1332.00** | **100.00** |

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

**Details of Market Making Arrangement for This Issue**

Our Company and the Lead Manager has entered into Market Making Agreement dated October 29, 2018 with the following Market Maker to fulfill the obligations of Market Making for this Issue:

| | |
|---|---|
| **Name** | M/s Nikunj Stock Broker Limited |
| **Address** | A-92, GF, Kamla Nagar, Delhi - 110007 |
| **Telephone** | 011 – 47030015/16 |
| **Facsimile** | 011 - 23845104 |
| **E-mail** | info@nikunjonline.com |
| **Contact Person** | Mr. Pramod Kumar Sultania |
| **Market Maker Registration No. (SME Segment of BSE)** | SMEMM0664523112017 |

**M/s Nikunj Stock Broker Limited**, registered with SME segment of BSE will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by the 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 two-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

2. The minimum depth of the quote shall be Rs.1.00 Lakh. However, the investors with holdings of value less than Rs. 1.00 Lakh shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the 5% of the Equity Shares Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 5% 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, M/s Nikunj Stock Broker Limited is acting as the sole Market Maker.

7. 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.

8. The Market Maker(s) shall have the right to terminate said arrangement by giving one-month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

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

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

11. BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties/fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities/trading membership.

12. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/fines/suspension for any type of misconduct/manipulation/other irregularities by the Market Maker from time to time.

13. 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 to Rs.50 Crore | 20% | 19% |
| Rs. 50 to Rs.80 Crore | 15% | 14% |
| Above Rs. 80 Crore | 12% | 11% |

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

15. 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.

## Capital Structure

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this Prospectus, is set forth below:

*(Rs. in Lakhs except share data)*

| No. | Particulars | Aggregate Nominal Value | Aggregate Value at Issue Price |
|---|---|---|---|
| **A.** | **Authorized Share Capital** | | |
| | 1,10,00,000 Equity Shares of ₹10/- each | 1100.00 | -- |
| **B.** | **Issued, Subscribed & Paid-up Share Capital prior to the Offer** | | |
| | 54,27,290Equity Shares of ₹10/- each | 542.72 | -- |
| **C.** | **Present Issue in terms of the Prospectus** [1] | | |
| | 44,40,000 Equity Shares of ₹10/- each for cash at a price of ₹30/- per share | 444.00 | 1332.00 |
| **Which Comprises** | | | |
| **D.** | **Reservation for Market Maker portion** | | |
| | 2,24,000 Equity Shares of ₹10/- each at a premium of ₹20/- per Equity Share | 22.40 | 67.20 |
| **E.** | Net Issue to the Public | | |
| | 42,16,000 Equity Shares of ₹10/- each at a premium of ₹20/- per Equity Share of which: | 421.60 | 1264.80 |
| | 21,08,000 Equity Shares of ₹10/- each at a premium of ₹20/- per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹2.00 lakhs | 210.80 | 632.40 |
| | 21,08,000 Equity Shares of ₹10/- each at a premium of ₹20/- per Equity Share will be available for allocation for allotment to Other Investors of above ₹2.00 lakhs | 210.80 | 632.40 |
| F. | Paid up Equity capital after the Issue | | |
| | 98,67,290 Equity Shares of face value of ₹10/- each | 986.72 | |
| G. | Securities Premium Account | | |
| | Before the Issue | Nil | |
| | After the Issue | 888.00 | |

[1] *The present Issue of 44,40,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated* July 27,2018 *and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on* August 09, 2018.

**Details of changes in Authorized Share Capital of our Company since incorporation:**

| No. | Date of Shareholders approval | EGM/AGM/ Postal Ballot | Authorised Share Capital (₹) | Details of change |
|---|---|---|---|---|
| 1. | On Incorporation | -- | 5,00,000 | Incorporated with an Authorized Share Capital of ₹5,00,000 comprising of 50,000 Equity Shares of ₹10 each. |
| 2. | March 31, 2006 | EGM | 7,00,000 | Increase in Authorized Share Capital from ₹5,00,000 comprising of 50,000 Equity Shares of ₹ 10 each to ₹ 7,00,000 comprising of 70,000 Equity Shares of ₹ 10 each. |
| 3. | March 31, 2007 | EGM | 10,00,000 | Increase in Authorised Share Capital from ₹ 7,00,000 comprising of 70,000 Equity Shares of ₹10 each to ₹10,00,000 comprising of 1,00,000 Equity Shares of ₹ 10 each. |
| 4. | March 11, 2008 | EGM | 25,00,000 | Increase in Authorised Share Capital from ₹10,00,000 comprising of 1,00,000 Equity Shares of ₹10 each to ₹25,00,000 comprising of 2,50,000 Equity Shares of ₹ 10 each. |

| No. | Date of Shareholders approval | EGM/AGM/ Postal Ballot | Authorised Share Capital (₹) | Details of change |
|---|---|---|---|---|
| 5. | March 15, 2010 | EGM | 35,00,000 | Increase in Authorised Share Capital from ₹25,00,000 comprising of 2,50,000 Equity Shares of ₹10 each to ₹35,00,000 comprising of 3,50,000 Equity Shares of ₹ 10 each. |
| 6. | February 14, 2011 | EGM | 40,00,000 | Increase in Authorised Share Capital from ₹35,00,000 comprising of 3,50,000 Equity Shares of ₹ 10 each to ₹40,00,000 comprising of 4,00,000 Equity Shares of ₹ 10 each. |
| 7. | June 24, 2011 | EGM | 55,00,000 | Increase in Authorised Share Capital from ₹40,00,000 comprising of 4,00,000 Equity Shares of ₹ 10 each to ₹55,00,000 comprising of 5,50,000 Equity Shares of ₹ 10 each. |
| 8. | August 14, 2013 | AGM | 75,00,000 | Increase in Authorised Share Capital from ₹55,00,000 comprising of 5,50,000 Equity Shares of ₹ 10 each to ₹75,00,000 comprising of 7,50,000 Equity Shares of ₹ 10 each. |
| 9. | March 24, 2015 | By Amalgamation | 1,86,00,000 | Increase in Authorised Share Capital from ₹75,00,000 comprising of 7,50,000 Equity Shares of ₹ 10 each to ₹1,86,00,000 comprising of 18,60,000 Equity Shares of ₹ 10 each |
| 10. | June 04, 2018 | EGM | 11,00,00,000 | Increase in Authorised Share Capital from ₹1,86,00,000 comprising of 18,60,000 Equity Shares of ₹ 10 each to ₹11,00,00,000 comprising of 11,000,000 Equity Shares of ₹ 10 each. |

**Notes to Capital Structure**

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

(a) **Equity share capital history of our Company**

The following is the history of the equity share capital of our Company:

| Date of Allotment | Number of Equity Shares | Face Value per Equity Share (₹) | Issue Price per Equity Share (₹) | Nature of Consideration (Cash/ Other than Cash) | Nature of allotment | Cumulative Number of Equity Shares | Cumulative Share Capital (₹) | Cumulative Share Premium (₹) |
|---|---|---|---|---|---|---|---|---|
| On Incorporation | 10,000 | 10 | 10 | Cash | Subscription to the MoA (1) | 10,000 | 1,00,000 | -- |
| March31, 2006 | 50,900 | 10 | 100 | Cash | Preferential allotment (2) | 60,900 | 6,09,000 | 45,81,000 |
| March 31, 2008 | 87,500 | 10 | 100 | Cash | Preferential allotment (3) | 1,48,400 | 14,84,000 | 1,24,56,000 |
| July 27, 2009 | 50,000 | 10 | 100 | Cash | Preferential allotment (4) | 1,98,400 | 19,84,000 | 1,69,56,000 |
| March 31, 2010 | 95,000 | 10 | 100 | Cash | Preferential allotment (5) | 2,93,400 | 29,34,000 | 2,55,06,000 |
| February 19, 2011 | *100,000 | 10 | 100 | Cash | Preferential allotment (6) | 3,93,400 | 39,34,000 | 3,45,06,000 |
| June 28, 2011 | *130,000 | 10 | 100 | Cash | Preferential allotment (7) | 5,23,400 | 52,34,000 | 4,62,06,000 |

| Date of Allotment | Number of Equity Shares | Face Value per Equity Share (₹) | Issue Price per Equity Share (₹) | Nature of Consideration (Cash/ Other than Cash) | Nature of allotment | Cumulative Number of Equity Shares | Cumulative Share Capital (₹) | Cumulative Share Premium (₹) |
|---|---|---|---|---|---|---|---|---|
| March 24, 2015 | *(325,000) | 10 | 10 | Consideration other than Cash | Cancellation of shares due to amalgamation | 198,400 | 1,984,000 | 4,62,06,000 |
| March 15, 2017 | 294,990 | 10 | 10 | Consideration other than Cash | Further allotment on account of Amalgamation(8) | 493,390 | 4,933,900 | 4,62,06,000 |
| July 11, 2018 | 4,933,900 | 10 | 10 | Consideration other than Cash | Bonus Issue in the ratio of 1:10 (9) | 5,427,290 | 54,272,900 | - |

** Company has allotted (before amalgamation) 95,000 shares to Different companies on March 31, 2010 (refer note 6)which was subsequently transferred to Wizard Vincom Private limited on May 31, 2010.*

*100,000 Equity Shares and 130,000 Equity Shares allotted to Riddhi Siddhi Vincom Private Limited on 19th February and 28th June, 2011 respectively. Further on 1st September, 2011 Riddhi Siddhi Vincom Private Limited has transferred 230,000 Equity Shares to Diksha Exim Private Limited.*

*Vide court order dated May 14, 2015, and appointed date of amalgamation with effect from April 01, 2014M/s. Diksha Exim Private Limited and M/s. Wizard Vincom Private limited was amalgamated with Diksha Greens Limited (Erstwhile Diksha Timber Private Limited) and consequently the inter-se holdings by and between the companies i.e. 95,000 shares of M/s. Wizard Vincom Private limited and 2,30,000 Equity Shares of Diksha Exim Private Limited has been cancelled pursuant to the said amalgamation on the date of passing shareholders resolution dated March 24, 2015.*

For further details in relation to the amalgamation, please refer to section titled "Our History and Certain Corporate Matters" beginning on page 113 of this Prospectus.

*(1) Allotment on subscription to the Memorandum of Association*

| No. | Name of the allottee | Number of Equity Shares allotted |
|---|---|---|
| 1. | Rajesh Pirogiwal | 5000 |
| 2. | Sunita Pirogiwal | 5000 |
| | **Total** | **10000** |

*(2) Preferential Allotment*

| No. | Name of the allottee | Number of Equity Shares allotted |
|---|---|---|
| 1. | Rajesh Pirogiwal | 2900 |
| 2. | Hanuman Coke Plant Pvt. Ltd | 5500 |
| 3. | Kutir Material Suppliers Pvt. Ltd. | 3000 |
| 4. | Mira Finalease Pvt. Ltd. | 5000 |
| 5. | N-Star Commotrade Pvt Ltd | 5500 |
| 6. | Prernana Supply Pvt Ltd | 4000 |
| 7. | Rich-Point Financial Services Private Limited | 11000 |
| 8. | Sahi Agency (Shipping) Private Limited | 7000 |
| 9. | Sterling Merchants Private Limited | 7000 |
| | **Total** | **50900** |

*(3) Preferential Allotment*

| No. | Name of the allottee | Number of Equity Shares allotted |
|---|---|---|
| 1. | Bansiwala Distributors (P) Ltd | 5000 |
| 2. | Gainwall Text Rade (P) Ltd | 5000 |
| 3. | Ganesh Commotrade (P) Ltd | 11500 |

| | | |
|---|---|---|
| *4.* | *Grihalakshmi Coomotrade (P) Ltd* | *5000* |
| *5.* | *Hi Choice Trading (P) Ltd* | *5000* |
| *6.* | *Mahalakshmi Commotrade (P) Ltd* | *5000* |
| *7.* | *Orbit TradeCom (P) Ltd* | *5000* |
| *8.* | *Premier Commotrade (P) Ltd* | *5000* |
| *9.* | *P R Niryat (P) Ltd* | *14000* |
| *10.* | *Sangini Commerce (P) Ltd* | *5000* |
| *11.* | *Sun Moon Vanijya (P) Ltd* | *8000* |
| *12.* | *Swift Vincom (P) Ltd* | *5000* |
| *13.* | *Neelkanth Dealers (P) Ltd.* | *4000* |
| *14* | *Kailash Distributors (P) Ltd.* | *5000* |
| ***Total*** | | ***87,500*** |

*(4) Preferential Allotment*

| ***No.*** | ***Name of the allottee*** | ***Number of Equity Shares allotted*** |
|---|---|---|
| *1.* | *Highlight Goods Private Limited* | *10000* |
| *2.* | *Turtle Traders Private Limited* | *10000* |
| *3.* | *Landmarketing Private Limited* | *10000* |
| *4.* | *INK Financial Management Pvt. Ltd.* | *10000* |
| *5.* | *Sangini Commerce (P) Ltd* | *10000* |
| ***Total*** | | ***50000*** |

*(5) Preferential Allotment*

| ***No.*** | ***Name of the allottee*** | ***Number of Equity Shares allotted*** |
|---|---|---|
| *1.* | *Balhaans Vintrade Private limited* | *40000* |
| *2.* | *Ganesh Commotrade Private Limited* | *10000* |
| *3.* | *Jai Hanuman Sales Private Limited* | *25,000* |
| *4.* | *Hillview Vanijya Private Limited* | *10000* |
| *5.* | *Darkwell Commotrade Private limited* | *10000* |
| ***Total*** | | ***95000*** |

*(6) Preferential Allotment*

| ***No.*** | ***Name of the allottee*** | ***Number of Equity Shares allotted*** |
|---|---|---|
| *1.* | *Riddhi Siddhi Vincom Private Limited* | *100000* |
| ***Total*** | | ***100000*** |

*(7) Preferential Allotment*

| ***No.*** | ***Name of the allottee*** | ***Number of Equity Shares allotted*** |
|---|---|---|
| *1.* | *Riddhi Siddhi Vincom Private Limited* | *130000* |
| ***Total*** | | ***130000*** |

*(8) Further Allotment on account of Amalgamation*

| ***No.*** | ***Name of the allottee*** | ***Number of Equity Shares allotted*** |
|---|---|---|
| *1.* | *Rajesh Pirogiwal* | *1649* |
| *2.* | *Sunita Pirogiwal* | *1649* |
| *3.* | *Ridhi Sidhi Vincom Private Limited* | *285714* |
| *4.* | *Astha Commosales Pvt Ltd* | *357* |
| *5.* | *Advanteeh Trades Pvt Ltd* | *375* |
| *6.* | *Excel Commosale Pvt Ltd* | *500* |
| *7.* | *Everett Marketing Pvt Ltd* | *214* |
| *8.* | *Jugmug Sales Pvt Ltd* | *200* |
| *9.* | *Kedia Trade and Agencies Pvt Ltd* | *343* |
| *10.* | *Morgan Sales Private Limited* | *800* |
| *11.* | *Rishikesh Marketing Private Limited* | *214* |
| *12.* | *Rareview Traders Private Limited* | *1528* |
| *13.* | *Salasar Infraproperties Merchants Private Limited* | *786* |
| *14* | *Swastik Financial Consultants Private Limited* | *286* |

| | | |
|---|---|---|
| *15.* | *Zenith Tie Up Pvt. Ltd.* | *393* |
| ***Total*** | | ***294990*** |

*The allotment has been made pursuant to court order no CP No 237 of 2015 dated May 15, 2015 passed by the Hon'ble High court of Kolkata and in accordance with the scheme of Amalgamation, approved by the said order.*

*(9) Further Allotment(Bonus Issue in the Ratio of 1:10)*

| ***No.*** | ***Name of the allottee*** | ***Number of Equity Shares allotted*** |
|---|---|---|
| *1.* | *Rajesh Pirogiwal* | *965490* |
| *2.* | *Sunita Pirogiwal* | *401490* |
| *3.* | *Rajesh Kumar Pirogiwal& Sons HUF* | *3,50,000* |
| *4.* | *Ridhi Sidhi Vincom Pvt. Ltd.* | *24,48,140* |
| *5.* | *Highreturn Marketing Ltd.* | *4,68,780* |
| *6.* | *Tanvi Pirogiwal* | *1,00,000* |
| *7.* | *Diksha Pirogiwal* | *1,00,000* |
| *8.* | *Khushal Pirogiwal* | *1,00,000* |
| ***Total*** | | ***4,933,900*** |

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

(c) **As on the date of this Prospectus, Our Company has not issued Equity shares for consideration other than cash except as mentioned below.**

*The following allotments has been made on March15, 2017 for consideration other than cash pursuant to court order no CP No 237 of 2015 dated May 15, 2015 passed by the Hon'ble High court of Kolkata and in accordance with the scheme of Amalgamation, approved by the said order.*

| ***No.*** | ***Name of the allottee*** | ***Face Value (In Rs.)*** | ***Number of Equity Shares allotted*** |
|---|---|---|---|
| *1.* | *Rajesh Pirogiwal* | *10* | *1649* |
| *2.* | *Sunita Pirogiwal* | *10* | *1649* |
| *3.* | *Ridhi Sidhi Vincom Private Limited* | *10* | *285714* |
| *4.* | *Astha CommosalesPvt Ltd* | *10* | *357* |
| *5.* | *Advanteeh Trades Pvt Ltd* | *10* | *375* |
| *6.* | *Excel Commosale Pvt Ltd* | *10* | *500* |
| *7.* | *Everett Marketing Pvt Ltd* | *10* | *214* |
| *8.* | *Jugmug Sales Pvt Ltd* | *10* | *200* |
| *9.* | *Kedia Trade and Agencies Pvt Ltd* | *10* | *343* |
| *10.* | *Morgan Sales Private Limited* | *10* | *800* |
| *11.* | *Rishikesh Marketing Private Limited* | *10* | *214* |
| *12.* | *Rareview Traders Private Limited* | *10* | *1528* |
| *13.* | *Salasar Infraproperties Merchants Private Limited* | *10* | *786* |
| *14* | *Swastik Financial Consultants Private Limited* | *10* | *286* |
| *15.* | *Zenith Tie Up Pvt. Ltd.* | *10* | *393* |
| ***Total*** | | | ***294990*** |

*The following allotments has been made on July 11, 2018 for consideration other than cash by way of bonus in the ratio of 10:1*

| ***No.*** | ***Name of the allottee*** | ***Face Value (In Rs.)*** | ***Number of Equity Shares allotted*** |
|---|---|---|---|
| *1.* | *Rajesh Pirogiwal* | *10* | *965490* |
| *2.* | *Sunita Pirogiwal* | *10* | *401490* |
| *3.* | *Rajesh Kumar Pirogiwal& Sons HUF* | *10* | *3,50,000* |
| *4.* | *Ridhi Sidhi Vincom Pvt. Ltd.* | *10* | *24,48,140* |
| *5.* | *Highreturn Marketing Ltd.* | *10* | *4,68,780* |
| *6.* | *Tanvi Pirogiwal* | *10* | *1,00,000* |
| *7.* | *Diksha Pirogiwal* | *10* | *1,00,000* |
| *8.* | *Khushal Pirogiwal* | *10* | *1,00,000* |
| ***Total*** | | | ***4,933,900*** |

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

3. **Build-up of our Promoter's Shareholding, Promoter's Contribution and Lock-in**

(a) **Capital Build-up of our Promoter's in our Company**

The current promoters of our Company are i) Mr. Rajesh Pirogiwal ii) Mrs. Sunita Pirogiwal iii) Ms. Tanvi Pirogiwal and iv) Rajesh Kumar Pirogiwal& Sons HUF.

As on the date of this Prospectus, our Promoters collectively hold 21,08,678 Equity Shares, which constitutes approximately 38.85% of the pre IPO issued, subscribed and paid-up Equity Share capital of our Company. The Details are as under:

| Sr. No. | Name of the Promoter Shareholder | Number of Shares held Pre IPO | Pre IPO Shareholding (In%) |
|---|---|---|---|
| 1 | Rajesh Pirogiwal | 11,72,039 | 21.60% |
| 2 | Sunita Pirogiwal | 4,41,639 | 8.14% |
| 3 | Rajesh Pirogiwal& Sons HUF | 3,85,000 | 7.09% |
| 4 | Tanvi Pirogiwal | 1,10,000 | 2.03% |
| **Total** | | **21,08,678** | **38.85%** |

None of the Equity Shares held by our Promoters is subject to any pledge.

Set forth below is the build-up of the equity shareholding of our Promoters since the incorporation of our Company.

**i) Mr. Rajesh Pirogiwal**

| Date of Allotment/ Acquisition/Sale | Number of Equity Shares | Face Value (Rs.) | Issue/ Acquisition/ Sale Price per Equity Share (Rs.) | Nature of Consideration (Cash/ Other than Cash) | Nature of transaction | % of pre issue equity share capital | % of post issue equity share capital | Pledge | Sources of funds |
|---|---|---|---|---|---|---|---|---|---|
| Upon Incorporation | 5,000 | 10/- | 10/- | Cash | Subscriber to MOA | 0.09% | 0.05% | No | Owned Funds |
| 31-Mar-06 | 2,900 | 10/- | 100/- | Cash | Allotment | 0.05% | 0.03% | No | Owned Funds |
| 31-Mar-07 | 14,500 | 10/- | 10/- | Cash | Transfer | 0.27% | 0.15% | No | Owned Funds |
| 01-Sep-09 | 1,02,500 | 10/- | 10/- | Cash | Transfer | 1.89% | 1.04% | No | Owned Funds |
| 15-Mar-17 | 1,649 | 10/- | Nil | Other than Cash | Allotment on account of Amalgamation | 0.03% | 0.02% | No | NA |
| 31-Mar-18* | -30,000 | 10/- | Nil | Other than Cash (Gift) | Transfer to Relatives | -0.55% | -0.30% | No | NA |
| 11-Jul-18 | 9,65,490 | 10/- | Nil | Other than Cash | Bonus Issue | 17.79% | 9.78% | No | NA |
| 21-Aug-18* | 1,10,000 | 10/- | Nil | Other than Cash (Gift) | Transfer from Relatives | 2.03% | 1.11% | No | NA |
| **TOTAL** | **1,172,039** | | | | | **21.60%** | **11.88%** | | |

***Transfer to Relatives**

| Transferor Name | Transferee Name | Date of Transfer | No of Shares |
|---|---|---|---|
| Rajesh Pirogiwal | Tanvi Pirogiwal | March 31, 2018 | 10000 |
| Rajesh Pirogiwal | Diksha Pirogiwal | March 31, 2018 | 10000 |
| Rajesh Pirogiwal | Khushal Pirogiwal | March 31, 2018 | 10000 |
| Khushal Pirogiwal | Rajesh Pirogiwal | August 21, 2018 | 1,10,000 |

**ii) Mrs. Sunita Pirogiwal**

| Date of Allotment/ Acquisition/Sale | Number of Equity Shares | Face Value (Rs.) | Issue/ Acquisition/ Sale Price per Equity Share (Rs.) | Nature of Consideration (Cash/ Other than Cash) | Nature of transaction | % of pre issue equity share capital | % of post issue equity share capital | Pledge | Sources of funds |
|---|---|---|---|---|---|---|---|---|---|
| Upon Incorporation | 5,000 | 10/- | 10/- | Cash | Subscriber to MOA | 0.09% | 0.05% | No | Owned Funds |
| 31-Mar-07 | 23,500 | 10/- | 10/- | Cash | Transfer | 0.43% | 0.24% | No | Owned Funds |
| 01-Sep-09 | 10,000 | 10/- | 10/- | Cash | Transfer | 0.18% | 0.10% | No | Owned Funds |
| 15-Mar-17 | 1,649 | 10/- | Nil | Other Than Cash | Allotment on account of Amalgamation | 0.03% | 0.02% | No | NA |
| 11-Jul-18 | 401,490 | 10/- | Nil | Other than Cash | Bonus Issue | 7.40% | 4.07% | No | NA |
| **TOTAL** | **441,639** | | | | | **8.14%** | **4.48%** | | |

**iii) Rajesh Kumar Pirogiwal & Sons HUF**

| Date of Allotment/ Acquisition/Sale | Number of Equity Shares | Face Value (Rs.) | Issue/ Acquisition/ Sale Price per Equity Share (Rs.) | Nature of Consideration (Cash/ Other than Cash) | Nature of transaction | % of pre issue equity share capital | % of post issue equity share capital | Pledge | Sources of funds |
|---|---|---|---|---|---|---|---|---|---|
| 31-Mar-17 | 10,000 | 10/- | 10/- | Cash | Transfer | 0.18% | 0.10% | No | Owned Funds |
| 01-Sep-09 | 25,000 | 10/- | 10/- | Cash | Transfer | 0.46% | 0.25% | No | Owned Funds |
| 11-Jul-18 | 350,000 | 10/- | Nil | Other than Cash | Bonus Issue | 6.45% | 3.55% | No | NA |
| **TOTAL** | **385,000** | | | | | **7.09%** | **3.90%** | | |

**iv) Ms. Tanvi Pirogiwal**

| Date of Allotment/ Acquisition/Sale | Number of Equity Shares | Face Value (Rs.) | Issue/ Acquisition/ Sale Price per Equity Share (Rs.) | Nature of Consideration (Cash/ Other than Cash) | Nature of transaction | % of pre issue equity share capital | % of post issue equity share capital | Pledge | Sources of funds |
|---|---|---|---|---|---|---|---|---|---|
| 31-Mar-18 | 10,000 | 10/- | Nil | Other than Cash | Transfer | 0.18% | 0.10% | No | NA |
| 11-Jul-18 | 100,000 | 10/- | Nil | Other than Cash | Bonus Issue | 1.84% | 1.01% | No | NA |
| **TOTAL** | **110,000** | | | | | **2.03%** | **1.11%** | | |

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

| Sr. No. | Name of the Promoters | No. of Shares Held | Average cost of acquisition (In Rs.) |
|---|---|---|---|
| 1 | Mr. Rajesh Pirogiwal | 1,172,039 | 1.29 |
| 2 | Mrs. Sunita Pirogiwal | 441,639 | 0.87 |
| 3 | Rajesh Kumar Pirogiwal& Sons HUF | 385,000 | 0.91 |
| 4 | Ms. Tanvi Pirogiwal | 110,000 | - |

*Note: The average cost of acquisition is less than face value mainly due to issue of bonus shares by the company.*

The Promoters have severally confirmed that the Equity Shares are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares are free from any lien, encumbrance or third-party rights. The Promoters have also severally confirmed that they are the legal and beneficial owners of the Equity.

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

As on the date of this Prospectus, our Promoters do not hold any preference shares in our Company.

**v) Details of Promoters' Contribution Locked-in for Three (3) Years**

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

Our Promoters have granted their consents to include such number of Equity Shares held by them as may constitute 21.37% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this Prospectus until the completion of the lock-in period specified above.

| Sr. No. | Name of the Promoters Shareholder | Number of Shares held Pre IPO | Post IPO Shareholding (In%) | Lock In Period |
|---|---|---|---|---|
| 1 | Rajesh Pirogiwal | 1,172,039 | 11.88% | 3 Years |
| 2 | Sunita Pirogiwal | 441,639 | 4.48% | 3 Years |
| 3 | Rajesh Pirogiwal& Sons HUF | 385,000 | 3.90% | 3 Years |
| 4 | Tanvi Pirogiwal | 110,000 | 1.11% | 3 Years |
| **Total** | | **2,108,678** | **21.37%** | |

We further confirm that as per Regulation 33 of SEBI (ICDR) Regulations, the aforesaid minimum Promoter's Contribution of 20% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Initial Public Offer
- The Equity Shares held by the Promoter and offered for minimum Promoter's Contribution are not subject to any pledge.
- Equity shares issued to our Promoter on conversion of partnership firm into Private limited company during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Initial Public Offer.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter's Contribution subject to lock-in.

The Promoter's Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the pledge of the Equity Shares is one of the terms of the sanction of the loan. The Promoter's Contribution may be pledged only if in addition to the above

stated, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue.

The Equity Shares held by our Promoters may be transferred to and among the Promoter Group or to new Promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

**vi) Details of Equity Shares Locked-in for one (1) year**

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

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

| Sr. No. | Name of the Shareholder | Number of Shares held Pre IPO | Post IPO Shareholding (In%) | Lock In Period |
|---|---|---|---|---|
| 1 | Ridhi Sidhi Vincom Pvt. Ltd. | 2,692,954 | 27.29% | 1 Year |
| 2 | Highreturn Marketing Ltd. | 515,658 | 5.23% | 1 Year |
| 3 | Diksha Pirogiwal | 110,000 | 1.11% | 1 Year |
| ***Total*** | | **3,318,612** | **33.63%** | |

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

In terms of Regulation 39 of the SEBI (ICDR) Regulations, locked-in Equity Shares for one (1) year held by our Promoters may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Promoters' contribution can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than our Promoters prior to the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("***Takeover Regulations***") and such transferee shall not be eligible to transfer them until the lock-in period stipulated in the SEBI (ICDR) Regulations has elapsed.

Further, in terms of Regulation 40 of SEBI (ICDR) Regulations, the Equity Shares held by our Promoters may be transferred to and among 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 Takeover Regulations and such transferee shall not be eligible to transfer them until the lock-in period stipulated in the SEBI (ICDR) Regulations has elapsed.

**viii)** We further confirm that our Promoter's Contribution of 21.37% of the post-Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

**ix) Shareholding of our Promoters & Promoter Group**

The table below presents the shareholding of our Promoter and Promoter Group, who hold Equity Shares as on the date of filing of this Prospectus:

| Particulars | Pre-Issue | | Post-Issue | |
|---|---|---|---|---|
| | Number of Shares | Percentage (%) holding | Number of Shares | Percentage (%) holding |
| ***Promoters*** | | | | |
| Rajesh Pirogiwal | 11,72,039 | 21.60 | 11,72,039 | 11.88 |
| Sunita Pirogiwal | 4,41,639 | 8.14 | 4,41,639 | 4.48 |
| Rajesh Pirogiwal& Sons HUF | 3,85,000 | 7.09 | 3,85,000 | 3.90 |
| Tanvi Pirogiwal | 1,10,000 | 2.02 | 1,10,000 | 1.11 |
| **Total (A)** | **21,08,678** | **38.85** | **21,08,678** | **21.37** |
| ***Promoter Group*** | | | | |
| Ridhi Sidhi Vincom Pvt. Ltd. | 26,92,954 | 49.62 | 26,92,954 | 27.29 |
| Highreturn Marketing Ltd. | 5,15,658 | 9.50 | 5,15,658 | 5.23 |
| Diksha Pirogiwal | 1,10,000 | 2.03 | 1,10,000 | 1.11 |
| **Total (B)** | **33,18,612** | **61.15** | **33,18,612** | **33.63** |
| **Grand Total (A+B)** | **54,27,290** | **100.00** | **5,427,290** | **55.00** |

*As on the date of filing of this Prospectus, our Promoters and members of the Promoter Group do not hold any preference shares in our Company.

**x) Acquisition and sale/transfer of Equity Shares by our Promoters in last one (1) year**

There has been no acquisition, sale or transfer of Equity Shares by our Promoters in the last one (1) year preceding the date of filing of this Prospectus except as mentioned in *"Capital Build-up of our Promoter's in our Company"* above.

3. **(a) Shareholding Pattern of our Company**

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

| Category (I) | Category of shareholder (II) | Nos. Of shareholders (III) | No. of fully paid up equity shares held (IV) | No. of Partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) | Number of Voting Rights held in each class of securities (IX) | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | 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 (Sb) | |
| | | | | | | | | Class eg: X | Class eg:y | Total | | | | | | | | |
| A | Promoter & Promoter Group | 7 | 5,427,290 | - | - | 5,427,290 | 100 | 5,427,290 | | 5,427,290 | - | - | 100 | 5,427,290 | 100 | - | - | 54,27,290 |
| B | Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C | Non Promoter-Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C1 | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C2 | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 7 | 5,427,290 | - | - | 5,427,290 | 100 | 5,427,290 | - | 5,427,290 | - | - | 100 | 5,427,290 | 100 | - | - | 54,27,290 |

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

*Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, 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.*

4. **Shareholding Pattern of Promoters and Promoter Group**

The table below presents the current shareholding pattern of the Promoters and Promoter Group of our Company as on the date of this Prospectus.

| Category (I) | Category & name of shareholder (I) | PAN (II) | No of Shareholders (III) | No. of fully paid up equity shares held (IV) | No. of Partly paid up equity shares held(V) | No. of shares underlying Deposit y Receipts(VI) | Total nos. shares held (VII)=(VI)+(V)+VI) | Shareholdings as a %of total no. of shares (calculated as per SCRR, 1957) As a %of (A+B+C) | Number of Voting Rights held in each class of securities (IX) | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total Shares held (b) | |
| | | | | | | | | | Class: X | Class :y | Total | | | | | | | | |
| **I** | **Indian** | | | | | | | | | | | | | | | | | | |
| **A** | **Individual/Hindu Undivided Family** | **-** | **5** | **22,18,678** | **-** | **-** | **22,18,678** | **40.88** | **22,18,678** | **-** | **22,18,678** | **40.88** | **-** | **40.88** | **22,18,678** | **40.88** | **-** | **-** | **22,18,678** |
| **i.** | Rajesh Pirogiwal | AFVPP 1814P | 1 | 11,72,039 | - | - | 11,72,039 | 21.60 | 11,72,039 | - | 11,72,039 | 21.60 | - | 21.60 | 11,72,039 | 21.60 | - | - | 1172039 |
| **ii.** | Sunita Pirogiwal | AKBPP 4094N | 1 | 4,41,639 | - | - | 4,41,639 | 8.14 | 4,41,639 | - | 4,41,639 | 8.14 | - | 8.14 | 4,41,639 | 8.14 | - | - | 4,41,639 |
| **iii.** | Rajesh Kumar Pirogiwal& Sons (HUF) | AAIHR 3813E | 1 | 3,85,000 | - | - | 3,85,000 | 7.09 | 3,85,000 | - | 3,85,000 | 7.09 | - | 7.09 | 3,85,000 | 7.09 | - | - | 3,85,000 |
| **iv.** | Tanvi Pirogiwal | CNUPP 4771Q | 1 | 1,10,000 | - | - | 1,10,000 | 2.03 | 1,10,000 | - | 1,10,000 | 2.03 | - | 2.03 | 1,10,000 | 2.03 | - | - | 1,10,000 |
| **v.** | Diksha Pirogiwal | CPTPP 2408B | 1 | 1,10,000 | - | - | 1,10,000 | 2.03 | 1,10,000 | - | 1,10,000 | 2.03 | - | 2.03 | 1,10,000 | 2.03 | - | - | 1,10,000 |
| **B** | Central Government/ State Government(s) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **C** | Financial Institutions /Banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **D** | Any other (Body Corporate) | **-** | **2** | **32,08,612** | **-** | **-** | **32,08,612** | **59.12** | **32,08,612** | **-** | **32,08,612** | **59.12** | **-** | **59.12** | **32,08,612** | **59.12** | **-** | **-** | **32,08,612** |

| Category (I) | Category & name of shareholder (I) | PAN (II) | No of Shareholders (III) | No. of fully paid up equity shares held (IV) | No. of Partly paid up equity shares held(V) | No. of shares underlying Deposit y Receipts(VI) | Total nos. shares held (VII)=(VI)+(V)+VI) | Shareholdings as a %of total no. of shares (calculated as per SCRR, 1957) As a %of (A+B+C) | Number of Voting Rights held in each class of securities (IX) | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total Shares held (b) | |
| | | | | | | | | | Class: X | Class :y | Total | | | | | | | | |
| | Riddhi Siddhi Vincom Private Limited | AADCR7892R | 1 | 26,92,524 | - | - | 26,92,524 | 49.62 | 26,92,524 | - | 26,92,524 | 49.62 | - | 49.62 | 26,92,524 | 49.62 | - | - | 26,92,524 |
| | Highreturn Marketing Limited | AADCH6124Q | 1 | 5,15,658 | - | - | 5,15,658 | 9.50 | 5,15,658 | - | 5,15,658 | 9.50 | - | 9.50 | 5,15,658 | 9.50 | - | - | 5,15,658 |
| | Sub-Total (A) (1) | - | **7** | **54,27,290** | - | - | **54,27,290** | **100** | **54,27,290** | - | **54,27,290** | **100** | - | **100** | **54,27,290** | **100** | - | - | **54,27,290** |
| **(2)** | **Foreign** | | | | | | | | | | | | | | | | | | |
| **a** | Individual (Non-Resident Individual/ Foreign Individual) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **b** | Government | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| c | Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| d | Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| e | Any Other (specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (A) (2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| Category (I) | Category & name of shareholder (I) | PAN (II) | No of Shareholders (III) | No. of fully paid up equity shares held (IV) | No. of Partly paid up equity shares held(V) | No. of shares underlying Deposit y Receipts(VI) | Total nos. shares held (VII)=(VI)+(V)+VI) | Shareholdings as a %of total no. of shares (calculated as per SCRR, 1957) As a %of (A+B+C) | Number of Voting Rights held in each class of securities (IX) | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total Shares held (b) | |
| | | | | | | | | | Class: X | Class :y | Total | | | | | | | | |
| | **Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)** | **-** | **7** | **54,27,290** | **-** | **-** | **5427290** | **100** | **5427290** | **-** | **5427290** | **100** | **-** | **100** | **5427290** | **100** | **-** | **-** | **54,27,290** |

5. Except as set out below, none of the directors of our Company are holding any Equity Shares in our Company.

| Particulars | Number of Shares | Percentage (%) holding |
|---|---|---|
| Mr. Rajesh Pirogiwal | 1,172,039 | 21.60 |
| Mrs. Sunita Pirogiwal | 441,639 | 8.14 |
| Ms. Tanvi Pirogiwal | 110,000 | 2.03 |
| **Total** | **1,723,678** | **31.76** |

6. None of the Equity Shares of our Company are subject to any pledge as on the date of this Prospectus.

7. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on date of this Prospectus.

8. None of the persons belonging to the category Public are holding more than 1% of the total number of shares (*including shares, warrants, convertible securities*) as on the date of this Prospectus.

9. None of the Key Managerial Personnel holds Equity Shares in our Company as on the date of this Prospectus except our Managing Director Mr. Rajesh Pirogiwal and Mrs. Sunita Pirogiwal.

10. **Top Ten Shareholders of our Company.**

a. The top ten (10) shareholders of our Company as of the date of the filing of the Prospectus with the Stock Exchange are as follows:

| Sr. No. | Name of the Shareholder | Number of Equity Shares | Shareholding (%) |
|---|---|---|---|
| 1. | Rajesh Pirogiwal | 1,172,039 | 21.60 |
| 2. | Sunita Pirogiwal | 441,639 | 8.14 |
| 3. | Rajesh Pirogiwal& Sons HUF | 3,85,000 | 7.09 |
| 4. | Ridhi SidhiVincom Pvt. Ltd. | 26,92,954 | 49.62 |
| 5. | Highreturn Marketing Ltd. | 5,15,658 | 9.50 |
| 6. | Tanvi Pirogiwal | 1,10,000 | 2.03 |
| 7. | Diksha Pirogiwal | 1,10,000 | 2.03 |
| | ***TOTAL*** | **5,427,290** | **100.00** |

b. The top ten (10) shareholders of our Company as of Ten (10) days prior to the filing of the Prospectus with the Stock Exchange are as follows:

| Sr. No. | Name of the Shareholder | Number of Equity Shares | Shareholding (%) |
|---|---|---|---|
| 1. | Rajesh Pirogiwal | 1,172,039 | 21.60 |
| 2. | Sunita Pirogiwal | 441,639 | 8.14 |
| 3. | Rajesh Pirogiwal& Sons HUF | 3,85,000 | 7.09 |
| 4. | Ridhi Sidhi Vincom Pvt. Ltd. | 26,92,954 | 49.62 |
| 5. | Highreturn Marketing Ltd. | 5,15,658 | 9.50 |
| 6. | Tanvi Pirogiwal | 1,10,000 | 2.03 |
| 7. | Diksha Pirogiwal | 1,10,000 | 2.03 |
| | ***TOTAL*** | **5,427,290** | **100.00** |

c. The top ten (10) shareholders of our Company as of two (2) years prior to the filing of the Prospectus with the Stock Exchange are as follows:

| Sr. No. | Name of the Shareholder | Number of Equity Shares | Shareholding (%) |
|---|---|---|---|
| 1. | Rajesh Pirogiwal | 124900 | 62.95 |
| 2. | Sunita Pirogiwal | 38500 | 19.40 |
| 3. | Rajesh Pirogiwal (HUF) | 35000 | 17.65 |
| | ***TOTAL*** | ***198,400*** | **100.00** |

4. Except as stated below, none of our public shareholders are holding more than 1% of the pre-Issue share capital of our Company:

| Sr. No. | Name of the Shareholder | Number of Equity Shares | Pre-Issue Shareholding (%) | Post-Issue 00Shareholding (%) |
|---|---|---|---|---|
| 1. | NIL | | | |
| 2. | | | | |
| 3. | | | | |
| 4. | | | | |
| **Total** | | | | |

5. Except as mentioned above, there has been no subscription to or sale or purchase of our Equity Shares, within the three (3) years immediately preceding the date of this Prospectus, by our Promoters, Directors or Promoter Group which in aggregate equals or exceeds 1% of the Pre-issue Equity Share capital of our Company.

6. Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Prospectus.

7. Pursuant to the order of High Court at Calcutta dated 14th May, 2015 the scheme of Amalgamation under Section 391-394 of the Companies Act, 1956, of Diksha Exim Private Limited and Wizard Vincom Private Limited with Diksha Greens Limited (Erstwhile Diksha Timber Private Limited) was allowed. Our Company has issued and allotted 2,94,990 Equity Shares to the Equity Shareholders of Diksha Exim Private Limited and Wizard Vincom Private Limited on 15th March 2017 in the ratio of 14:4 and 114: 5 respectively in the following manner:

| *No.* | *Name of the allottee* | *Number of Equity Shares allotted* |
|---|---|---|
| *1.* | *Rajesh Pirogiwal* | *1649* |
| *2.* | *Sunita Pirogiwal* | *1649* |
| *3.* | *Ridhi Sidhi Vincom Private Limited* | *285714* |
| *4.* | *Astha Commosales Pvt Ltd* | *357* |
| *5.* | *Advanteeh Trades Pvt Ltd* | *375* |
| *6.* | *Excel Commosale Pvt Ltd* | *500* |
| *7.* | *Everett Marketing Pvt Ltd* | *214* |
| *8.* | *Jugmug Sales Pvt Ltd* | *200* |
| *9.* | *Kedia Trade and Agencies Pvt Ltd* | *343* |
| *10.* | *Morgan Sales Private Limited* | *800* |
| *11.* | *Rishikesh Marketing Private Limited* | *214* |
| *12.* | *Rareview Traders Private Limited* | *1528* |
| *13.* | *Salasar Infraproperties Merchants Private Limited* | *786* |
| *14* | *Swastik Financial Consultants Private Limited* | *286* |
| *15.* | *Zenith Tie Up Pvt. Ltd.* | *393* |
| ***Total*** | | ***2,94,990*** |

For further details in relation to the merger/amalgamation, please refer to section titled "Our History and Certain Corporate Matters" beginning on page 113 of this Prospectus.

8. None of our Promoters, Promoter Group, our Directors and their relatives has entered into any financing arrangements or financed the purchase of the Equity shares of our Company by any other person during the period of six (6) months immediately preceding the date of filing of the Prospectus.

9. We hereby confirm that there will be no further issue of capital whether by the way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity shares offered have been listed or application money unblocked on account of failure of issue.

10. Our Company, its Directors, Promoters or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of our Company.

11. Except as mentioned above, none of the Promoter group and their relatives have purchased and sold their Equity Shares during the period of six (6) months immediately preceding the date of filing of this Prospectus with the Stock Exchange.

12. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.

13. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Prospectus.

14. The Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Prospectus.

15. Our Company has not issued Equity Shares out of Revaluation Reserves.

16. Our Company shall comply with such disclosures and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.

17. The Equity Shares issued pursuant to this Issue shall be fully paid-up.

18. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this Prospectus.

19. As on date of this Prospectus, our Company has 7 (Seven) shareholders.

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

21. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Prospectus.

22. Our Company does not have any proposal or intention to alter the equity capital structure by way of split/ consolidation of the denomination of the Equity Shares, or the issue of securities on a preferential basis or issue of bonus or rights or further public issue of securities or qualified institutions placement within a period of six (6) months from the date of opening of the Issue. However, if business needs of our Company so require, our Company may alter the capital structure by way of split / consolidation of the denomination of the Equity Shares / issue of Equity Shares on a preferential basis or issue of bonus or rights or public or preferential issue of Equity Shares or any other securities during the period of six (6) months from the date of opening of the Issue or from the date the application moneys are refunded on account of failure of the Issue, after seeking and obtaining all the approvals which may be required.

23. Our Company has not revalued its assets during the last five (5) financial years.

24. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an

event, the Equity Shares held by the Promoter and subject to three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

25. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange i.e. BSE Limited (SME Platform). Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

26. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 43(4) of SEBI (ICDR) Regulations.

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

28. 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.

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

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

31. This issue is being made through Fixed Price method.

32. 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. Further, this Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. As per Regulation 43(4) of the SEBI (ICDR) Regulations, since our is a fixed price Issue 'the allocation' is the Net Issue to the public category shall be made as follows:

    - Minimum fifty percent (50%) to retail individual investors; and
    - Remaining to other than retail individual investors.

    The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category. If the retail individual investor category is entitled to more than fifty percent (50%) on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

33. Our Promoters and members of our Promoter Group will not participate in the Issue.

34. The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this Prospectus.

## SECTION IV: PARTICULARS OF THE ISSUE

## OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 44,40,000 Equity Shares of our Company at an Issue Price of Rs. 30.00 per Equity Share.

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on SME Platform of BSE.

**The Objects of the Issue are:**

A. To meet the working requirement of the company
B. To meet the Issue Expenses

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

**Requirement of Funds**

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

The following table summarizes the requirement of funds:

| Sl. No. | Particulars | Amount (Rs. in Lakh) |
|---|---|---|
| 1 | Working Capital Requirement | 1257.00 |
| 2 | Public issue expenses | 75.00 |
| | **Total** | **1332.00** |

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

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

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

**We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013 / Companies Act, 1956.**

**Details of the Use of the Proceeds**

**Working Capital Requirement and basis of estimation:**

| **Particulars** | **Unit** | **2018-19** | **2020** |
|---|---|---|---|
| No. of Operational Months | Months | 6 | 12 |
| Expected Turn Over from Agro Trading & Cold Storage | Rs. in Lakhs | 3,350.00 | 6,800.00 |
| Expected Purchase | Rs. in Lakhs | 2,177.50 | 4,420.00 |

| **Particulars** | **Unit** | **2018-19** | **2020** |
|---|---|---|---|
| Avg. Inventory holding Period | Days | 75 | 75 |
| Debtors holding Period | Days | 30 | 30 |
| Creditors holding Period | Days | 15 | 15 |

| **Particulars** | **Unit** | **2018-19** | **2020** |
|---|---|---|---|
| Inventory | Rs. in Lakhs | 894.86 | 908.22 |
| Debtors | Rs. in Lakhs | 550.68 | 558.90 |
| Creditors | Rs. in Lakhs | 178.97 | 181.64 |
| **Total Requirement** | **Rs. in Lakhs** | **1,266.58** | **1,285.48** |

| Source of Working Capital Requirement | Unit | 2018-19 | 2020 |
|---|---|---|---|
| IPO Proceeds | Rs. in Lakhs | 1,257.00 | 1,257.00 |
| Internal Accrual | Rs. in Lakhs | 9.58 | 28.48 |
| **Total** | **Rs. in Lakhs** | **1,266.58** | **1,285.48** |

Our Cold Storage facility is recently acquired and we are yet to start full fledged operations. Further our Agro trading activities is yet to start. So the Projections are based on internal Management estimate and is not appraised by any Bank or Financial Institution or any independent agency

The incremental working capital requirements are based on estimation of the future requirements in FY 2018-19 and FY 2019-20 considering the growth in activities of our Company.

The Company is already enjoying cash credit limit of Rs.6 Crores and LC Limit of Rs.11 Crores for Timber product manufacturing unit. The same has not been considered in the above calculation, since the purpose of the IPO proceeds is towards agro trading and cold storage activities. For details please refer Financial Indebtedness beginning on page no. 163.

**Issue Related Expense**

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees etc. to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 75.00 Lakhs. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

| Activity | Expenses (Rs. in Lakhs) | % of issue size |
|---|---|---|
| Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Makers, Bankers and Regulatory Fees & Other Expenses etc. | 75.00 | 5.63% |
| **Total Estimated Issue Expenses** | **75.00** | **5.63%** |

**Appraisal by Appraising Fund:**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

**Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

**Bridge Financing Facilities**

As on the date of this Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an over arrangement/cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

**Interim Use of Proceeds**

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

**Monitoring Utilization of Funds**

As the Issue size is less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business and for working capital requirements.

**Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

**Other Confirmations**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company's Key Managerial Personnel, director of promoters in relation to the utilisation of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or Key Managerial Personnel, director of promoters except in the normal course of business and in compliance with the applicable laws.

## BASIS FOR ISSUE PRICE

The Issue Price of Rs. 30/- per Equity Share has been determined by our Company, in consultation with the LM on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is Rs. 10/- and Issue Price is 3 (Three) times the face value.

**Qualitative Factors**

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

- Established and proven track record;
- Leveraging the experience of our Promoters;
- Experienced management team and a motivated and efficient work force;
- Cordial relations with our customers
- Quality Assurance & Control

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled, **Our Business**, beginning on page no. 95 of this Prospectus.

**Quantitative Factors**

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

1. **Basic & Diluted Earnings per share (EPS):**

   A. **Pre-bonus EPS:** As per the Company's restated financial information:

| Particulars | Basic EPS (Rupees) | Diluted EPS (Rupees) | Weight |
|---|---|---|---|
| Year ended March 31, 2018 | 11.16 | 11.16 | 5 |
| Year ended March 31, 2017 | 12.93 | 12.93 | 4 |
| Year ended March 31, 2016 | 9.32 | 9.32 | 3 |
| Year ended March 31, 2015 | 8.17 | 8.17 | 2 |
| Year ended March 31, 2014 | 7.37 | 7.37 | 1 |
| **Weighted average** | **10.61** | **10.61** | |

   B. **Post-bonus EPS with retrospective effect of Bonus share:**
   Company has not issued any bonus shares during the period mentioned above. However, the company has issued Bonus shares of 49,33,900 nos. of equity share having face value of Rs. 10/- out of free reserves and securities premium by passing board resolutions as on 11/07/2018.

| Particulars | Basic EPS (Rupees) | Diluted EPS (Rupees) | Weight |
|---|---|---|---|
| Year ended March 31, 2018 | 1.01 | 1.01 | 5 |
| Year ended March 31, 2017 | 1.18 | 1.18 | 4 |
| Year ended March 31, 2016 | 0.85 | 0.85 | 3 |
| Year ended March 31, 2015 | 0.74 | 0.74 | 2 |
| Year ended March 31, 2014 | 0.71 | 0.71 | 1 |
| **Weighted average** | **0.97** | **0.97** | |

   ***Weighted average****: Aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]*

   *Basic EPS and Diluted EPS Calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share' issued by ICAI.*
   *Face value of the Equity Shares is Rs. 10/-.*

   ***Note: Basis & Diluted EPS as on 30.09.2018 of the company is 0.76 as per restated financial statement.***

2. **Price to Earning (P/E) Ratio in relation to the Issue Price of Rs. 30/- per equity share of face value of Rs. 10/- each.**

- Without considering Bonus equity share issued post restatement period i.e. March 31, 2018.

| Particulars | P/E Ratio |
|---|---|
| P/E ratio based on the Basic & Diluted EPS, as adjusted for FY 2017-18 | 2.69 |
| P/E ratio based on the Weighted Average EPS, as adjusted for FY 2017-18 | 2.83 |

- Considering Bonus equity share issued post restatement period i.e. March 31, 2018 with retrospective effect.

| Particulars | P/E Ratio |
|---|---|
| P/E ratio based on the Basic & Diluted EPS, as adjusted for FY 2017-18 | 29.70 |
| P/E ratio based on the Weighted Average EPS, as adjusted for FY 2017-18 | 31.25 |

***Note: Price to Earning (P/E) Ratio as on 30.09.2018 of the company is 39.28 as per restated financial statement.***

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

| Particulars | RoNW % | Weight |
|---|---|---|
| Year ended March 31, 2018 | 4.83 | 5 |
| Year ended March 31, 2017 | 5.88 | 4 |
| Year ended March 31, 2016 | 4.51 | 3 |
| Year ended March 31, 2015 | 4.14 | 2 |
| Year ended March 31, 2014 | 5.97 | 1 |
| **Weighted average** | **5.03** | |

***Weighted average:*** *Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. [(Return on Net Worth x Weight) for each year] / [Total of weights]*

**Note:**
Net worth has been computed by aggregating share capital and reserves and surplus as per the audited restated financial information. Revaluation reserve or miscellaneous expenditure (to the extent not written off) is not considered for calculating Reserve & Surplus.

***Note: Average Return on Net Worth as on 30.09.2018 of the company is 3.51% as per restated financial statement.***

4. **Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS:**

3.00%

5. **Net Assets Value:**

| Particulars | Amount (In Rs.) |
|---|---|
| Net Asset Value per Equity Share as of March 31, 2018 (Pre Bonus) | 231.26 |
| Net Asset Value per Equity Share as of March 31, 2018 (Post Bonus) | 21.02 |
| Net Asset Value per Equity Share as of September 30, 2018 | 21.71 |
| Net Asset Value per Equity Share after the Issue | 25.05 |
| Issue Price per equity share | 30.00 |

***Note:**

- Net Asset Value per equity share represents "total assets less total liability (excluding deferred tax) as per the restated financial information as divided by the number of equity shares outstanding as at the end of year/period.
- Net Assets Value for March 31, 2018 has been considered after giving effect to pre and post Bonus equity share issued post restatement period i.e. March 31, 2018

6. **Comparison with other listed companies/Industry peers**

| SR. NO | Name of Company | Face Value (₹) | EPS (₹) | PE | RoNW (%) | NAV per Share (₹) |
|---|---|---|---|---|---|---|
| 1 | Snowman Logistic | 10 | - | - | - | 25.5 |
| 2 | Agri-Tech India | 10 | - | 11.9 | - | 182.7 |
| 3 | Greenply Industries | 1 | 11.4 | 12.3 | 16.4 | 74.6 |
| 4 | Diksha Greens Limited | 10 | 1.01 | 29.70 | 6.49 | 15.64 |

**Note: EPS is of 31st March, 2018 after considering Bonus Issue of 10:1 post Restatement period**
**PE is of 2017-18 after considering Bonus Issue of 10:1 post Restatement period**
**RoNW is of 2017-18 after considering Bonus Issue of 10:1 post Restatement period**
**NAV is of 2017-18 after considering Bonus Issue of 10:1 post Restatement period**
***Source:*** *Industry data as per Capital Market data of Vol. XXXIII/13, Aug13-26, 2018 for Agri-Tech India*
*Industry data as per Capital Market data of Vol. XXXIII/19, Nov5-18, 2018*
We believe that none of the listed companies in India offer products or services across the various business segments in which we operate. Hence a strict comparison is not possible.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of Rs. 30/- per share for the Public Issue is justified in view of the above parameters. The investors may also want to pursue the Risk Factors beginning on page no 14 of this prospectus and Financials of the company as set out in the Financial Statements beginning on page no 135 of this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10/- per share and the Issue Price is 3 times of the face value i.e. Rs. 30/- per share.

## STATEMENT OF POSSIBLE TAX BENEFITS

To
The Board of Directors,
**DIKSHA GREENS LIMITED**
11, Sambhu Chatterjee Street,
Kolkata-700 007
West Bengal, India
Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to Diksha Greens Limited ("the Company") 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 **Diksha Greens Limited** ('the Company") states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders do not cover any general tax benefits available to the Company or its Shareholders and is neither exhaustive nor conclusive. 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. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

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

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

The enclosed annexure is intended solely for your information and for inclusion in the 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 AMK & Associates**
Chartered Accountants
F.R.N.327817E

S/d-
Bhupendra Kumar Bhutia
Partner
Membership No. 059363

Date:06/11/2018
Place: Kolkata

**ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO DIKSHA GREENS LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

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

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

1. **Special Tax Benefits available to the Company under the Act:**

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

2. **Special Tax Benefits available to the shareholders of the Company**

   The Shareholders of the company are not entitled to any Special tax benefits under the Act.

**Notes:**

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

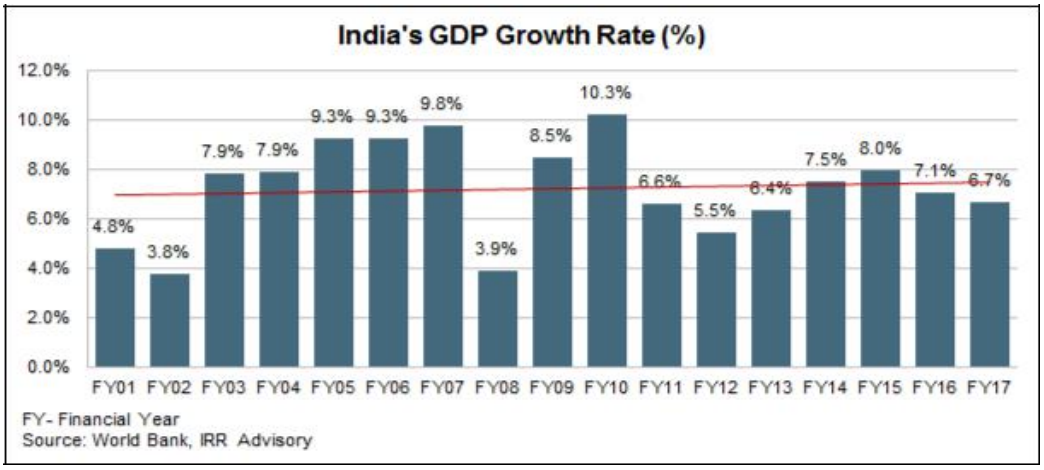
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

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

## SECTION V: ABOUT THE COMPANY AND THE INDUSTRY

## OVERVIEW OF INDIAN ECONOMY

India, the world's third largest economy in terms of its PPP (purchasing power parity) and with a population of over 1.2 billion, has witnessed significant economic growth since the country was liberalized in early 1990s. Industrial deregulation, divestment of state-owned enterprises, and reduced Governmental controls on foreign trade and investment, served to accelerate the country's growth and India has posted an average of 7% GDP growth since the beginning of this millennium. According to IMF, India's GDP was estimated at 6.7% in 2017 and it is projected to jump to 7.4% in 2018 and 7.8% in 2019.




India Ratings (Ind-Ra) expects economic recovery to become more broad-based in FY19 with both consumption and investment providing support to economic growth. The four GDP growth drivers from the demand side are private final consumption expenditure (PFCE), government final consumption expenditure (GFCE), gross fixed capital formation (GFCF) and net exports (NE). In the last few years, only PFCE and GFCE have demonstrated sustained and robust growth. Although exports growth picked up in FY18 (till December, 2017), hardening of commodity prices, particularly crude, has led to imports growth outpacing exports growth in FY18.

Ind-Ra expects PFCE to grow at 6.8% in FY19. PFCE grew at an average rate of 6.9% during FY14-FY18, despite two consecutive years of monsoon failure in 2014 and 2015, due to favourable demographic and inflation factors. Given the demographic composition, a large number of people are entering the workforce every year. Assuming only a fraction of them get gainful employment (anecdotal evidence suggests that while about 10-12 million people are entering working-age population every year, only about 3.7 million jobs are created annually), the numbers are still staggering, resulting in a significant impact on consumption. Moreover, sustained expansion of the middle class in India is fuelling growth in consumption. Also, consumer price index (CPI) based inflation, which averaged 9.8% during FY12-FY14, plunged to 5.9% in FY15, and since then has declined to 4.9% in FY16 and 4.5% in FY17; it is expected to decline further to 3.6% in FY18. Such a sharp decline in the CPI inflation is largely driven by collapse of global commodity prices, particularly crude.

Ind-Ra expects GFCE to grow at 8.1% in FY19. Given the size of the government machinery, a significant proportion of demand in the economy is created/generated on account of government expenditure. Also, governments across the globe have been found to step up their expenditure, if need arises, to boost the aggregate demand in the economy. As this was the case in the aftermath of 2008 global financial crisis, even in India, government consumption expenditure grew at an average 11.3% during FY08-FY10 vis-à-vis an average of 4.9% during FY04-FY07. With private investment faltering, the government has again stepped up its spending to support growth. As a result, GFCE grew at an average 10.6% during FY15-FY18 compared to

0.6% during FY14. However, capex spending by the government alone will not be sufficient to step-up investment/GDP ratio in the economy.

**Economic Outlook FY19**

| (%) | FY14 | FY15 | FY16 | FY17 | FY18F | FY19F |
|---|---|---|---|---|---|---|
| GVA at FY12 prices | 6.1 | 7.2 | 7.9 | 6.6 | 6.1[a] | 6.9 |
| - Agriculture | 5.6 | -0.2 | 0.7 | 4.9 | 2.1[a] | 2.7 |
| - Industry | 3.8 | 7.5 | 8.8 | 5.6 | 4.4[a] | 6.2 |
| - Services | 7.7 | 9.7 | 9.7 | 7.7 | 8.3[a] | 8.5 |
| Real GDP | 6.4 | 7.5 | 8.0 | 7.1 | 6.5* | 7.1 |
| - PFCE | 7.3 | 6.2 | 6.1 | 8.7 | 6.3[a] | 6.8 |
| - GFCE | 0.6 | 9.6 | 3.3 | 20.8 | 8.5[a] | 8.1 |
| - Gross fixed capital formation | 1.6 | 3.4 | 6.5 | 2.4 | 4.5[a] | 6.5 |
| Nominal GDP | 13.0 | 10.8 | 9.9 | 11.0 | 9.5[a] | 10.8 |
| Average wholesale inflation | 5.2 | 1.3 | -3.7 | 1.7 | 3.0 | 4.4 |
| Average retail inflation | 9.4 | 5.9 | 4.9 | 4.5 | 3.6 | 4.6 |
| Year-end interest rate (10-yr G-sec) | 8.8 | 7.8 | 7.5 | 6.7 | 7.2-7.3 | 7.5-7.6 |
| Average exchange rate (INR/USD) | 60.5 | 61.14 | 65.47 | 67.09 | 64.96 | 66.06 |
| Fiscal deficit (central government, % of GDP) | 4.4 | 4.0 | 3.9 | 3.5 | 3.5 | 3.2 |
| Current account deficit (% of GDP) | 1.7 | 1.3 | 1.1 | 0.7 | 1.6 | 1.9 |

[a] First advance estimates of national income 2017-18
F denotes Ind-Ra forecast
Source: Ind-Ra, Union budget, CSO and RBI

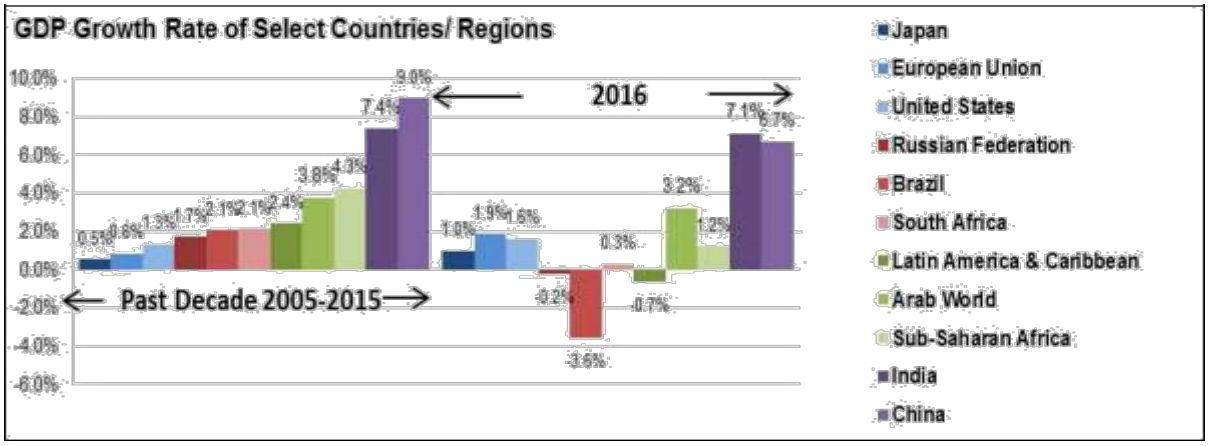
Ind-Ra expects investment as measured by GFCF to grow at 6.5% in FY19. This certainly is an improvement over GFCF growth of 2.4% in FY17 and 4.5% in FY18, but is nowhere close to GFCF growth of 16.2% witnessed during FY04-FY08. There is a strong correlation between the GDP growth and investment. With GFCF growth faltering and clocking an average growth of 3.7% during FY14-FY18, the GDP growth during the same period averaged 7.1%. In fact, due to the slowdown in GFCF growth, particularly private corporates and households, the GDP growth has failed to accelerate and sustain itself close to or in excess of 8.0%. Private corporate sector investment grew at an average 48.1% during FY05-FY08. Ind-Ra's study of top 200 listed and unlisted non-financial asset-heavy corporates suggests that private sector capex revival is likely to remain muted till FY20.

Although the Indian economy has largely been driven by domestic demand, external demand played a vital role in pushing the GDP growth during FY04-FY10. The share of exports (goods and services) in India's GDP increased to 25.4% in FY14 from 12.8% in FY01, but thereafter declined sharply to 19.2% in FY17. A reduction in exports contribution to GDP and a plunge in exports growth have been a cause of concern lately. Exports growth of goods and services plummeted to 6.7% in FY17 from average exports growth of 26.3% during FY05-FY09. With the popular sentiment in developed economies turning against globalization of which the Brexit vote and Donald Trump's surprise victory in the US presidential election are testimonies, India is likely to face continued headwinds on the exports front.

From the supply side, all major sectors namely agriculture, industry and services are expected to contribute to FY19 gross value-added (GVA) growth, but the most significant rebound will come from the industrial sector, which reeled under the twin impact of the demonetization and GST in FY18. Ind-Ra therefore sees industrial GVA growing at 6.2% in FY19 as against 4.4% in FY18. Even agriculture and services sectors are expected to grow 2.7% and 8.5% in FY19, a tad higher than 2.1% and 8.3% in FY18, respectively. This will translate into an overall GVA growth of 6.9% in FY19 (FY18: 6.1%).

India now stands at a critical juncture. It needs massive investments to create the jobs, housing, and infrastructure to meet its people's aspirations. GoI has set development of infrastructure as one of the prime objective to accelerate the growth momentum and has initiated a host of bold new initiatives to address these and other challenges. For instance, the country's flagship 'Skill India' initiative seeks to equip India's growing young workforce with the skills needed to compete in today's rapidly changing workplace. The skills program is complemented by the 'Make in India' initiative, as well as with efforts to

ease the process of doing business. The 'Smart Cities' and 'Atal Mission for Rejuvenation and Urban Transportation' (AMRUT) programs focus on creating dynamic urban centres in towns and cities across the country. Thus, India's gross domestic product (GDP) is expected to reach USD 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.




**India: The Fastest Growing Major Economy Over the Next Decade**

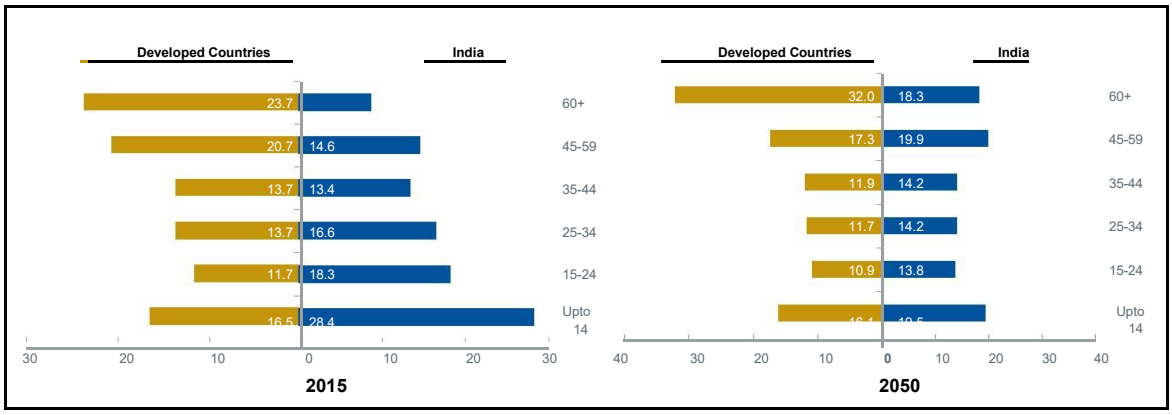
On the basis of the economic growth projection observed in 700 locations globally, a recent study estimated that the epicentre of global economy by FY25 will lie in India and China. This is also corroborated by the past decadal and last year's growth rate in select regions.

*Source: World Bank, IRR Advisory*

Given the global scenario, independent third-party external forecasters such as IMF and OECD believe India will be the fastest growing major economy in the world over the next decade. The key factors supporting India's growth include favourable age demographics, income dynamics and growing urbanization.

India benefits from a large and growing population in the working age group, as also a relatively young population. This is in sharp contrast to the developed countries – for example, the US, Japan, Germany, France, Italy, etc. – which has seen a sharp fall in working age population growth and which is expected to become lower over the next decades, which will significantly impact their growth prospects. 63.3% of India's population is below 34 years of age (advanced economy: 41.9%) in 2015 and India is expected to ride this demographic advantage for the next three decades.

**Trends in Demographic Profile – India versus Developed Countries**

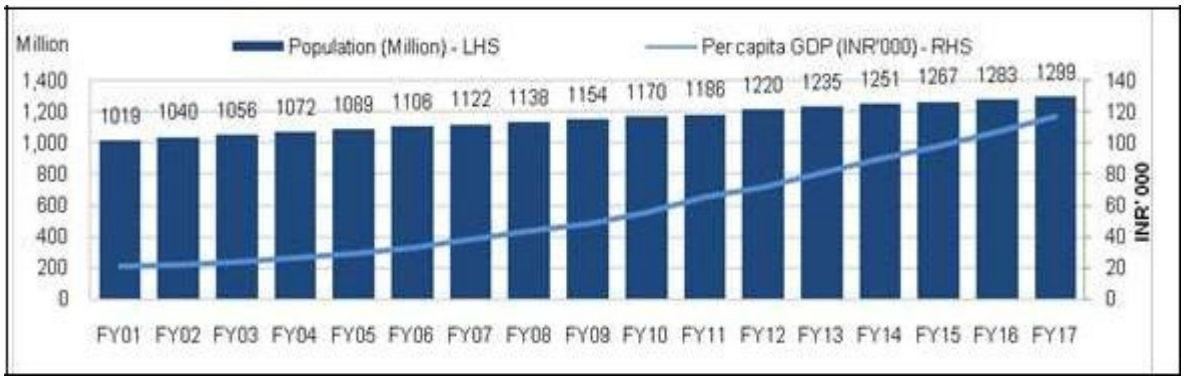



*Figures in percentage*

*Source: World Bank, IRR Advisory*

The other key factor is the income dynamics which saw a rapidly rising middle-class and increased growth in high-income categories. This is an outcome of liberalization post which the Indian economy grew at an annual growth rate exceeding 7% while population growth slowed down to a CAGR of 1.5%. This saw per capita GDP (GDP at market prices) rising strongly over the past decade

**India's Population and Per Capita GDP trends**

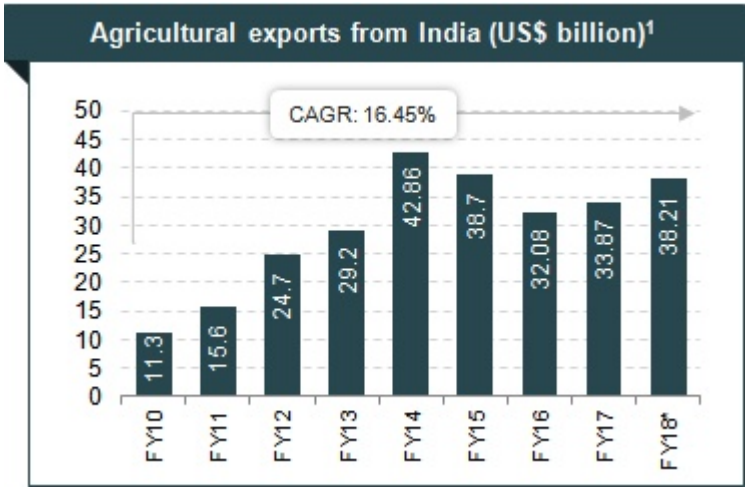



*Source: RBI, IRR Advisory*

Meanwhile, urbanization is taking place at a fast pace in India. As the stride of migration from rural to urban areas continues, about 40% of India's population will be living in urban areas by 2030. By 2050, it is estimated that the number of people living in Indian cities will exceed 800 million – double the current population of the US -- and India will need about 500 new cities to accommodate the influx. India's continuing pattern of urbanization is expected to further increase the need for infrastructure development in the country.

**Agriculture in India: Information About Indian Agriculture & Its Importance**

- India is among the 15 leading exporters of agricultural products in the world.
- Total agricultural exports from India grew at a CAGR of 16.45 per cent over FY10-18 to reach US$ 38.21 billion in FY18.
- The contribution of agriculture to total export was 12.26 per cent in FY17.
- Tea exports from India reached a 36 year high of 240.68 million kgs in CY 2017




***Notes:*** *CAGR - Compound Annual Growth Rate, FY18* - up to January 2018, 1_Principal Agriculture commodities, CY Calendar Year*
***Source:*** *Ministry of Commerce, World Trade Organisation, Indian Budget 2016, APEDA, Business Standard, DGCIS*

***Introduction***

Agriculture is the primary source of livelihood for about 58 per cent of India's population. Gross Value Added by agriculture, forestry and fishing is estimated at Rs 17.67 trillion (US$ 274.23 billion) in FY18

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32

per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and six per cent of total industrial investment.

***Market Size***

During 2017-18 crop year, food grain production is estimated at 279.51 million tonnes, as per third advance estimates while rice and wheat production in the country is estimated at 111.52 MT and 98.61 MT, respectively in the same period. Milk production was estimated at 165.4 million tonnes during FY17, while meat production was 7.4 million tonnes. Total area in India, sown with rabi crops reached 64.29 million hectares in February 2018.

India is the second largest fruit producer in the world. Production of horticulture crops is estimated at record 307.16 million tonnes (mt) in 2017-18 as per second advance estimates.

Total agricultural exports from India grew at a CAGR of 16.45 per cent over FY10-18 to reach US$ 38.21 billion in FY18. In April-May 2018 agriculture exports were US$ 6.43 billion. India is the largest producer, consumer and exporter of spices and spice products. Spice exports from India reached US$ 3.1 billion in 2017-18. Tea exports from India reached a 36 year high of 240.68 million kgs in CY 2017 while coffee exports reached record 395,000 tonnes in 2017-18.
Food & Grocery retail market in India was worth US$ 380 billion in 2017.

***Investments***

According to the Department of Industrial Policy and Promotion (DIPP), the Indian agricultural services and agricultural machinery sectors have cumulatively attracted Foreign Direct Investment (FDI) equity inflow of about US$ 2.02 billion and US$ 466.31 million, respectively, during April 2000 to December 2017. The food processing sector attracted FDI of US$ 8.37 billion in the same period.

Some major investments and developments in agriculture are as follows:

- The first mega food park in Rajasthan was inaugurated in March 2018.
- Sugar production in India is expected to reach 27.2 million tonnes in 2017-18 season (October-September).
- In January 2018, India Agri Business Fund II (IABF-II), co-sponsored by Rabobank, the UK's CDC Group and Asian Development Bank (ADB), made an investment worth US$ 10 million for a minority stake in Global Gourmet Pvt Ltd, a frozen food products exporting company.
- A loan agreement of US$ 318 million was signed between the Government of India, Government of Tamil Nadu and the World Bank in December 2017 for the 'Tamil Nadu Irrigated Agriculture Modernization Project' through which is expected to benefit around 500,000 farmers in the state.
- Cotton output in India is expected to increase by 9 per cent in 2017-18* to 37.7 million bales.

***Government Initiatives***

Some of the recent major government initiatives in the sector are as follows:

- In March 2018, the Government of India extended the urea subsidy to the farmers till 2020 with the aim of ensuring supply of urea at statutory controlled prices. Urea subsidy for 2018-19 is estimated at Rs 45,000 crore (US$ 6.95 billion).
- As of March 2018, the Government is working on a plan to provide air cargo support to promote agriculture exports from India.
- The implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) will be made faster and the government is aiming to increase the coverage under the scheme to 50 per cent of gross cropped area in 2018-19.
- The Government of India is going to provide Rs 2,000 crore (US$ 306.29 million) for computerisation of Primary Agricultural Credit Society (PACS) to ensure cooperatives are benefitted through digital technology.
- Around 100 million Soil Health Cards (SHCs) have been distributed in the country during 2015-17 and a soil health mobile app has been launched to help Indian farmers.
- With an aim to boost innovation and entrepreneurship in agriculture, the Government of India is introducing a new AGRI-UDAAN programme to mentor start-ups and to enable them to connect with potential investors.
- The Government of India has launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs 50,000 crore (US$ 7.7 billion) aimed at development of irrigation sources for providing a permanent solution from drought.
- The Government of India plans to triple the capacity of food processing sector in India from the current 10 per cent of agriculture produce and has also committed Rs 6,000 crore (US$ 936.38 billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).

- The Government of India has allowed 100 per cent FDI in marketing of food products and in food product e-commerce under the automatic route.
- A new platform for selling agricultural produce named e-RaKam has been launched by the Government of India and will operate as a joint initiative of Metal Scrap Trade Corporation Limited and Central Railside Warehouse Company Limited (CRWC).

***Road Ahead***

India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to concerted efforts of scientists to get early-maturing varieties of pulses and the increase in minimum support price.

The government of India targets to increase the average income of a farmer household at current prices to Rs 219,724 (US$ 3,420.21) by 2022-23 from Rs 96,703 (US$ 1,505.27) in 2015-16.

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits.
Exchange rate used: INR 1 = US$ 0.015 as of March 30, 2018.

***References:*** *The Economic Survey 2016–17, Agricultural and Processed Food Products Export Development Authority (APEDA), Department of Commerce and Industry, Union Budget 2017–18, Press Information Bureau, Ministry of Statistics and Programme Implementation, Press Releases, Media Reports, Ministry of Agriculture and Farmers Welfare, Crisil*
***Note:*** **cotton year starts in October and ends in September*
Source: https://www.ibef.org/industry/agriculture-india.aspx

**About West Bengal**

West Bengal is situated in eastern India and shares its borders with Jharkhand, Bihar, Odisha, Sikkim and Assam. The state also shares international borders with Bangladesh, Bhutan and Nepal. The Bay of Bengal is in the south of the state.

West Bengal is India's sixth largest economy, and recorded a Gross State Domestic Product (GSDP) of US$ 163.87 billion in 2017-18AE. The state's GSDP expanded at a compound annual growth rate (CAGR) of 12.47 per cent (in rupee terms) from 2011-12 to 2017-18. West Bengal is the largest producer of rice in India. Rice production for the state totalled 14.99 million tonnes in 2017-18*. West Bengal is also a major producer of fish. During Apr-Dec 2017, the state produced a total of 1.34 million tonnes of fish. As of May 2018, West Bengal had a total installed power generation capacity of 10,490.23 megawatt (MW).

West Bengal is the second largest tea-producing state in India and is home to the globally acclaimed Darjeeling tea variety. Its location advantage makes the state a traditional market for eastern India, the Northeast, Nepal and Bhutan. It is also a strategic entry point for markets in Southeast Asia. The cost of operating a business is lower in Kolkata than in other metropolitan cities. West Bengal has abundant natural resources of minerals and suitable agro-climatic conditions for agriculture, horticulture and fisheries. It is in vicinity to mineral rich states like Jharkhand, Bihar and Odisha. It offers excellent connectivity to the rest of India in terms of railways, roadways, ports and airports.

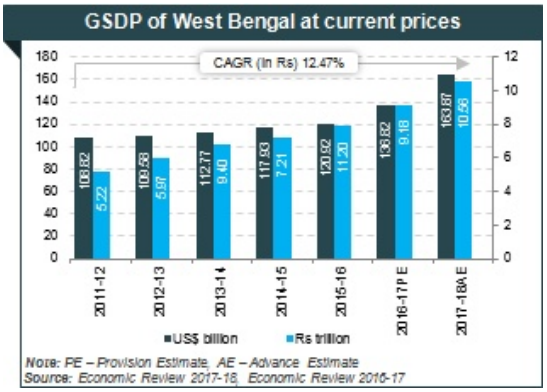
The state (including Sikkim and Andaman & Nicobar Islands) has attracted Foreign Direct Investment (FDI) equity inflows worth US$ 4.19 billion during the period April 2000 to December 2017, according to data released by Department of Industrial Policy and Promotion (DIPP).

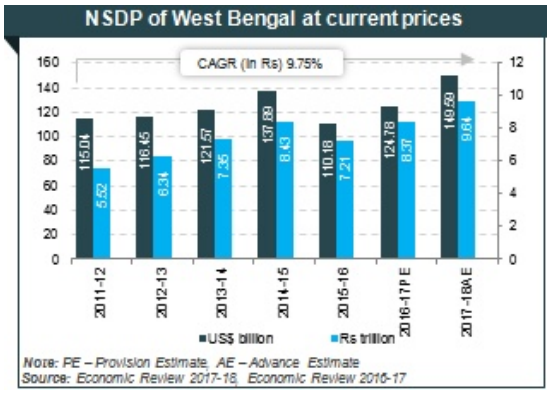
West Bengal achieved the eleventh position among Indian states in rankings based on ease of doing business and reforms implementation, according to a study by the World Bank and KPMG.

***Key Sectors:***

- During 2017-18, the state produced 387.86 million kg of tea, accounting for 29.27 per cent of India's total tea production
- The state accounts for about 4.99 per cent of the total onshore production of natural gas in India, as of 2017-18.

Total export from IT sector of the state is estimated to have crossed Rs 19,000 crores (US$ 2.83 billion) in 2016-17.



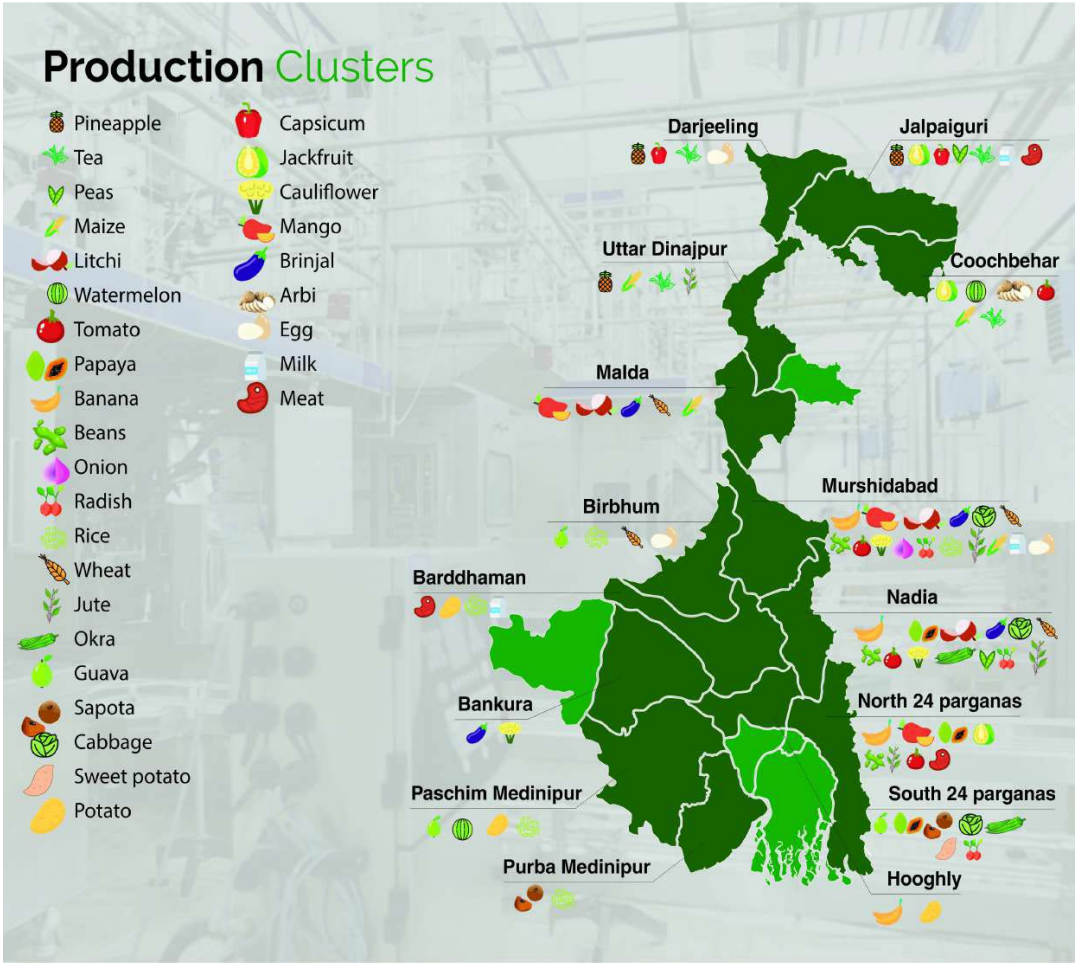



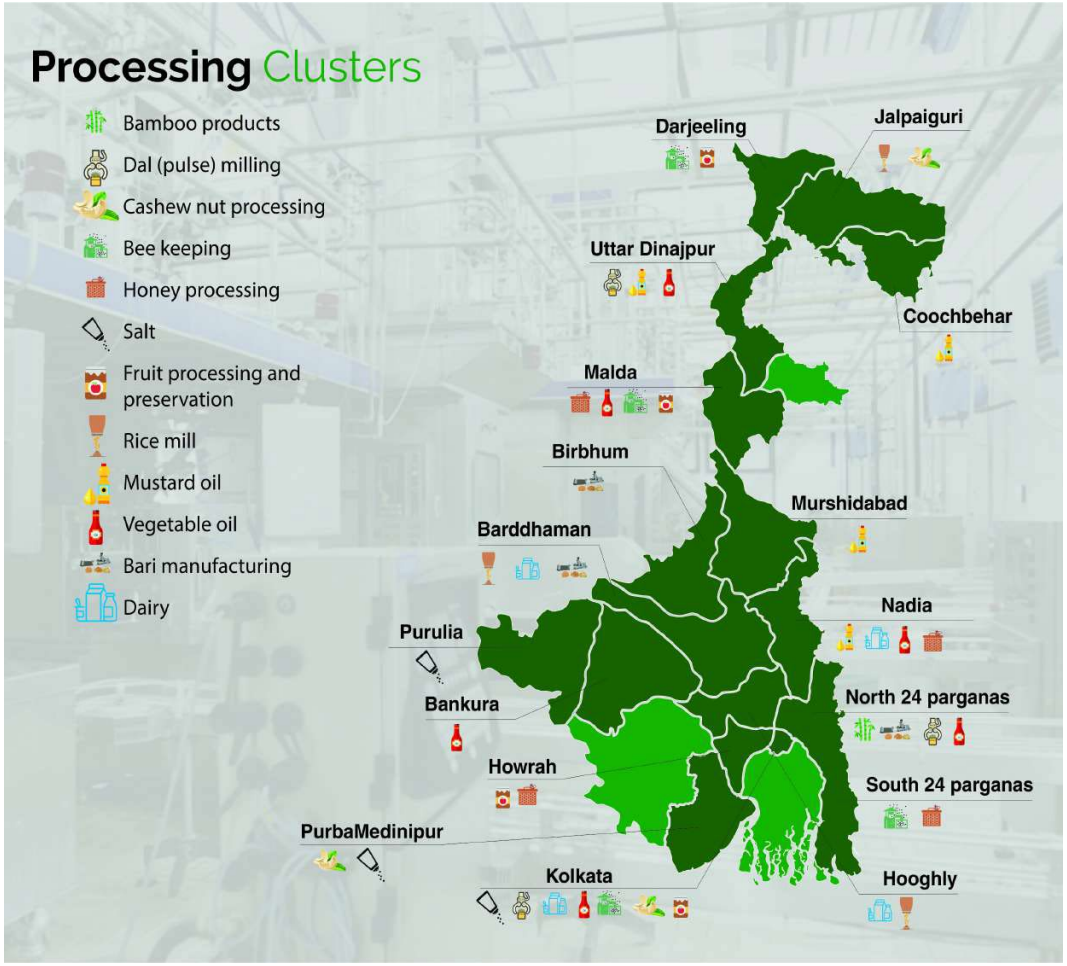

**Source: https://www.ibef.org/states/west-bengal-infographic**

**Production Status:**

Key production highlights (2015-16)of the state include:

- Total production of 17,776 thousand tonnes of food grains- Rank 1 in production of Paddy
- The total production 3,517 thousand tonnes of fruit- Rank 1 in production of Pineapple
- 2nd largest producer of vegetables in India with a total production 22,825.45 thousand tonnes-
- Rank 1 in production of Brinjal and Cabbage;
- Rank 2 in production of Potato
- 2nd largest producer of Fish and Meat
- 2nd largest producer of Tea
- Largest producer of Jute in the country.






Source: MOFPI

**Production Statistics**

**All vegetables**

| India/State | Production ('000 MT) | Area ('000 Hec.) | Yield (MT/Hec) |
|---|---|---|---|
| **All India** | **169063.93** | **10106.29** | **16.73** |
| **WEST BENGAL** | **22825.45** | **1391.41** | **16.40** |
| **District** | | | |
| South Twenty FourPargan | 866.19 | 76.91 | 11.26 |
| Darjiling | 93.46 | 22.70 | 4.12 |
| Jalpaiguri | 446.12 | 58.84 | 7.58 |
| Dakshin Dinajpur | 258.07 | 43.13 | 5.98 |
| Maldah | 572.62 | 57.73 | 9.92 |
| Murshidabad | 1392.42 | 101.72 | 13.69 |
| Birbhum | 513.33 | 70.41 | 7.29 |
| Nadia | 1089.85 | 84.43 | 12.91 |
| Barddhaman | 954.14 | 132.43 | 7.21 |
| Puruliya | 290.12 | 36.00 | 8.06 |
| Bankura | 1242.91 | 104.30 | 11.92 |
| North Twenty Four Pargana | 791.60 | 72.32 | 10.95 |
| Hugli | 1399.33 | 148.32 | 9.43 |
| Paschim Medinapur | 1535.94 | 142.02 | 10.81 |

| District | | | |
|---|---|---|---|
| Haora | 470.18 | 24.80 | 18.96 |
| PurbaMedinapur | 327.87 | 42.60 | 7.70 |
| Koch Bihar | 699.71 | 72.76 | 9.62 |
| Uttar Dinajpur | 262.05 | 43.11 | 6.08 |

* Source: Department of Agriculture Cooperation & Farmers Welfare
* Average of 3 years ending 2015-16

***All Fruits***

| India/State | Production ('000 MT) | Area ('000 Hec.) | Yield (MT/Hec) |
|---|---|---|---|
| **All India** | **90183.04** | **6300.67** | **14.31** |
| **WEST BENGAL** | **3516.70** | **249.22** | **14.11** |
| **District** | | | |
| South Twenty FourPargan | 124.72 | 12.28 | 10.15 |
| Darjiling | 145.29 | 5.42 | 26.82 |
| Jalpaiguri | 128.35 | 5.30 | 24.24 |
| Maldah | 332.27 | 35.28 | 9.42 |
| Murshidabad | 155.71 | 30.04 | 5.18 |
| Birbhum | 62.40 | 6.32 | 9.87 |
| Nadia | 221.36 | 22.97 | 9.64 |
| Barddhaman | 43.65 | 8.29 | 5.27 |
| Puruliya | 10.10 | 0.00 | 0.00 |
| Bankura | 36.78 | 7.82 | 4.71 |
| North Twenty Four Pargana | 169.61 | 21.46 | 7.90 |
| Hugli | 81.27 | 13.81 | 5.88 |
| Paschim Medinapur | 82.45 | 14.23 | 5.79 |
| PurbaMedinapur | 72.27 | 8.58 | 8.43 |
| Koch Bihar | 72.60 | 8.29 | 8.76 |
| Uttar Dinajpur | 114.86 | 9.40 | 12.22 |

* Source: Department of Agriculture Cooperation & Farmers Welfare
* Average of 3 years ending 2015-16

***Cold chain industry in India – Present status and future prospects***

Cold chain involves the transportation of temperature-sensitive products along a supply chain through thermal and refrigerated packaging methods to protect the integrity of these shipments. There are several means in which cold chain products can be transported: Refrigerated trucks and railcars; Refrigerated cargo ships; and Air cargo.

**India's integrated cold chain industry**

India's cold chain sector is a combination of surface storage and refrigerated transport. The industry has been growing at a CAGR of 20% for the last three years. The cold chain market in India is anticipated to reach Rs 624 billion (US$13 billion) by 2017, according to 2014 estimates. Cold stores are the major revenue contributors of the Indian cold chain industry.

Currently, India has 6,300 cold storage facilities unevenly spread across the country, with an installed capacity of 30.11 million metric tonne. These are mostly used for storing potatoes. However, the market is gradually getting organised and focus towards multi-purpose cold storages is rising. More than 50% of the cold storage facilities in India are currently concentrated in Uttar Pradesh and West Bengal, while other states still face a challenge with investments from the government and private operators.

**Facts**

- Organised players contribute only ~8%–10% of the cold chain industry market
- 36% of these cold storages in India have capacity below 1,000 MT
- 65% of India's cold chain storage capacity is contributed by the states of Uttar Pradesh and West Bengal
- At the current capacity only less than 11% of what is produced can be stored

**Government initiatives**

India is one of the largest producers of agricultural products and one of the global leaders in the pharmaceutical sector. Yet, it is known to have a fledgling cold chain, which results in supply chain losses of food and other resources. These losses have been stated to be as high as US$8 to 15 billion per annum from the agriculture sector alone. To address this concern, the government had earlier constituted a National Task Force on Cold Chain in 2008.

The agriculture and food processing sectors in India have been developing and today India is a net exporter of food grains. This is a dramatic transformation from the 70s and 80s when India used to import food grains to feed its population. This has largely been a result of the higher yields achieved as a result of the Green Revolution. Alongside this, there have been significant strides in the production of fruits and vegetables.

**Segment-wise size & products in Food Processing Industry**

| Segment | Size (Million Tonne) | Key Products | Expected Growth (%) |
|---|---|---|---|
| Dairy Products | 121 | Value-added Milk, Butter, Cheese | 8 |
| Fruits & Vegetables | 233 | Raw Fruits & Vegetables, Pulp, Canned Food | 7 |
| Meat & Poultry | 11 | Poultry, Beef | 18 |
| Seafood | 8.4 | Seafood Products | 7 |
| Packaged Products | Rs 8,000 crore | Ready-to-eat & Ready-to-cook | 8 |

However, lack of proper and adequate food storage, processing and cold chain logistics remains a serious challenge. The Government of India is one of the driving forces in developing the cold chain industry and supports private participation through various subsidy schemes and grants. Investment in cold chain in India was also opened under the automatic route for 100% FDI participation. The existing cold chain in India largely comprised comparatively small private companies with a regional or local footprint.

In the previous two decades, India has been developing at a quick pace and an increasing demand for high value foods with a shift towards horticultural crops has been documented. This, coupled with rapid urbanisation resulted in multi-fold changes to the spending and consumption pattern of India's population. The existing food supply chain systems were unable to cope with these fast changing demographic trends and the lack of efficient and effective supply chains is understood to lead to a variety of losses in the perishable food segment.

In 2012, Indian farmers produced 240 million metric tonne of horticultural produce, almost equal to its grain and cereals production. Various studies indicate that 18% to 40% of this produce was lost due to supply chain inefficiencies, concluding that a focussed effort was required to promote the development of the cold chain in the country. The Indian government and its Planning Commission spelt out clear intention, that cold chain has to be supported. Amongst the core identified development areas are the base infrastructure, environmentally-friendly technologies, standards and protocols, enabling policies and specialised skills.

The Indian government is taking steps to improve the cold chain infrastructure, by recognising the cold chain industry as a sub-sector of infrastructure in the previous Union Budget and creating an additional Budget to construct new cold storage facilities. In addition, the private sector is being encouraged to develop the cold chain industry further by implementing the latest and most effective refrigeration technology solutions available today.

For private players the high level of initial capital required to construct a cold chain unit continues to be the biggest challenge. But if the government pitches in with a clear plan and promotes more PPP initiatives in this field, we could see a momentum growth in the cold chain industry in India.

**Initiatives to boost the cold chain infrastructure**

- ✓ 100% FDI through government route
- ✓ Since 2011-12 cold chain has been given infrastructure status
- ✓ Viability gap funding up to 40% of the cost
- ✓ 5% concession on import duty, service tax exemption, excise duty exemption on several items. Subsidy of over 25% to 33.3% on the cold storage project cost
- ✓ Establishment of National Centre for Cold Chain Development
- ✓ Proposed financial outplay for cold chain infrastructure & food parks of US$335 million and US$650 million respectively. Over 50%-70% capital grant on projects.

**Key challenges**

Lack of quality cold warehousing infrastructure: There is a severe shortage of cold chain warehousing capacity as only 25% of the capacity is available for fruits, vegetables, processed foods and pharmaceuticals, whereas 75% of the capacity is dedicated to potatoes.

Lack of standards and protocols in construction and operation of facilities: Technical standards followed in India are mostly unsuitable for Indian conditions, which results in lower performance of standard refrigerated systems.

Low awareness of labour in handling temperature-sensitive products: In India, the supply chain of most products is long and fragmented. A product changes many hands from source to delivery point. Most workers involved in this are not properly trained in handling temperature-sensitive products resulting in deterioration of product quality before reaching the consumer.

High fuel cost and power cuts: Fuel costs in India constitute around 30% of operating expenses of cold storage in India as compared to 10% in the West. Further, cold storages are dependent on steady supply of power. Most Indian regions face power cuts. Hence, these companies have to invest in power back-ups, which push up the capital investment requirement.

**Future prospects**

With a large number of global food and retail chains targeting the India markets, FDI in retail is just around the corner and is likely to be implemented soon. Then government is also promoting the food safety and security bill which would further demand storage and cold chain facilities in order to reduce the amount of food wastage. With the expected future development in road and rail infrastructure, along with the changing lifestyle of the Indian consumer – Indian cold chain industry is expected to grow at a CAGR of 28 per cent over the next three years and reach a market size of $13 billion in 2017, although it is largely unorganised in nature. Thereby, presenting a great opportunity for foreign players. But for this to happen, the government will have to play a very important catalyst role.

Globally cold chains have now become an integral part of supply chain management for the storage and transportation of temperature-sensitive goods. The focus has now shifted from increasing production to better cold storages and transportation of food produce. The utilisation of cold chain logistics includes both cold storages and refrigerated transportation and is used to increase the shelf life of food produce.

With 35-40% of agricultural produce in India being wasted due to lack of proper cold storage facilities, it is immensely important that a focussed effort is required on part of the government to encourage the use of cold chain among market participants.

**Some of the likely steps that the government could take are mentioned below:**

- Provide requisite support like lower cost of funding for setting up cold chain infrastructure facilities.
- Promote awareness campaign and educate market participant about the importance of cold chain facilities.
- State governments can encourage setting up of cold storage facilities by providing subsidised power tariff as power forms a significant proportion of the operating cost
- Encourage better and more efficient refrigeration technologies to improve the shelf life of perishable products.

Source: http://agriexchange.apeda.gov.in/news/Newssearch.aspx?newsid=22061&Date=10Mar2016

**All India Gap Assessment**

| Type of Infrastructure | Total Requirement (A) | All India Existing (B) | All India Gap (A-B) | % share of Gap to Required |
|---|---|---|---|---|
| Modern Pack-house | 70080 units | 249 units | 69831 units | 99.6% |
| Reefer Transport | 61826 units | 9000 units | 52826 units | 85% |
| Ripening Chamber | 9131 units | 812 units | 8319 units | 91% |
| Cold Storage (Bulk) | 34164411 MT | 31823700 MT | 3276962 MT | 10% |
| Cold Storage (Hub) | 936251 MT | | | |

- Currently majority of infrastructure is in form of Potato based bulk cold stores. Currently, 75% capacity utilization as per NHBsurvey
- Produce from one State finds capacity in neighboring States.
- The gap is large in case of pre-cooling at pack-houses, transport connectivity and ripening chambers
- Mission istodevelopintegratedandsynergisticinfrastructurecomponents,sothatfarmersandconsumerswillgainfromsupply

Source: NCCD.2015 *All India Cold-chain Infrastructure Capacity (Assessment of Status & Gap),* Delhi

**WOOD AND WOOD PRODUCTS IN INDIA**
*Source: Euromonitor International March 2018*

**HEADLINES**

- The turnover of India's quarrying industry grows by a mere 1.8% in 2016 as costs rise and oversupply remains strong
- Demonetisation and GST tax have a negative short-term effect on the industry; however, it should contribute to the growth of the organised business in the near future
- Wood and wood products industry projected to se 8% CAGR over 2016-2021, as demand grows due to residential housing programmes and changing consumption trends

**PROSPECTS**

**Rising Costs To Eventually Be Passed on To Consumers As Demand Increases**
The monthly Indian Wholesale Price Index (WPI) of wood and of products of wood and cork increased only marginally. Overall wood prices remained weak or falling as demonetisation swiped new orders from the plate of the construction and other sectors for a portion of 2016. Moreover, plywood manufacturers in Indian have faced rising production costs, yet opportunities to pass the increase on to consumers were limited due to slower demand from the construction sector over the year.

The imposition of service tax on the ocean freight component of all imports is expected to further pushed production costs and prices of imported raw materials, as 4.5% service tax over freight on cargoes imported on a delivered or CFR basis was extended in 2017. Nevertheless, as the construction industry in India is recovering from a temporary demonetisation effect, increasing consumption is expected to allow wood producers to start passing their rising costs on to consumers. Anticipated price recovery is expected to be an important driver of the industry's turnover value growth over the forecast period.

**Residential Housing Programmes to Support Wood Products Industry**
Demonetisation had a negative impact on a number of industries as shortage of cash cut into household spending in the second half of the year. The construction sector has also felt a shortage, and the situation continued into 2017 as housing starts in India's eight largest cities fell by over 40% during H1 2017 – the biggest drop of the last seven years. However, the industry has started to rebound, and it is expected that growth will accelerate over 2018, translating into growth opportunities for India's wood sector.

The PMAY ("Affordable Housing") programme is at the centre of India's residential construction growth, and this is expected to remain a driving force of wood product demand over the forecast period. The 19 million units of housing shortage in India has been getting attention to fill the urban housing gap. Housing programmes are expected to bring a USD1.3 trillion investment to the construction sector over the coming seven years. The government's financial and political thrust, regulatory support, growing urbanisation, along with rising affordability are converting demand for affordable homes into a production opportunity for wood manufacturers. Moreover, other government programmes such as the Swachh Bharat Abhiyan and Smart Cities, will help accelerate demand for building materials over the forecast period.

**Ready-made Furniture Growth Driving Wood Demand**
Despite the recent economic slowdown related to demonetisation and hasty implementation of the Goods and Services Tax (GST), India remains among the fastest-growing economies in the world, with growth expected to swing back to positive trends after the effects of the GST introduction settle in. This combined with changes in Indian society and consumption habits, will have a positive effect on consumption of wood products.
The most prominent changes important to the wood sector include the transition of the Indian wood furniture industry towards ready-made furniture, propelled by increasing urbanisation.

Demand for furniture made with MDF is growing rapidly as people find it increasingly inconvenient to get customised furniture made by carpenters. Also, furniture made with MDF is more suited to the requirements of an upward-moving middle-class, seeking trendy and high- quality interiors at reasonable prices. Rising disposable incomes and the young population are

expected to drive demand for wood products.

## COMPETITIVE LANDSCAPE

### Industry To Benefit From Formalisation of the Indian Economy

The attempt to combat the illegal market and formalise the economy is expected to lead to a reduction in the price difference between the players in the wood products market. It is anticipated that Goods and Services Tax (GST would ensure legal companies have an advantage over unorganised manufacturers of ply and laminates. A large proportion of transactions for laminates and plywood took place via cash deals as buyers did not want to pay tax. The practice is believed to change under the new GST regime, promising a gradual reduction of the black market. With the change of GST from 28% to 18% on plywood, which came into effect from 15 November 2017, official players in this sector are expecting to further increase their market share.

## INDUSTRY OVERVIEW

Production vs Nominal GDP2001–2021

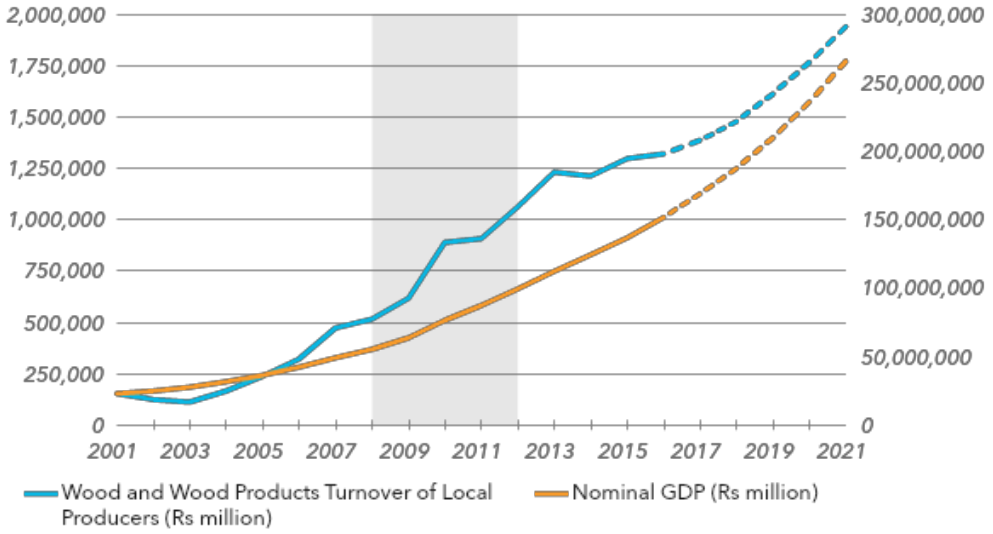
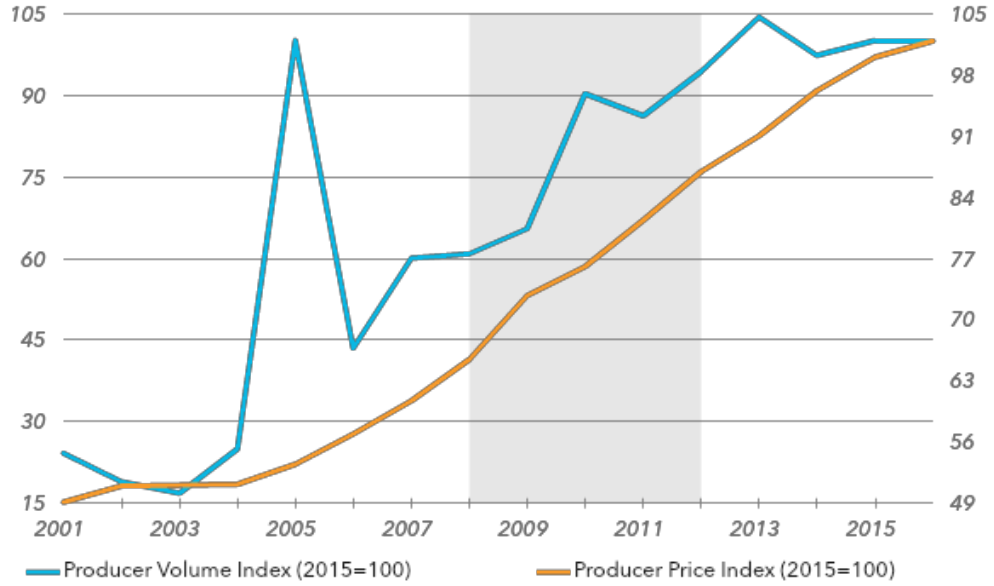



Chart2 Producer Volume Index vs Producer Price Index2001–2016




*Source: Euromonitor International from official statistics, trade associations, trade press, company research.*

**INDUSTRY SECTORS**

Production by Sector: Value2011–2016

(Rs million)

| Particulars | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|
| Sawmilling, Planning and Treatment of Wood | 85,866 | 132,655 | 123,659 | 60,576 | 60,218 | 58,601 |
| Veneer Sheets and Plywood | 691,504 | 806,149 | 1,001,461 | 1,032,233 | 1,110,831 | 1,133,582 |
| Builders' Carpentry And Joinery | 19,721 | 18,588 | 15,997 | 16,223 | 16,402 | 16,037 |
| Wooden Containers | 70,168 | 39,503 | 37,721 | 37,407 | 37,806 | 37,370 |
| Other Products of Wood | 41,606 | 66,171 | 52,114 | 67,098 | 71,831 | 75,312 |
| **Total** | **908,866** | **1,063,066** | **1,230,952** | **1,213,537** | **1,297,087** | **1,320,901** |

*Source: Euromonitor International from official statistics, trade associations, trade press, company research.*

Production by Sector: Annual Growth2012–2016

(In %)

| Particulars | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|
| Sawmilling, Planning and Treatment of Wood | 54.5 | -6.8 | -51.0 | -0.6 | -2.7 |
| Veneer Sheets and Plywood | 16.6 | 24.2 | 3.1 | 7.6 | 2.0 |
| Builders' Carpentry and Joinery | -5.7 | -13.9 | 1.4 | 1.1 | -2.2 |
| Wooden Containers | -43.7 | -4.5 | -0.8 | 1.1 | -1.2 |
| Other Products of Wood | 59.0 | -21.2 | 28.8 | 7.1 | 4.8 |
| **Total** | **17.0** | **15.8** | **-1.4** | **6.9** | **1.8** |

*Source: Euro monitor International from official statistics, trade associations, trade press, company research.*

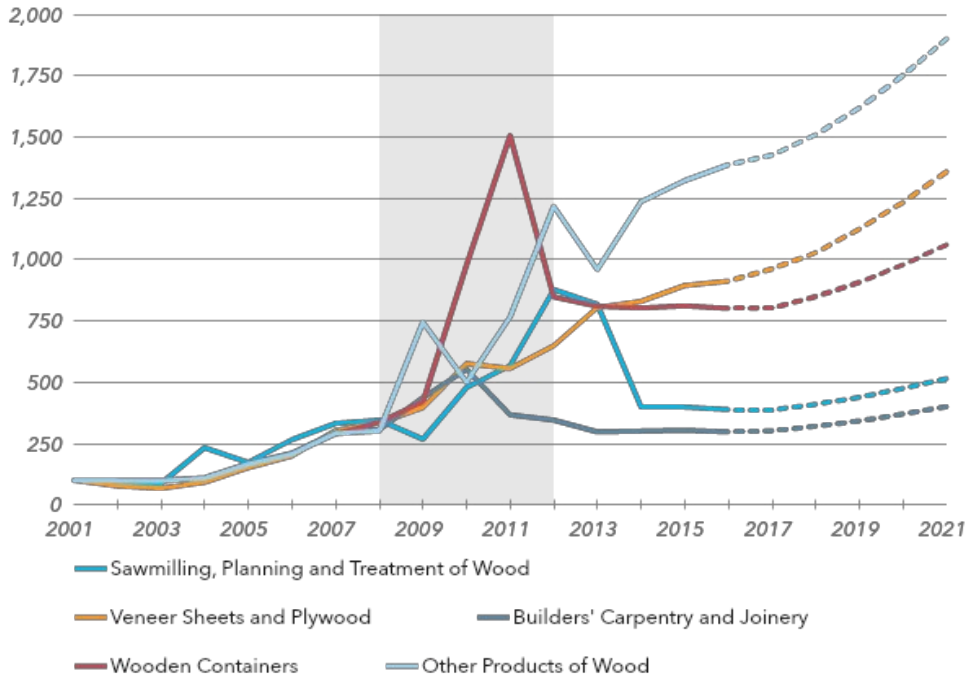
Production by Sector: Share of Total 2011–2016

(In %)

| Particulars | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|
| Sawmilling, Planning and Treatment of Wood | 9.4 | 12.5 | 10.0 | 5.0 | 4.6 | 4.4 |
| Veneer Sheets and Plywood | 76.1 | 75.8 | 81.4 | 85.1 | 85.6 | 85.8 |
| Builders' Carpentry and Joinery | 2.2 | 1.7 | 1.3 | 1.3 | 1.3 | 1.2 |
| Wooden Containers | 7.7 | 3.7 | 3.1 | 3.1 | 2.9 | 2.8 |
| Other Products of Wood | 4.6 | 6.2 | 4.2 | 5.5 | 5.5 | 5.7 |
| **Total** | **100** | **100** | **100** | **100** | **100** | **100** |

*Source: Euromonitor International from official statistics, trade associations, trade press, company research.*

Industry Sectors' Growth Indices 2001–2021




*Source: Euromonitor International from official statistics, trade associations, trade press, company research.*

**FUTURE OUTLOOK**

Forecasts 2017–2022

*Turnover by category (Rs million)*

| Particulars | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|
| Sawmilling, Planning and Treatment of Wood | 58,441 | 61,873 | 66,277 | 71,700 | 77,795 | 82,998 |
| Veneer Sheets and Plywood | 1,196,167 | 1,278,138 | 1,398,335 | 1,533,141 | 1,688,597 | 1,826,375 |
| Builders' Carpentry and Joinery | 16,264 | 17,235 | 18,413 | 19,901 | 21,571 | 23,001 |
| Wooden Containers | 37,423 | 39,576 | 42,281 | 45,645 | 49,410 | 52,618 |
| Other Products of Wood | 77,446 | 81,983 | 87,886 | 95,105 | 103,223 | 110,161 |
| **Total** | **1,385,742** | **1,478,806** | **1,613,191** | **1,765,491** | **1,940,598** | **2,095,153** |

*Source: Euromonitor International from official statistics, trade associations, trade press, company research.*

## OUR BUSINESS

Our Company M/s Diksha Greens Limited was originally incorporated on July 21, 2004 by the name of M/s Diksha Timber Private Limited as Private Limited Company under the provisions of the Companies Act, 1956, with the Registrar of Companies West Bengal, Kolkata. The company started with the object of carrying business in trading of timber, wooden logs, sawn timber as well as manufacturing of veneer sheets. The company is being promoted and managed by Mr. Rajesh Kumar Pirogiwal (Promoter Director) who has almost 3 (three) decades of experience to his credit in the timber and plywood industry. Mr. Rajesh Kumar Pirogiwal has got the enriching experience of this trade as a legacy from his father who started the trade way back in 1970 with a small retail shop of timber and was involved in trading of timber.

Later in the year 2006 the company obtained Importer-Exporter code (IEC) from Dy. Director General of Foreign Trade, Ministry of Commerce, Government of India and started importing the wooden logs and timber from countries such as Malaysia, Vietnam, and Burma in Asia, Nigeria, Ghana and Ivory Coast in Africa, Ecuador, Salvador, and Costa Rica in America, Solomon Island, Papua and Guinea etc.

Once wooden logs are received in India, they are transferred to the godown cum Factory located in Baidyabati, Hooghly, West Bengal from where the logs are sold in raw form as well as the sawn timber (the logs are converted into the different shapes and sizes of timber as per the requirements of the customers) and veneer sheets are produced to suit varied customer preferences.

In the year 2014, two group companies, Diksha Exim Private Limited and Wizard Vincom Private Limited have merged with Diksha Timber Private Limited for better economies of scale as well as better compliance and with the merger proposal got favourable from Kolkata High Court vide order no CP No. 237 of 2015 with CA No. 177 of 2015 dated May 14, 2015 for amalgamation.

Subsequently our Company changed its name from Diksha Timber Private Limited to Diksha Greens Private Limited vide Certificate of Incorporation pursuant to name change dated November 29, 2017 and again our Company was converted into a Public Limited Company and the name of the Company was changed to Diksha Greens Limited vide Certificate of Incorporation consequent upon Conversion from Private to Public Limited Company dated February 06, 2018.

After getting rich experience in timber business, in the year 2018, the promoters of the company decided to go for further expansion cum diversion of business activity. Having seen the potential of Agri market, the company acquired a state of art multi commodity cold storage located at Village& PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India having capacity of 5000 MT with two pre cooling chambers and reefer vans towards storage of seasonal produce from various parts of the country and abroad.

**Brief about the activities of the company:**

**A. Trading in wooden Logs and Timber:**

In the year 2004, the company started with the object of carrying business in trading of timber and wooden logs. They started importing the wooden logs and timber from places like Malaysia, Vietnam, and Burma in Asia, Nigeria, Ghana and Ivory Coast in Africa, Ecuador, Salvador, and Costa Rica in America, Solomon Island, Papua and Guinea etc.

Once wooden logs are received in India port, they are transferred to the godowncum Factory located in Baidyabati, Hooghly, West Bengal from where the logs are sold in raw form as well as the sawn timberand veneer sheets. Our Company in addition to Import also buys domestically.

**B. Operation of Saw Mill**

The godown cum manufacturing facility is located at 174/G/N T Road, Baidyabati, Hooghly, Delhi Road, West Bengal on an area of around 37000Sqft. Once wooden logs are received in India port, they are transferred to the godown cum Factory, from where the logs are processed in saw mill machine and converted into the different shapes and sizes of timber as per the requirements of the customers.

**The company has the below machineries for the processing of sawn For the Saw Mill:**

| Type of Machine | No. of Machines | Capacity for 1 working day |
|---|---|---|
| Horizontal & Vertical Cutting Machine | 1 | 20 CBM |
| Puller Machine | 1 | 20 CBM |

**C. Manufacturing of Veneer sheets**

Veneer sheets are normally a thin decorative covering of fine wood applied to a coarser wood or other material. In woodworking, veneer refers to thin slices of wood, usually thinner than 3 mm (1/8 inch), that typically are glued onto core panels (typically, wood, particle board or medium-density fibre board) to produce flat panels such as doors, tops and panels for cabinets, parquet floors and parts of furniture. Plywood consists of three or more layers of veneer. Normally, each is glued with its grain at right angles to adjacent layers for strength.

**The company has the below machineries for the manufacturing of veneer sheets:**

| Type of Machine | No. of Machines | Capacity for 1 working day |
|---|---|---|
| Peeling Machine | 2 | 40CBM |
| Dryer | 1 | 35000 Sqmt |
| Pneumatic Clipper | 3 | 35000 Sqmt |
| Monorail | 3 | 40 CBM |
| Hand Trolley | 23 | 35000 Sqmt |
| Knife Grinding Machine | 1 | - |

**Manufacturing Process:** Firstly the logs are sectioned between 2m to 2.60 m in length. Then they are lifted by hydraulic monorail and debarked in the peeling machine to make the surface smooth and easy. After that they are peeled into sheets of veneer measuring around 0.20 mm to 1.80 mm in thickness. Then they are cut into sizes of requirements as per the customers by using the pneumatic clipper. After that they are taken to the dryer for drying through the hand trolley. Then after, the finished product veneer is ready for sale.

**D. Multi-Commodity Cold Storage:**

Recently in the month of April, 2018, the promoters of the company decided to go for further expansion cum diversion of business activity. Having seen the potential of Agri market in West Bengal, they acquired a ready to use Multi-Commodity Cold Storage at Village & PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India having capacity of 5000 MT for storage of Agriculture produce.

The total land area is 6.22 acres. The Cold Storage is built on an area of around 3983.98 Sqmt.

**Our Business strategy for Cold Storage:**

Currently, we are providing cold storage facilities for storage of different kind of fruits and vegetables from traders/farmers for a fixed rent.

Apart from the above rental incomes earned from cold storage activities, we are also planning to be involved in the trading of fruits, vegetables, Dry Fruits, Egg, Fish and Spices. Our marketing team will approach all the Wholesale markets, Food Marts, Star Hotels, Big Housing Complexes, Populated Areas and other establishments for selling the agricultural produce with doorstep delivery.

- The Company will source Vegetables and fruits from the various districts of West Bengal as well as other states of the country. Like orange can be procured from Nagpur, apple can be procured from Himachal & Kashmir and Ginger in bulk

quantity can be procured from North Eastern States like Meghalaya, Nagaland, Imphal and Mizoram and similarly others products will be procured from different states during the respective season.

- The company is also planning to import the following items from different countries like
  - Dates from Iraq Saudi Arabia, import
  - Almonds and Cloves from California and Walnut from Russia.

**Raw Materials for Cold Storage:**

Since there is no manufacturing or processing activities carried out, there is no specific raw material applicable to our company's operations. The only material requirement is fruits, vegetables, dry fruits, egg and spices which are being stored as well as traded by the company. No scarcity of fruits and vegetables is anticipated due to substantial quantities of production in our district, State as well as other Countries.

**Cold Storage Highlights:-**

- Pre-engineered Building concept and PUF (Polyurethane Foam) panels for Insulation
- The PUF panels acts as wall cum insulation of the building as also on the roof. The roof is provided with profiled steel sheets.
- The Refrigerant used is Freon CFC Free (R-404a) system which is the latest and globally accepted refrigerant. R-404a is ozone friendly gas and is a green gas.
- Thereby the Cold Store: -Is Structurally Robust & Thermally Efficient
- Meets technical standards and protocol for the Cold Chain as per Ministry of Food Processing Industries (MOFPI).
- There are 10 Cold Rooms of 500 MT each and Two Pre-Cooling Chambers. Each cold room has different temperature & Humidity controls
- The Cold rooms are fitted with Humidifiers with automatic controls & $CO_2$ extractors
- Centralized monitoring system for viewing the temperature and humidity of each cold room
- 24 Hour Power Back-up facility with two DG sets(365 KVA & 125 KVA)
- Transformer -500 KVA
- Loading &Unloading Area
- Two Refrigerated Trucks (Tata 407 & 709).
- Weigh Bridge-60 Ton Capacity
- Office Room, Labour Quarters and other Utilities
- Collection Centre

**Location Advantages**

- Located at a distance of 75 km from Kolkata, Pandua has well connected network of roadways and railways.
- Proximity to vegetable growing belts of Hooghly, 24 Parganas and Burdwan
- Easy availability of cheap and skilled labour.
- Close proximity to the selling points. Marketability of the stored products in Kolkata Markets hub namely Sealdah, Howrah and Mechua market.
- Durgapur, Asansol and Burdwan are few other major selling locations.

**Our Competitive Strengths**

The following are the key strengths which our Company believes enable it to be competitive in its business:

1. **Good Knowledge of the market and regulatory environment**

We believe that we have good knowledge of the market and regulatory environment that assists us in identifying opportunities in this region. Our company is already dealing in timber products for more than one decade.

2. **Experienced Management and Promoter**

The company started with the object of carrying business in trading of timber, wooden logs, sawn timber as well as manufacturing of veneer sheets. The company is being managed by Mr. Rajesh Kumar Pirogiwal (Promoter Director) who has almost 3 (three) decades of experience to his credit in the timber and plywood industry. Mr. Rajesh Kumar Pirogiwal has got the enriching experience of this trade as a legacy from his father who started the trade way back in 1970 with a small retail shop of timber and was involved in trading of timber.

Further, our Company is managed by a team of experienced personnel exclusively focused on different aspects of our business operations. This experience and industry relations allow us to deliver end to end solution and hence ensure effective handling of client requirements. We believe that our management team's experience and their understanding of the business will enable us to continue to take advantage of both current and future market opportunities.

3. **Quality Assurance**

Our Company is dedicated towards quality of our products which has helped us to maintain long term relations with our customers and has also facilitated us to entrench with new customers.

4. **Leveraging our Market Skills and Relationships**

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

5. **Established relationship with customers and employees**

As an established entity, in various aspects of the industry in India, we believe that we have managed to create, maintain and build our goodwill with customers.

**Our Strategies**

Our business strategy is to grow our business by increasing the scale and reliability of our business, and building trust with our clients. The following are the key strategies of our Company for its business:

1. **Focus on Enhancing the Project Execution Capabilities**

We intend to continue our focus in enhancing the project execution capabilities so as to derive benefits of client satisfaction by timely completion and improvement in the operating margins. We constantly endeavour to increase our productivity and make fuller utilization of assets by leveraging our operating skill and resources. We intend to continue our focus on performance and project execution in order to achieve maximum return from our resources. Efficient project management and execution will also enable us to gain good reputation among our clients and earn repeated orders from them.

2. **Enhancing Operating Effectiveness and Efficiency**

Our Company aims to continue to improve our operational effectiveness and efficiencies to achieve cost reductions including overheads. We believe that this can be done through continuous project review and timely corrective measures in case of diversion and technology upgradation.

3. **Continue to Build-Up a Professional Organization**

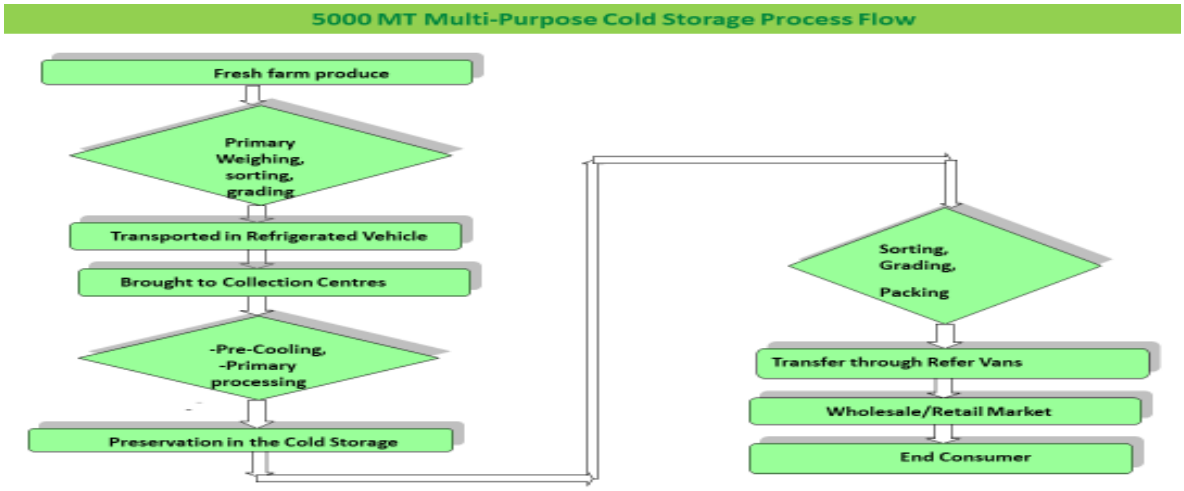
We believe in transparency, flow of information, and commitment to the work among our work force and with our valuable customers, suppliers, investors, government authorities, banks, financial institutions etc. We have employed experienced persons for taking care of our ongoing projects. For taking care of accounts and finance related matters we have employed finance professionals. We also consult with outside agencies on a case to case basis on technical and financial aspects of our business. Hence, the philosophy of professionalism is foundation stone of our business strategy and we wish to make it more sound and strong in times to come.

4. **Capture the High Growth Opportunities in the Agriculture and Organic Farming etc.**

We believe that the increasing levels of investment in Agriculture sector by Governments and private industries will be major

driver for growth in our business in the foreseeable future. We intend to take advantage of the growing opportunities in development in such sectors by strengthening our expertise in these sectors and identifying new prospects for growth.

**Business Process Flowchart**




**Collaborations/Tie-Ups/Joint Ventures**

Our Company does not have Collaboration/Tie-Ups/Joint Ventures as on the date of this Prospectus.

**Business Continuity and Disaster Recovery**

We have adequate back-up systems for any kind of eventuality and disaster recovery

**Marketing**

The efficiency of marketing and sales network is critical to success of our Company. We have been focusing on supplying our products and adding new customers in our clientele. We undertake a detailed exercise periodically to identify existing and prospective clients with the potential to develop into a large clientele base. The senior management is actively involved in managing client relationships and business development through targeted interaction with multiple contacts at different levels.

Our marketing efforts are directed:

- To advertise and promote sales through direct marketing and communication with the other industries which are still untapped.
- To be an approved vendor for large corporates.

Our marketing team is ready to take up challenges so as to scale new heights. We intend to expand our existing customer base by reaching out to other geographical areas.

**Competition**

The market is highly competitive and fragmented, and we face competition from various players in the market. Some of our competitors have greater financial, marketing, sales and other resources than we do. However, we expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors.

**Human Resource**

As of September 30, 2018, we have 9 whole-time employees. The following table provides information about our full-time employees:

| Sl. No. | Particulars | No. of Employees |
|---|---|---|
| 1. | Skilled Employees | 7 |
| 2. | Unskilled Employees | 2 |
| | **Total** | **9** |

**Insurance Policy details of the Company:**

| Sr. No. | Name of the insured | Type of policy | Policy No. | Description of Cover under the Policy | Address of the Properties where the insured assets are situated | Sum Insured | Date of Expiry | Premium p.a. |
|---|---|---|---|---|---|---|---|---|
| 1. | Diksha Greens Limited | Standard fire and special perils policy | 311504/11/2019/18 | Saw Mills (Including Timber Merchants premises where sawing is done) | 174, G-1, N.T. Road, (Delhi Road) P.O. Baidyabati, Dist, Hoogly- 712222, West Bengal | 14.80 Cr. | 21/04/2019 | Rs.160232/- |
| 2. | Diksha Greens Limited | Burglary- Standard Policy | 311504/48/2019/287 | On Stock in trade, The Property (Factory) | 174, G-1, N.T. Road, (Delhi Road) P.O. Baidyabati, Dist, Hoogly- 712222, West Bengal | 5 Cr. | 18/04/2019 | Rs.17,700/- |
| 3 | Diksha Greens Limited | Standard fire and special perils policy, Earthquake (Fire & Shock) | 9500001118010000 0061 | Building, Plant & Machinery and Stock | Village & PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India | 9.85 Cr. | 23/04/2019 | Rs. 61,053/- |

**Immovable Properties of our Company**

1) Land measuring 6.22 acres along with Cold Storage Building and other Civil Structures at Village & PO Dwarbasini, JL No.89, PS: Pandua, District Hooghly-712149 as per Deed of Conveyance dated 12th April, 2018. The Property is owned by Diksha Greens Limited

2) Land at 174/G/N T Road, Baidyabati, Hooghly, Delhi Road, West Bengal

| Deed No | Owner Name | Area | Date |
|---|---|---|---|
| 1348/08 | Diksha Timber Private Limited | 15 Cottah 3 Chattak 20 Sqft | 28/02/2008 |

Note: The total land area of Timber factory cum godown also involves land which are in the name of our promoters directors, details are as under:

| Deed No | Owner Name | Area | Date |
|---|---|---|---|
| 7696/04 | Rajesh Pirogiwal & Sunita Pirogiwal | 1 Bigha 5 chattak 15 Sqft | 16/12/2004 |
| 3549/07 | Rajesh Pirogiwal | 6 Cottah | 01/06/2007 |
| 7698/04 | Rajesh Pirogiwal & Sunita Pirogiwal | 10 Cottah 5 Chattak 36 Sqft | 16/12/2004 |

**LIST OF PLANT & MACHINERY WITH ELECTRICAL INSTALLATION AT THE COLD STORAGE LOCATION**

**Address: Vill. & P.O. - Dwarbasini, P.S. - Pandua, Dist. - Hooghly, Pin - 712149, W.B.**

| Sl. No. | Particulars of Machinery |
|---|---|
| 1 | 36 Nos. Celfrost Refrigeration, Condensing & Evaporator Unit, Model - CH-15, Yr. -2015 |
| | Refrigerant - R-404a |
| 2 | 12 Nos. Humidity Machines, Model - NTC G0607, Volt - 220, |
| | Capacity - 6 Kg./Hr., Power - 60 Wt., |
| 3 | 10 Nos. Data Loggers Machines, Make - Rotronic Hygroflex, |
| 4 | 1 No. CO2 Monitor, Make - Uniphos Envirotronic, Sr. No. A-2855(PM), Yr. -2015 |
| | CO2 Extractors & Fresh Air Infusion-20 Nos |
| 5 | **Generator Set :** |
| (a) | i) 154 HP Cummins Diesel Engine, Model - 6BTAA5.9-83, Sr. No. P84148666, Yr.- 2014 |
| | ii) 125 KVA Stamford Alternator, RPM - 1500, Type - UC 1274V1, Sr. No. N14C133407 |
| (b) | i) Cummins Diesel Engine, Model - QSN-14-G1, Sr. No. 25406405, Yr. - 2015 |
| | ii) 365 KVA Stamford Alternator, RPM - 1500, Type - HCI 444F1, Sr. No. N15D15480 |
| 6 | 500 KVA Transformer, Make - Power Control Nigam, Sr. No. - PCN/401-14, |
| | Wt. of Oil -668 Kg, Frequency - 50 Hz, |
| 7 | 11 KV. Power Switch, Make - Siemens, Sr. No. - 19457-262C |
| 8 | Power Section Panel Board, Make - L&T, Sr. No. - CN CS 800 S1 |
| 9 | 9 Nos. Door Air Cutter Machine, Make - Airotek, |
| 10 | 1 No. Digital Weighing Machine (100/200 Kg Capacity) Sr. No. 014D69 ; |
| 11 | 1 No. Digital Weighing Machine (600 Kg Capacity) Sr. No. AX/2012/11851 |
| 12 | 1 No. 60 Ton Weigh Bridge, Make - Multi Weigh, Model - MWC-60, Sr. No. WB2015-433 |
| 13 | Water Treatment Plant inclusive of 2 Nos. filters & .5 HP Pump Motor |
| 14 | 20 Nos. Exaust Fans & 35 Nos. Ceiling Fans |
| 15 | 2 Nos. Panel Boards for Refrigeration section , Make - L&T with all Switches |
| 16 | Cable ( all H.T & L.T. ) |
| 17 | All Pipes, Flanges, Wirings and Fittings etc. |
| 18 | 1 No. 1.5 H.P. Submerssible Pump, Make - Local |
| 19 | 1 No. Sealing Machine |
| 20 | 1 No. Branded Desktop Computer along with Monitor, Make - Wipro |
| 21 | 1 No. Assembled Desktop Computer with Acer Monitor and 1 No. HP. Laser Jet Printer |
| 22 | 6 Nos CCTV |
| 23 | 2 Nos Refrigerated Trucks-Tata LPT 407 & 709 |

**Collaborations, any performance guarantee or assistance in marketing by the collaborators**

As on the date of this Prospectus, our Company does not have any collaboration agreements.

**Infrastructure & Utilities**

The main utilities required in our activity are:

**Raw Material**

Wooden Logs/Timber for the Timber Unit. Fruits, Vegetables, Dry Fruits, Egg and Spices for the Cold Storage unit

**Power**

24X7 Power is required for the Cold Storage unit. Timber unit also requires Power during the day time.Electricity is sourced from West Bengal State Electricity Distribution Company Limited

**Fuel**

The requirement of fuel for operating the machinery/equipment is met by supplies from local market.

**Water**

Water requirements are met by Submersible pump and storage Tank

**Export Obligation**

As on the date, we do not have any export obligation.

**Health safety and Environments**

Our activities are subject to wide range of government rules and regulations regarding health, safety and environment protection. We are committed to protecting the health and safety of employees and contractors working in our projects, people who come in contact with our operations and the heath and sustainability of the environment in which we operate.

We believe that ensuring the health and safety of our employees is critical to the successful conduct of our business and operations. We are therefore committed to complying with applicable health, safety and environmental regulations and other requirements in our operation.

## Key Industry Regulations and Policies

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the chapter titled —**Government and Other Approvals** beginning on page no. 180 of this Prospectus.*

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.*
*In addition to what has been specified in this Prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labor laws and other miscellaneous laws 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. For details of government approvals obtained by us, see the chapter titled — **Government and Other Approvals** beginning on page no. 180 of this Prospectus.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations are applicable to our company

**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 180 of this Prospectus.

**INDUSTRY RELATED LAW:**

The Food Safety and Standards Act, 2006. The Food Safety and Standards Act, 2006 (FSSA) was enacted on August 23, 2006 with a view to consolidating the laws relating to food and to establish the Food Safety and Standards Authority of India (the "Food Authority") for setting out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The Food Authority is required to provide scientific advice and technical support to the GoI and the state governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by "Food Safety Appellate Tribunal". The FSSA has not been fully notified and has only been partially enacted. In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 (FSSR) which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of "commissioner of food safety", "food safety officer" and "food analyst" and procedures of taking extracts, seizure, sampling and analysis. The Food Authority has also framed the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminates, Toxins and Residues) Regulations, 2011; and
- Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

The key provisions of the FSSA are:

- Establishment of the Food Authority to regulate the food sector;
- The Food Authority will be aided by several scientific panels and a central advisory committee to lay down standards for food safety. The standards will include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels;
- Enforcement through "state commissioners of food safety" and other local level officials;
- Registration or licensing requirement for every entity in the food sector. Such licence or a registration would be issued by local authorities;
- Every distributor is required to be able to identify any food article by its manufacturer, and every seller by its distributor; and
- Any entity in the sector is bound to initiate recall procedures if it finds that the food sold has violated specified standards.

**The Factories Act, 1948**

The Factories Act defines a 'factory' to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the 'occupier' of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions.

**Legal Metrology Act, 2009**

The Legal Metrology Act, 2009 ("L.M. Act") governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides The West Bengal Legal Metrology Enforcement Rules, 2011, The Legal Metrology (General) Rules, 2011, The Legal Metrology (Package Commodities) Rules, 2011, The Legal Metrology (Approval of Models) Rules, 2011., which may be followed for due compliance.

**Standards of Weights and Measures Enforcement Act, 1985**

The Standards of Weights and Measures Enforcement Act, 1985 regulates the classes of weights and measures manufactured, sold, distributed, marketed, transferred, repaired or used and the classes of users of weights and measures. The Act was passed with a view to regulating and modernizing the standards used in India based on the metric system. The units of weight which are sought to be used in day to day trade are required to be periodically inspected and certified by the designated authorities under this act for their accuracy.

**Bureau of Indian Standards Act, 2016 (the "BIS Act")**

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under

**Environmental Regulations**

Our Company is subject to Indian laws and regulations concerning environmental protection. The principal environmental regulations applicable to industries in India are the Water (Prevention and Control of Pollution) Act, 1974, the Water Access

Act, 1977, the Air (Prevention and Control of Pollution) Act, 1981, the Environment Protection Act, 1986 and the Hazardous Wastes (Management and Handling) Rules, 1989. Further, environmental regulations require a company to file an Environmental Impact Assessment (**EIA**) with the State Pollution Control Board (**PCB**) and the Ministry of Environment and Forests (**MEF**) before undertaking a project entailing the construction, development or modification of any plant, system or structure. If the PCB approves the project, the matter is referred to the MEF for its final determination. The estimated impact that a particular project might have on the environment is carefully evaluated before granting clearances. When granting clearance, conditions may be imposed and the approving authorities may direct variations to the proposed project.

**The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008**

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, as amended (**Hazardous Wastes Rules**), which superseded the Hazardous Wastes (Management and Handling) Rules, 1989, state that the occupier will be responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment. The hazardous wastes generated in the establishment of the occupier should be sent or sold to a recycler or re-processor or re-user registered or authorised under the Hazardous Wastes Rules or should be disposed of in an authorised disposal facility. The Ministry of Environment and Forests has been empowered to deal with the trans-boundary movement of hazardous wastes and to grant permission for transit of hazardous wastes through any part of India. No import of hazardous waste is permitted in India. The State Government, occupier, operator of a facility or any association of the occupier will be individually or jointly or severally responsible for, and identify sites for, establishing the facility for treatment, storage and disposal of hazardous wastes for the State Government.

## 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.

## EMPLOYMENT AND LABOUR LAWS

Employees' Provident Fund 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.

**Workmen's Compensation Act, 1923**

The Workmen's Compensation Act, 1923 provides that if personal injury is caused to a workman by accident during his employment, his employer would be liable to pay him compensation. However, no compensation is required to be paid (i) if the injury does not disable the workman for more than three days, (ii) where the workman, at the time of injury, was under the influence of drugs or alcohol or (iii) where the workman wilfully disobeyed safety rules.

**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.

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.

**Payment of Gratuity Act, 1972**

Under the Payment of Gratuity Act, 1972, an employee in a factory or any other establishment in which 20 or more than 20 persons are employed on any day during an accounting year who is in continuous service for a period of five years notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee is eligible for gratuity upon his retirement, superannuation, 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 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 purposeof 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.

**Contract Labour (Regulation and Abolition) Act, 1970**

The Company is regulated by the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 (**CLRA**) which requires the Company to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labourers. The CLRA vests responsibility in the principal employer of an establishment, to which the CLRA applies, to make an application to the concerned officer for registration of the concerned establishment. In the absence of such registration, contract labour cannot be employed in the concerned establishment. Likewise, every contractor, to whom the CLRA applies, is required to obtain a license and may not undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

**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

### 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 center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

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

## OTHER LAWS

### 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.

### 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, interalia, 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:**

**FEMA Regulations**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and

the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

**The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy Circular of 2017("FDI Policy 2017"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India ("RBI") also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July01, 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 Cold Storage 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 Corporate Matters

### History and Background

Our Company was originally incorporated at Kolkata as Diksha Timber Private Limited on 21st July, 2004 under the provisions of the Companies Act, 1956, with the Registrar of Companies Kolkata. Subsequently our Company changed its name from Diksha Timber Private Limited to Diksha Greens Private Limited vide Certificate of Incorporation pursuant to name change dated 29th November, 2017 and again our Company was converted into a Public Limited Company and the name of the Company was changed to Diksha Greens Limited vide Certificate of Incorporation consequent upon Conversion from Private to Public Limited Company dated 06th February, 2018.

Our Company had filed an application for amalgamation in terms of Section 391-394 of the Companies Act, 1956 in the year 2014 between Diksha Exim Private Limited and Wizard Vincom Private Limited with Diksha Greens Limited (Erstwhile Diksha Timber Private Limited). The said scheme of amalgamation was proposed to consolidate the group structure and provide for overall business efficiently to combine their managerial and marketing strength, to streamline administration, to build a wider capital and financial base and to promote and secure overall interest and growth and economies of all companies concerned. The scheme would result in reduction in overheads and other expenses, reduction in administrative and procedural work and better and more efficient utilization of resources and enable the business of the company to be run, controlled and managed more economically, conveniently and adventurously etc.

The High Court at Calcutta vide its order dated 14th May, 2015 approved the said scheme of Amalgamation under Section 391-394 of the Companies Act, 1956. Pursuant to the said order, with effect from the appointed date i.e. 1st April, 2014, the transferor companies i.e. Diksha Exim Private Limited and Wizard Vincom Private Limited was amalgamated with our company, and all the movable properties, assets and rights in the movable properties in the transferor company, whether freehold or leasehold and all documents of title, rights and easements in relation thereto, was transferred to and vested in our company.

Pursuant to the said scheme, Our Company had issued and allotted 2,94,990 Equity Shares to the Equity Shareholders of Diksha Exim Private Limited (DEPL)and Wizard Vincom Private Limited (WVPL)on 15th March 2017 in the ratio of 4:14(Four new Equity shares in the Transferee Company(Diksha Greens Limited erstwhile Diksha Timber Private Limited) credited as fully paid up for every Fourteen shares held in DEPL) and 5:114(Five new Equity shares in the Transferee Company(Diksha Greens Limited erstwhile Diksha Timber Private Limited) credited as fully paid up for every One Hundred Fourteen shares held in WVPL) respectively.

### Changes in registered office of our Company since incorporation

The Registered Office of the Company is at 11SambhuChaterjee Street, Jorasanko, Kolkata-700007. There is no change in the Registered Office of the Company since incorporation.

### Key Milestones

| Year | Key Milestones |
|---|---|
| 2004 | Incorporation of our Company vide Certificate of Incorporation dated 21st July, 2004 |
| 2004 | Started commercial activity with trading of Timber products |
| 2005 | Started saw mill on rented premises and machineries |
| 2006 | Started importing of wooden logs and timbers from different countries |
| 2008 | Setting up of own saw mill and machineries |
| 2103 | Started manufacturing of veneer sheets |
| 2015 | The High Court at Calcutta vide its order dated 14th May, 2015 approved the scheme of Merger/Amalgamation filed by our Company under Section 391-394 of the Companies Act, 1956. Pursuant to the said order the, with effect from the appointed date i.e. 1st April, 2014, the transferor companies i.e. Diksha Exim Private Limited and Wizard Vincom Private Limited was amalgamated with our company, and all the movable properties, assets and rights in the movable properties in the transferor company, whether freehold or leasehold and all documents of title, rights and easements in relation thereto, was transferred to and vested in our company. |
| 2017 | Change of name of the Company from Diksha Timber Private Limited to Diksha Green Private Limited vide Certificate of Incorporation pursuant to name change dated November 29, 2017 |
| 2018 | Conversion of the Company from Private to public vide Certificate of Incorporation consequent to conversion dated February 06, 2018 |

| Year | Key Milestones |
|---|---|
| 2018 | Acquisition ofa functional multipurpose cold storage located at Village& PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India having capacity of 5000 MT with two pre cooling chambers and reefer vans towards storage of seasonal produce from various parts of the country and abroad. |

**Main Objects**

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the business as buyer, seller, trader, distributors, marketing, dealers, stockiest, commission agent, broker and sub-broker, merchant of consumer goods particularly in cosmetics, perfumes, soap, essences, lotions, creams, powders, tooth pastor, deodorants and also act as an indenters, distributors, packers of all kinds of computer, computer stationery, rubberized cloth, paper and pulp, food grains, dairy products, fruits, vegetables, frozen items, agro products, marine products, meat, eggs, poultry products, soap detergents and detergents chemical, confectioners, surgical, diagnostic medical pulses, leather and leather goods, iron and steel, furniture, logs, ferrous and non-ferrous metals, developers and construction materials, tea merchants, jute and jute products, textile cotton, synthetic fiber, silk, readymade garments, hosiery design materials, wood and wood products greens, cosmetic, stationery tools and hardware, plastics, grain, rubber and rubber products, fertilizers, agriculture, fruit products, food products, processed food, industrial products, computer data, materials paints, alcohol, liquor, edible and non-edible oils and fats, drugs, plant and machinery, office equipments, hospital equipments, medicines, automobile parts, electricand electronics components, toys, consumer products and all other kinds of goods and merchandise, mediators and articles of consumption of all kinds, setting up of departmental stores.

2. To construct, build, equip, own and maintain multipurpose cold storage, storage chambers, refrigerators, room coolers and freezing house for storage and preserving all types of fruits and vegetables, agricultural products, dehydrated food, dry foods, oil seeds, spices, rice, provision of fruits and vegetable juices, ice candy, ice cream and other ice products, fish, marine products, meat, eggs, poultry products, protein foods, milk, cream, butter, cheese, bacons, sausages, carbonated, aerated mineral water, dairy products, wines, liquors and other alcoholic and synthetic drinks, flowers, commodities, articles, things and preparation of all kinds and descriptions whatsoever.

3. To carry on the business of producing, growing, dealing, exporting, importing, stocking, marketing, distributing, storing and preserving of all the products mentioned under Point No.1& 2. The Marketing activity can be carried out through e-commerce, retail outlet and through setting up of Terminal Markets.

4. To build modern Warehouse with all the facilities at various locations for storage of Food Grains and other agriculture products including fresh vegetables and fruits. To set up, construct, build, own and maintain mega farm market and food parks.

5. To own and manage cold / dry warehousing for storing of horticulture and non-hoticulture produce to ensure proper food quality and safety of perishable and non-perishable food and agro-products. To consolidate the facilities like Integrated Cold Chain, Value added Centers, Packaging Centre, Irradiation facilities and to cover component like pre-cooling, mobile cooling, reefer vans etc. to cover the whole range of food / agro products.

6. To manufacture, process, prepare, preserve, can, refine, bottle, buy, sell and deal whether as wholesalers or retailers or as exporters or importers or as principal or agents in foods, meats, egg, poultry, vegetables, fruits, canned and tinned and processed foods, protein, health and instant foods of all kinds including baby and dietic foods serials, beverages, cordials, tonics, restoratives and aerated mineral waters and foods stuffs and consumable provisions of every description for human or animal consumption and to carry on business in all natural, artificial, synthetic or chemical edible food color.

7. To transact and carry on business as manufacturers, importers and exporters of all sorts of fruits, vegetables, frozen items, food, foodstuffs, canned fruits, chocolates, candies, jams, rice, spices, dates, preserves, jellies, peppermints, juice, syrups, beverages, waters, wines, cordials, restorative and drinks of all kinds and all other kinds of agro products.

8. To open retail chain outlets across India and Abroad both owned and through franchise. To establish, organize, manage, run, charter, conduct, contract, develop, handle, own, operate and to do business as fleet carriers, transporters, in all its branches on land, air, water, & space, for transporting goods, articles, or things on all routes and lines on National and International level subject to law in force through all sorts of carries like trucks, lorries, trawlers, dumpers, coaches, tankers, tractors, haulers, jeeps, trailers, motor buses, omnibuses, motor taxies, railways, tramways, aircrafts, helicopter, ships, vessels, boats, barges and so on whether propelled by petrol, diesel, electricity, steam oil,

atomic power or any other form of power to carry out the above mentioned object and all other allied activity.

9. To acquire, purchase or take on lease the agricultural land anywhere in the country or elsewhere. To carry on the business of horticulture, floriculture, sericulture, cultivators, of all kinds of seeds, fruits, including grapes, oranges, apples, mangoes proprietor of orchards and traders, exporter, dealers, processors, preservers and sellers of the products of such horticulture, floriculture, sericulture, seeds and cultivation and manufacturers of drinks including beverages produced from such products or otherwise. To cultivate, plant, purchase, sell, trade, or otherwise deal in food stuff such as cereals sugarcane, sugar beet, vegetable and flower seeds, oil seeds, tea, coffee, cocoa, cinchona, rubber flex, hemp, cotton, silk, art silk, grass, trade and deal in the same as principals or agents, solely or with partnership with other. To promote, develop, execute, operate and otherwise carry on projects, schemes, industries, business and activities which in the opinion of the Company is likely to - accelerate and increase agricultural production, contribute to the production of subsidiary and supplementary food increase the availability of supplies of food whether principal, ancillary, supplementary or substitute to set up own and manage cold chain facilities including mega food park and terminal market centers.

10. To carry on the business as greens merchants, saw mill proprietors and greens growers and to buy, sell, grow, prepare for market, manipulate, import, export, and deal in greens and wood of all kinds and to process and deal in goods or articles of all kinds in the manufacture of which greens or wood is used and to carry on business as general merchants and to buy and sell furniture's of greens and plywood.

**amendments to the Memorandum of Association of our Company**

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

| No. | Date of Amendments/Shareholder's Resolution | Amendments |
|---|---|---|
| 1. | March 31, 2006 | Increase in Authorized Share Capital from ₹5,00,000 comprising of 50,000 Equity Shares of ₹ 10 each to ₹ 7,00,000 comprising of 70,000 Equity Shares of ₹ 10 each. |
| 2. | March 31, 2007 | Increase in Authorised Share Capital from ₹ 7,00,000 comprising of 70,000 Equity Shares of ₹10 each to ₹1,000,000 comprising of 1,00,000 Equity Shares of ₹ 10 each. |
| 3. | March 11, 2008 | Increase in Authorised Share Capital from ₹1,000,000 comprising of 1,00,000 Equity Shares of ₹10 each to ₹25,00,000 comprising of 2,50,000 Equity Shares of ₹ 10 each. |
| 4. | March 15, 2010 | Increase in Authorised Share Capital from ₹25,00,000 comprising of 2,50,000 Equity Shares of ₹10 each to ₹35,00,000 comprising of 3,50,000 Equity Shares of ₹ 10 each. |
| 5. | February 14, 2011 | Increase in Authorised Share Capital from ₹35,00,000 comprising of 3,50,000 Equity Shares of ₹ 10 each to ₹40,00,000 comprising of 4,00,000 Equity Shares of ₹ 10 each. |
| 6. | June 24, 2011 | Increase in Authorised Share Capital from ₹40,00,000 comprising of 4,00,000 Equity Shares of ₹ 10 each to ₹55,00,000 comprising of 5,50,000 Equity Shares of ₹ 10 each. |
| 7. | August 14, 2013 | Increase in Authorised Share Capital from ₹55,00,000 comprising of 5,50,000 Equity Shares of ₹ 10 each to ₹75,00,000 comprising of 7,50,000 Equity Shares of ₹ 10 each. |
| 8. | March 24, 2015 | Increase in Authorised Share Capital from ₹75,00,000 comprising of 7,50,000 Equity Shares of ₹ 10 each to ₹18,600,000 comprising of 1,860,000 Equity Shares of ₹ 10 each, pursuant to merger/amalgamation. |
| 9. | November 29, 2017 | Name of the Company Changes from Diksha Timbers Private Limited to Diksha Greens Private Limited |
| 10. | January 17, 2018 | Change in Object Clause of the MOA |
| 11. | February 06, 2018 | Conversion of the Company from Diksha Green Private Limited to Diksha Green Limited |

| | | |
|---|---|---|
| 12. | June 04, 2018 | Increase in Authorised Share Capital from ₹18,600,000 comprising of 1,860,000 Equity Shares of ₹ 10 each to ₹110,000,000 comprising of 11,000,000 Equity Shares of ₹ 10 each. |

**Capital raising (Debt / Equity)**

Except as set out in the sections titled "Capital Structure" and "Financial Indebtedness" beginning on page no 51 and 163 respectively of this Prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

**Holding Company**

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

**Subsidiary (ies) of our Company**

Our Company has nosubsidiary companyas on the date of this Prospectus.

**Injunction or restraining order**

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

**Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks**

There are no defaults or rescheduling of borrowings with financial institutions/ banks, conversion of loans into equity in relation to our Company.

**Details of past performance of the company**

For details in relation to our past financial performance in the previous 5 (Five) financial years, including details of non-recurring items of income, refer to section titled "Financial Statements" beginning on page no. 135 of this Prospectus.

**Details regarding acquisition of business /undertakings, mergers, amalgamation, revaluation of assets etc**.

Except as mentioned in chapter "*Our History and Certain Corporate Matters"* beginning on page no. 113,there are no mergers, amalgamation, revaluation of assets etc. with respect to our Company as on the date of this Prospectus.

**Changes in the activities of our Company during the last five (5) years**

Except as mentioned in chapter "*Our History and Certain Corporate Matters"* beginning on page no. 113, there have been no changes in the activity of our Company during the last five (5) years preceding as on the date of this Prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company.

**Revaluation of Assets**

Our Company has not revalued its assets as on the date of this Prospectus.

**Shareholders of our Company**

As on the date of this Prospectus, our Company has 7 (Seven) shareholders. For further details in relation to the current shareholding pattern, please refer to section titled "Capital Structure" beginning on page no. 51 of this Prospectus.

**Collaboration Agreements**

As on the date of this Prospectus, our Company is not a party to any collaboration agreements.

**Shareholders Agreements**

Our Company has entered into any shareholders agreement as on the date of this Prospectus.

**Other Agreements**

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business and Agreement dated July 27, 2018 with Managing Director for his appointment as on the date of filing of this Prospectus.

**Non-Compete Agreement**

Our Company has not entered into any Non-compete Agreement as on the date of this Prospectus.

**Strategic Partners**

Our Company does not have any strategic partners as on the date of this Prospectus.

**Financial Partners**

Our Company does not have any financial partners as on the date of this Prospectus.

## OUR MANAGEMENT

**Board of Directors**

As per the Articles of Association, our Company is required to have not less than 3 (Three) directors and not more than 15 (Fifteen) Directors. Currently, our Company has 5 (Five) Directors. The following table sets forth details regarding the Board of Directors as on the date of this Prospectus:

| Details of Directors | Date of Appointment/ Change in Designation | Other Directorships as on the date of this Prospectus |
|---|---|---|
| **Name:** Mr. Rajesh Pirogiwal<br><br>**Age:**50 Years<br><br>**Father's Name:** Mr. Om Prakash Pirogiwal<br><br>**Designation:** Managing Director<br><br>**Address:**BG-115, Sector-II, Salt Lake City, Kolkata-700091, West Bengal, India<br><br>**Term:**5 Years<br>**Nationality:** Indian<br>**Occupation:** Business<br>**DIN No:**01279323 | 21/07/2004<br><br>Appointed as Managing Director on 09/08/2018 | **Public Limited Entities:**<br><br>1) Ridhi Sidhi Vincom Limited<br>2) Highreturn Marketing Limited<br><br>**Private Limited Entities:**<br><br>1) Wizard Vincom Private Limited (amalgamated with Diksha Greens Limited erstwhile Diksha Timber Private Limited)<br>2) Diksha Exim Private Limited (amalgamated with Diksha Green Limited erstwhile Diksha Timber Private Limited)<br><br>**Foreign Entities:** Nil<br><br>**Limited Liability Partnership:** Nil |
| **Name:** Mrs. Sunita Pirogiwal<br><br>**Age:** 48 Years<br><br>**Father's Name:** Mr. Shiv Kumar Kedia<br><br>**Designation:** Whole TimeDirector<br><br>**Address:**BG-115, Sector-II, Salt Lake City, Kolkata-700091, West Bengal, India<br><br>**Term:** Liable to retire by rotation<br>**Nationality:** Indian<br>**Occupation:** Business<br>**DIN No:**01279325 | 21/07/2004<br><br>Appointed as whole time director on 09/08/2018 | **Public Limited Entities:**<br><br>1) Ridhi SidhiVincom Limited<br>2) Highreturn Marketing Limited<br><br>**Private Limited Entities:**<br><br>1) Wizard Vincom Private Limited (amalgamated with Diksha Green Limited)<br>2) Diksha Exim Private Limited (amalgamated with Diksha Green Limited)<br><br>**Foreign Entities:** Nil<br><br>**Limited Liability Partnership:** Nil |
| **Name:** Mrs. Sreejita Chowdhury<br><br>**Age:** 35 Years<br><br>**Father's Name:** Mr. Manik Chandra Dutta<br><br>**Designation:** Independent Director<br><br>**Address:** 61 Lakshmi Pally Rishra Morepukur, Hooghly, Rishra, Pin-712250<br><br>**Term:**5 Years<br>**Nationality:** Indian<br>**Occupation:** Business<br>**DIN No:** 08185074 | 27/07/2018<br><br>Appointed as Independent Director on 09/08/2018 | **Public Limited Entities:** Nil<br><br>**Private Limited Entities:** Nil<br><br>**Foreign Entities:** Nil<br><br>**Limited Liability Partnership:** Nil |

| Details of Directors | Date of Appointment/ Change in Designation | Other Directorships as on the date of this Prospectus |
|---|---|---|
| **Name:** Mr. Vikash Kedia<br><br>**Age:** 37 Years<br><br>**Father's Name:** Mr. Rajendra Prasad Kedia<br><br>**Designation:** Independent Director<br><br>**Address:**Poddar Plaza 119/1 Shyam Nagar Road,vBaguiati, Bangur Avenue Kolkata 700055 West Bengal, India<br><br>**Term:**5 Years<br>**Nationality:** Indian<br>**Occupation:** Business<br>**DIN No:**08165666 | 10/07/2018 | **Public Limited Entities:** Nil<br><br>**Private Limited Entities:** Nil<br><br>**Foreign Entities:** Nil<br><br>**Limited Liability Partnership:** Nil |
| **Name:** Ms Tanvi Pirogiwal<br><br>**Age:** 26 Years<br><br>**Father's Name:** Mr. Rajesh Pirogiwal<br><br>**Designation:** Non-Executive Director<br><br>**Address:** BG-115, Sector-II, Salt Lake City, Kolkata-700091, West Bengal, India<br><br>**Term:** 3 Years<br>**Nationality:** Indian<br>**Occupation:** Business<br>**DIN No:** 07757429 | 27/07/2018 | **Public Limited Entities:**<br><br>Highreturn Marketing Limited<br><br>**Private Limited Entities:** Nil<br><br>**Foreign Entities:** Nil<br><br>**Limited Liability Partnership:** Nil |

**Family Relationships between the Directors**

None of the directors of our Company have family relationship except Mr. Rajesh Pirogiwal,Mrs. Sunita Pirogiwal and Ms. Tanvi Pirogiwal. Mrs. Sunita Pirogiwal is wife of Mr. Rajesh Pirogiwal. Ms Tanvi Pirogiwal is the daughter of Mr. Rajesh Pirogiwal and Mrs. Sunita Pirogiwal.

**Brief Biographies of the Directors**

1. Mr. Rajesh Pirogiwal is the Managing Director of the Company. He holds Bachelor's degree in commerce from H.A. Commerce College. He oversees the operations of the Company and involved in initiation, planning and implementation of marketing strategies and tactical campaigns. His expertise lies in handling land acquisitions, clearances and relationship management.

2. Mrs. Sunita Pirogiwal, aged 48 years is the whole time director of our Company. She has completed her Bachelor's degree in Commerce. She has been on our Board since July21, 2004.

3. Mr. Vikash Kedia, aged 37 years is the Independent and Non-Executive Director of the Company. He is having knowledge and experience in the field of marketing and governance. He has been on our board since 10/07/2018

4. Mrs. Sreejita Chowdhury, aged 35 years is the Independent and Non-Executive Director of the Company. She has been on our board since 27/07/2018

5. Ms. Tanvi Pirogiwal, aged 26 years is Non Executive Director of the company. She is having knowledge and experience in the field of Finance, Audit and Law as she is a qualified Chartered Accountant and Company Secretary.

**Arrangements with major Shareholders, Customers, Suppliers or Others**

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management as on the date of this Prospectus.

**Service Contracts**

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

**Common directorships of the Directors in companies whose shares are/were suspended from trading on the BSE and/ or the BSE for a period beginning from five (5) years prior to the date of this Prospectus**

None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.

**Director's association with the Securities Market**

None of the Directors of our Company are associated with securities market.

**Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India**

None of the Directors are/ were directors of any entity whose shares were delisted from any Stock Exchange(s).

Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

**Borrowing Powers of the Board**

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a resolution passed at the Extra Ordinary General Meeting held on August 09, 2018, in accordance with Section 180(1)(c) of the Companies Act, 2013 authorized the Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed 75.00crores.

**Remuneration to Executive Directors**

The compensation payable to Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2 (54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force)

**Payment or benefit to Non-Executive Directors of our Company**

Apart from the remuneration to Executive Directors, if any as provided, our Non-Executive Directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act, 2013 and the Rules made there under and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

**Shareholding of Directors in our Company**

The details of the shareholding of our Directors as on the date of this Prospectus are as follows.

| No. | Name of the Shareholder | No. of Equity Shares | Percentage of Pre-Issue Capital (%) | Percentage of Post-Issue Capital (%) |
|---|---|---|---|---|
| 1. | Mr. Rajesh Pirogiwal | 1,172,039 | 21.60 | 11.88 |
| 2. | Mrs. Sunita Pirogiwal | 4,41,639 | 8.14 | 4.48 |
| 3. | Ms. Tanvi Pirogiwal | 110,000 | 2.03 | 1.11 |
| **Total** | | **1,723,678** | **31.76** | **17.47** |

**Interests of our Directors**

Our Directors may be deemed to be interested to the extent of their remunerations paid to them for services rendered and with the reimbursement of expenses payable to them. For further details, please refer to sub-section "Remuneration to Executive & Non-Executive Directors" above. In addition, as on the date of this Prospectus, our Managing Director receives managerial remuneration fees from our Company in terms of the proviso to Section 197(4) of the Companies Act. For further details, please refer to section titled "Our Promoters and Promoter Group" beginning on page no. 128 of this Prospectus.

Further, none of our Directors have any interest in any property acquired by our Company within two (2) years of the date of this Prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building. Further, except as disclosed under sub-section "Shareholding of Directors in our Company" above, none of our Directors hold any Equity Shares, Preference Shares or any other form of securities in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Other than as stated above and except as stated in the sections titled "Financial Information" and "Our Promoters and Promoter Group" beginning on pages no. 135 and 128 respectively of this Prospectus, our Directors do not have any other interest in the business of our Company.

None of the relatives of our Directors have been appointed to a place or office of profit in our Company. For further details, please refer to section titled "Our Management – Remuneration to Executive Directors" beginning on page no 118 of this Prospectus.

Our directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue. Some of the directors also hold directorships in Promoter Group and Group Entities of our Company.

Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Except as stated in this section "Our Management " or the section titled "Financial Information - Related Party Transactions" beginning on page no 118 and 158 respectively of this Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in the business of our Company.

**Changes in our Company's Board of Directors during the last three (3) years**

The changes in the Board of Directors of our Company in the last three (3) years are as follows:

| Name of Director | Date of appointment | Date of cessation | Reason |
|---|---|---|---|
| Diksha Pirogiwal | 02.02.2018 | 31.07.2018 | Resignation U/s 168 |
| Rajesh Kumar Gupta | 01.02.2010 | 02.02.2018 | Resignation U/s 168 |
| Archana Singh | 10.07.2018 | 31.07.2018 | Resignation U/s 168 |
| Vikash Kedia | 10.07.2018 | - | - |
| Sreejita Chowdhury | 27.07.2018 | - | - |
| Tanvi Pirogiwal | 27.07.2018 | - | - |

**Corporate Governance**

The provisions of the Listing Regulations with respect to corporate governance will also be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of four Directors (including one woman Director) of which two are non-executive Independent Directors which is in compliance with the requirements of Companies Act, 2013 and SEBI (LODR) Regulations.

**Committees of our Board**

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

***a. Audit Committee***

Our Audit Committee was constituted pursuant to a resolution of our Board Meeting dated on August 09, 2018. The Audit Committee comprises:

| Name of Director | Status in Committee | Nature of Directorship |
|---|---|---|
| Vikash Kedia | Chairman | Non- Executive and Independent Director |
| Sreejita Chowdhary | Member | Non- Executive and Independent Director |
| Rajesh Pirogiwal | Member | Managing Director |

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

*A. Powers of Audit Committee*

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

*B. Role of Audit Committee*

The role of the Audit Committee shall include the following:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- carrying out any other function as is mentioned in the terms of reference of the audit committee.

Further, the Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations: (a) half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer Prospectus/notice in terms of Regulation 32(5).

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than four months shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

***b. Stakeholders' Relationship Committee***

The Stakeholders' Relationship Committee was constituted by a resolution of our Board Meeting dated August 09, 2018. The Stakeholders' Relationship Committee comprises:

| Name of Director | Status in Committee | Nature of Directorship |
|---|---|---|
| Vikash Kedia | Chairman | Non-Executive and Independent Director |
| Sreejita Chowdhary | Member | Non-Executive and Independent Director |
| Tanvi Pirogiwal | Member | Non- Executive Director |

The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

Set forth below are the terms of reference of our Stakeholders' Relationship Committee.

- To look into the redressal of grievances of shareholders, debenture holders and other security holders;
- To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares;
- To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time."

***c. Nomination and Remuneration Committee***

The Nomination and Remuneration Committee was constituted by our Board on August 09, 2018. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations. The Nomination and Remuneration Committee include the following:

| Name of Director | Status in Committee | Nature of Directorship |
|---|---|---|
| Vikash Kedia | Chairman | Non-Executive and Independent Director |
| Sreejita Chowdhary | Member | Non-Executive and Independent Director |
| Tanvi Pirogiwal | Member | Non- Executive Director |

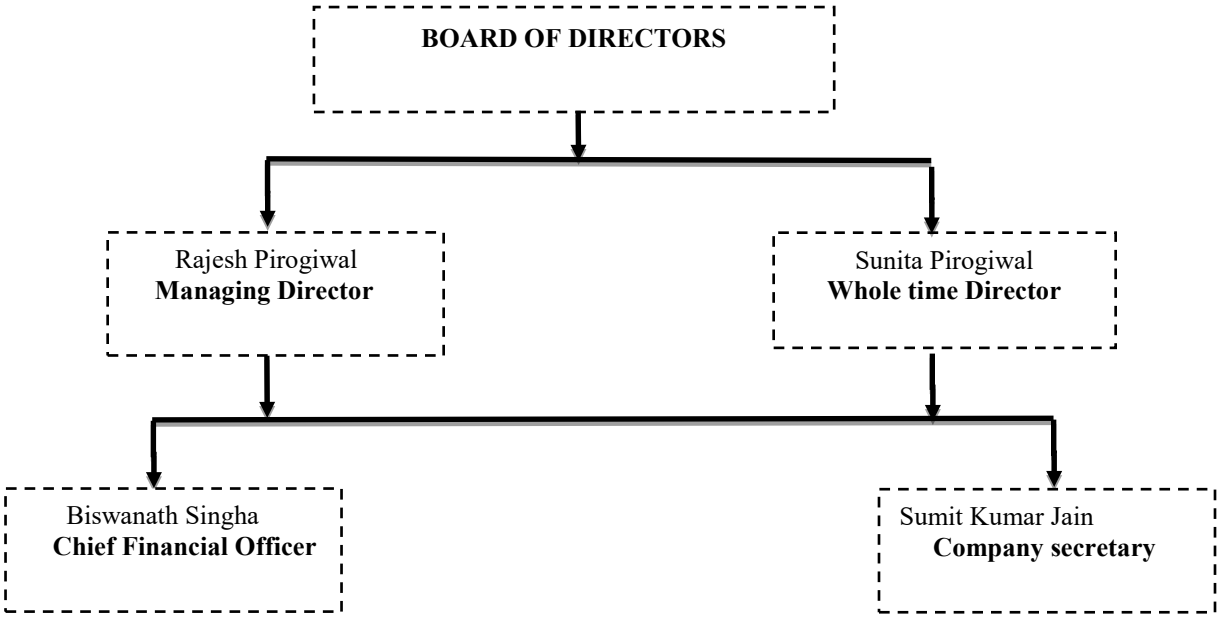
The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope, functions and the terms of reference of the Nomination and Remuneration Committeeis in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Set forth below are the terms of reference of our Nomination and Remuneration Committee.

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- 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 of directors their appointment and removal.
- to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**Management Organizational Structure**




**Profiles of our Key Managerial Personnel**

The details of the Key Managerial Personnel as on the date of this Prospectus are set out below. All the Key Managerial Personnels are permanent employees of our Company. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

a. Mr. Rajesh Pirogiwal is the Managing Director of the Company. He holds Bachelor's degree in commerce from H.A. Commerce College. He oversees the operations of the Company and involved in initiation, planning and implementation of marketing strategies and tactical campaigns. His expertise lies in handling land acquisitions, clearances and relationship management.

b. Mrs. Sunita Pirogiwal, aged 48 years is the whole time director of our Company. She has completed her Bachelor's degree in Commerce. She has been on our Board since July 21, 2004.

c. Mr.Biswanath Singh, aged 50 years is the Chief Financial Officer of the company. He is taking care of finance of the company since last 5 years. He has been promoted to C.F.O based on his experience in deal with finanace related matter of the company.

d. Mr.Sumit Kumar Jain, aged 29 years is a qualified company secretary. He is appointed as company secretary cum compliance officer of the company on July 27, 2018.

**Status of Key Management Personnel in our Company**

All our key managerial personnel are permanent employees of our Company. The term of office of our key managerial personnel is until the attainment of 60 years of age.

**Shareholding of Key Management Personnel in our Company**

None of the Key Management Personnel holds Equity Shares in our Company as on the date of this Prospectus.

**Bonus or profit sharing plan of the Key Managerial Personnel**

Our Company does not have a performance linked bonus or a profit sharing plans for the Key Management Personnel. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel's of our Company.

**Interests of Key Management Personnel**

The Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

**Payment of Benefits to Officers of our Company (*non-salary related*)**

Except as disclosed in this Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated under section titled "Financial Information" beginning on page no 135 of this Prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter.

**Relationship amongst the Key Managerial Personnel of our Company**
There is no family relationship amongst the Key Managerial Personnel of our Company except as mentioned in Our Management Chapter

**Relationship between the Directors and Key Managerial Personnel**

There are no family relationships between the Directors and Key Managerial Personnel of our Company except as mentioned in Our Management Chapter.

**Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

None of the above Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

**Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

**Employee Stock Option or Employee Stock Purchase**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Prospectus.

**Loans availed by Directors / Key Managerial Personnel of our Company**

None of the Directors or Key Managerial Personals have availed loan from our Company which is outstanding as on the date of this Prospectus.

**Changes in our Company's Key Managerial Personnel during the last three (3) years**

The changes in the Key Managerial Personnel of our Company in the last three (3) years are as follows:

| No. | Name of the Key Managerial Personnel & Designation | Date of Appointment | Date of Resignation | Reason |
|---|---|---|---|---|
| 1. | Mr. Rajesh Pirogiwal (MD) | 09.08.2018 | - | - |
| 2. | Mrs. Sunita Pirogiwal (WTD) | 09.08.2018 | - | - |
| 3. | Mr. Biswanath Singha (CFO) | 27.07.2018 | - | - |
| 4. | Mr. Sumit Kumar Jain (CS) | 27.07.2018 | - | - |

## OUR PROMOTERS AND PROMOTER GROUP

**Our Promoters**

Our Promoters are (i) Mr. Rajesh Pirogiwal (ii) Mrs. Sunita Pirogiwal (iii) Ms. Tanvi Pirogiwal and (iv) M/s. Rajesh Kumar Pirogiwal& Sons HUF. As on the date of this Prospectus, our Promoters hold 21,08,678 Equity Shares which in aggregate, constitutes 38.85% of the pre IPO issued and paid-up Equity Share capital of our Company.

**Details of Individual Promoters of our Company**

| | |
|---|---|
| | Mr.Rajesh Pirogiwal is the Promoter and Managing Director of our Company. For further details, please refer to section titled "Our Management" beginning on page no. 118 of this Prospectus.<br><br>Permanent Account Number: AFVPP1814P<br>Passport No.: Z3548212<br>Aadhar No.: 288770981844<br>Driving license No.:WB-011996645501<br><br>For further details in relation to other ventures of Mr. Rajesh Pirogiwal, please refer to section titled "Group Entities of our Company" beginning on page no.131 of this Prospectus. |
| | Mrs. Sunita Pirogiwal is the Promoter and Whole Time Director of our Company. For further details, please refer to section titled "Our Management" beginning on page no 118 of this Prospectus.<br><br>Permanent Account Number: AKBPP4094N<br>Passport No.: J8186760<br>Aadhar No.: 268324574278<br>Driving license No.: NIL<br><br>For further details in relation to other ventures of Mrs. Sunita Pirogiwal, please refer to section titled "Group Entities of our Company" beginning on page no. 131 of this Prospectus. |
| | Ms. Tanvi Pirogiwal is the Promoter and Non-Executive Director of our Company. For further details, please refer to section titled "Our Management" beginning on page no. 118 of this Prospectus.<br><br>Permanent Account Number: CNUPP4771Q<br>Passport No: J7599454<br>Aadhar No: 284916745635<br>Driving license No: NIL<br><br>For further details in relation to other ventures of Ms. Tanvi Pirogiwal, please refer to section titled "Group Entities of our Company" beginning on page no 131 of this Prospectus. |

| | |
|---|---|
| No Photo | M/s. Rajesh Kumar Pirogiwal& Sons HUF<br><br>PAN No: AAIHR3813E<br><br>Date of Incorporation: 01/01/2004<br><br>Coparcener Details:<br>a. Mr. Rajesh Pirogiwal, Karta<br>b. Mrs. Sunita Pirogiwal, Member<br>c. Ms. Diksha Pirogiwal, Member<br>d. Ms. Tanvi Pirogiwal, Member<br>e. Mr. Khushal Pirogiwal, Member<br><br>For further details in relation to other ventures of M/s. Rajesh Kumar Pirogiwal & Sons HUF, please refer to section titled "Group Entities of our Company" beginning on page no 131 of this Prospectus. |

Our Company confirms that it will submit the details of the PAN, Bank Account Number, Passport, Driving License and Adhar Card of our Promoters to BSE at the time of filing the Final Prospectus.

**Interests of our Promoters**

Our Promoters are interested in our Company to the extent of their respective Equity shareholding in our Company and any dividend distribution that may be made by our Company in the future. For details pertaining to our Promoters' shareholding, please refer to section titled "Capital Structure" beginning on page no 51 of this Prospectus. Mr. Rajesh Pirogiwal and Mrs. Sunita Pirogiwal is also interested to the extent he is Director on our Board, as well as any remuneration of expenses payable to him. In addition, as on the date of this Prospectus, our Promoter, Mr. Rajesh Pirogiwal and Mrs. Sunita Pirogiwal receive remuneration and reimbursement of expenses payable to them from our Company. For further information on remuneration to the Executive Directors, please refer to section titled "Our Management" beginning on page no. 118 of this Prospectus.

Our Promoters have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

None of our Promoters or Group Entities have any interest in any property acquired by our Company within two (2) years of the date of this Prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building or supply of machinery except for Multi-Commodity Cold Storage of 5000 MT capacity along with Land of 6.22 acres purchased in April 2018.

**Interest of Promoters in Sales and Purchases**

There are no sales/purchases between our Company and our Group Entity other than as stated in the section titled "***Group Entities of our Company***". For further details, please refer to section titled "Financial Information - Related Party Transactions" beginning on page no. 135 of this Prospectus.

**Confirmations**

Our Company hereby confirms that:

None of our Promoters have been declared as a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoters in the past nor any pending against them.

None of our Promoters, Promoter Group or Directors or persons in control of our Company or bodies corporate forming part of our Promoter Group have been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

**Payment or benefits to the Promoters in the last two (2) years**

No payment or benefit has been made to the Promoters except as disclosed in the related party transaction. For further details, please refer to section titled "Financial Information - Related Party Transactions" beginning on page no. 158 of this Prospectus.

**Disassociation by the Promoters from entities in last three (3) years**

None of our Promoters of the Company have disassociated from any of the companies or firms in the last three (3) years.

**Litigation details pertaining to our Promoters**

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters please refer to section titled "Outstanding Litigations and Material Developments" beginning on page no. 173 of this Prospectus.

**Individual Promoter Group of our Promoters**

In addition to our Promoters named in above section, the following natural persons are part of our Promoter Group in terms of Regulation 2(1) (zb) of SEBI (ICDR) Regulations:

| Name of our Promoter | Name of the Relative | Relationship with the Relative |
|---|---|---|
| Mr. Rajesh Pirogiwal | Late Om Prakash Pirogiwal | Father |
| | Puspa Devi Pirogiwal | Mother |
| | Sunita Pirogiwal | Spouse |
| | Shiv Kumar Kedia | Spouse's Father |
| | Sumitra Devi Kedia | Spouse's Mother |
| | Sunil Kedia | Spouse's Brother |
| | Khushal Pirogiwal | Son |
| | Diksha Pirogiwal | Daughter |
| | Tanvi Pirogiwal | Daughter |
| Mrs. Sunita Pirogiwal | Shiv Kumar Kedia | Father |
| | Sumitra Devi Kedia | Mother |
| | Sunil Kedia | Brother |
| | Khushal Pirogiwal | Son |
| | Diksha Pirogiwal | Daughter |
| | Tanvi Pirogiwal | Daughter |
| | Rajesh Pirogiwal | Spouse |
| | Late Om Prakash Pirogiwal | Spouse's Father |
| | Puspa Devi Pirogiwal | Spouse's Mother |
| Ms. Tanvi Pirogiwal | Rajesh Pirogiwal | Father |
| | Sunita Pirogiwal | Mother |
| | Diksha Pirogiwal | Sister |
| | Khushal Pirogiwal | Brother |
| Rajesh Kumar Pirogiwal& Sons HUF | Rajesh Pirogiwal | Karta |
| | Sunita Pirogiwal | Spouse of Karta |
| | Khushal Pirogiwal | Son of Karta |
| | Diksha Pirogiwal | Daughter of Karta |
| | Tanvi Pirogiwal | Daughter of Karta |

**Promoter Group Entities of our Promoters**

Our Promoter Group entities in terms of Regulation 2(1) (zb) of SEBI (ICDR) Regulations are as follows:

1. **Ridhi Sidhi Vincom Limited.**
2. **Highreturn Marketing Limited.**
3. **Rajesh Kumar Pirogiwal& Sons HUF**

## Group Entities of Our Company

As per the SEBI ICDR Regulations, for the purpose of identification of Group Companies, our Company has considered Companies covered under the Accounting Standard 18 (including Associate Companies) as per Restated Standalone Financial Statements. Further, pursuant to a resolution of our Board dated July 27, 2018 for the purpose of disclosure in relation to Group Companies in connection with the issue, a company shall be considered material and disclosed as a Group Company if said Company is a member of the Promoter Group as per Regulation 2(zb) of SEBI(ICDR),2009 as amended and our Company has entered into one or more transactions with such Company in the financial year 2016, as the case may be, cumulatively exceeding 10% of total revenue of the Company for such financial year as per the audited financial statement.

Further, Board has determined that there are no other Companies connected to our Promoters or the Promoter Group which is material to our Company having regard to the value of the transactions that our Company has entered into in the last 5 years with that entity, and the limited dependence that our Company has on this related party from a business continuity perspective.

The details of our Group Companies are provided below:

**Ridhi Sidhi Vincom Limited:**

| | | | |
|---|---|---|---|
| Brief Description of Business | Trading in Timber products | | |
| Date of Incorporation | 20/11/2007 | | |
| CIN | U63000WB2007PLC120459 | | |
| Listing details | Unlisted | | |
| PAN | AADCR7892R | | |
| Registered Office Address | 11Sambhu Chatterjee Street 2nd Floor Kolkata-700007 | | |
| Board of Directors | **Name** | | **DIN** |
| | Rajesh Pirogiwal | | 01279323 |
| | Sunita Pirogiwal | | 01279325 |
| | Tanvi Pirogiwal | | 07757429 |
| Audited Financial Information (Rs. In Lakhs) | | | |
| | **2017** | **2016** | **2015** |
| Paid Up Equity Share Capital | 34,20,000 | 34,20,000 | 34,20,000 |
| Reserves and Surplus (excluding Revaluation Reserve and less Miscellaneous expense, if any) | 3,57,97,804 | 3,50,04,833 | 3,36,39,696 |
| Net worth | 3,92,17,804 | 3,84,24,833 | 3,70,59,696 |
| Income including other income and exceptional items | 19,51,53,713 | 18,84,36,724 | 18,03,43,788 |
| Profit/(Loss) after tax | 7,92,790 | 13,65,138 | 12,67,417 |
| Earnings per share (face value of Rs. 10/- each) | 2.32 | 3.99 | 3.71 |
| Net asset value per share (Rs.) | 114.67 | 102.35 | 108.36 |
| Highest Price in past six months | | | NA |
| Lowest price in last six months | | | NA |

Shareholding Pattern as on the date of the Prospectus is as follow:

| NAME OF SHAREHOLDER | NO OF SHARES | % |
|---|---|---|
| Rajesh Kumar Pirogiwal | 125000 | 36% |
| Rajesh Pirogiwal& Sons (HUF) | 47000 | 14% |
| Highreturn Marketing Limited | 170000 | 50% |
| **TOTAL** | **342000** | **100%** |

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

**Highreturn Marketing Limited**

| | | | |
|---|---|---|---|
| Brief Description of Business | Currently there is no activity in the Business.<br><br>As per MOA the main objects are:<br>To carry on the business as distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including cleaning agents, freight contractors, forwarding agents, licensing agents, general brokers and to carry any kind of commercial business. To carry on all of any of the business as export, import, retailer, buyers, sellers, suppliers, growers, processors, traders, merchants, indentures brokers, agents, assemblers, enterprise, stockist of goods and commodities of any kind to work as commission agents, brokers, contractors, processors order suppliers and dealing agents. | | |
| Date of Incorporation | 14.05.2015 | | |
| CIN | U51909WB2015PLC206345 | | |
| Listing details | Unlisted | | |
| PAN | AADCH6124Q | | |
| Registered Office Address | 11Sambhu Chatterjee Street 2nd Floor Kolkata-700007 | | |
| Board of Directors | **Name** | | **DIN** |
| | Rajesh Pirogiwal | | 01279323 |
| | Sunita Pirogiwal | | 01279325 |
| | Tanvi Pirogiwal | | 07757429 |
| Audited Financial Information (Rs. In Lakhs) | | | |
| | **2017** | **2016** | **2015** |
| Paid Up Equity Share Capital | 1,000,000 | 1,000,000 | - |
| Reserves and Surplus (excluding Revaluation Reserve and less Miscellaneous expense, if any) | (15,902) | (14,457) | - |
| Net worth | 984,098 | 985,543 | - |
| Income including other income and exceptional items | - | - | - |
| Profit/(Loss) after tax | (1,445) | (14,457) | - |
| Earnings per share (face value of Rs. 10/- each) | 0.01 | 0.14 | - |
| Net asset value per share (Rs.) | 9.84 | 9.85 | - |
| Highest Price in past six months | | | NA |
| Lowest price in last six months | | | NA |

Shareholding Pattern as on the date of the Prospectus is as follow:

| NAME OF SHAREHOLDER | NO OF SHARES | % |
|---|---|---|
| Rajesh Kumar Pirogiwal | 19,900 | 19.90 |
| Sunita Pirogiwal | 19,900 | 19.90 |
| Tanvi Pirogiwal | 19,900 | 19.90 |
| Rajesh Pirogiwal& Sons (HUF) | 19,900 | 19.90 |
| Diksha Pirogiwal | 19,900 | 19.90 |
| Kaushik Chowdhury | 100 | 0.10 |
| Vishal Agarwal (HUF) | 400 | 0.40 |
| **TOTAL** | **100,000** | **100%** |

**Related Party Transactions**

For details on related party transactions of our Company, please refer to Section titled, **Financial Information - Annexure 33.3- Related Party Transactions**, beginning on page 158 of this Prospectus.

## Dividend Policy

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our shareholders at their discretion, subject to the provision of the Articles of Association and the Companies Act. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements and overall financial position of our Company. In addition, our ability to pay dividends may be impacted by a number of other factors, including, restrictive covenants under the loan or financing documents that we may enter into from time to time. Our Company has no formal dividend policy. Our Board may also, from time to time, pay interim dividends.

Our Company has not declared any dividend on the Equity Shares in each of the Financial Years ended on March 31, 2014; 2015; 2016, 2017 & 2018 as per our Restated Financial Statements.

## SECTION VI: FINANCIAL INFORMATION

## AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENT

**To**
**The Board of Directors,**
DIKSHA GREENS LIMITED
11, Sambhu Chatterjee Street,
Kolkata-700 007

Dear Sirs,

**Report on Restated Financial Statement**

1. We have examined the attached Restated Statement of Assets and Liabilities of **DIKSHA GREENS LIMITED ("the Company")** as at 30th September 2018, 31st March 2018, 31st March 2017, 31st March 2016, 31st March 2015 and 31st March 2014, the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the financial year ended on 30th September 2018, 31st March 2018, 31st March 2017, 31st March 2016, 31st March 2015 and 31st March 2014 (collectively the "Restated Summary Statements" or Restated Financial Statements"). These Restated summary Statements have been prepared by the company and as approved by the Board of Directors of the company in connection with the Initial Public Offer (IPO) on the SME Platform of BSE Limited ("BSE").

2. These Restated Summary Statements has been prepared in accordance with the requirements of:

   i. Section 26 read with 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. Item (IX) of Part (B) of schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009, As amended (The "SEBI Regulation") issued by the SEBI.

   iii. The terms of reference to our engagements with the company requesting us to carry out the assignment, in connection with the Prospectus/Prospectus being issued by the Company for its proposed Initial Public Offer (IPO) of equity shares in SME Platform of BSE Limited ("IPO" of "SME IPO"): and

   iv. The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("Guidance Note").

   v. In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, AMK & Associates., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid Certificate No. 009747 dated 17.03.2017 issued by the "Peer Review Board" of the ICAI.

3. The Restated Summary Statements and Financial information of the Company have been extracted by the management from the Audited Financial Statements of the Company for the half year ended 30th September 2018 and for the financial year ended on 31st March 2018, 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014 which have been approved by the Board of Directors.

4. Financial Statements for the half year ended 30th September 2018 and for the financial year ended 31st March 2018, have been re-audited by us. We have not audited the standalone financial statements of the Issuer as of and for the financial years ended March 31, 2017, 2016, 2015 and 2014 which have been audited solely by M/s. M Raghunath & Co. (Chartered Accountants) in the capacity of Statutory Auditor of the Company (collectively, the "Historical Audited Financial Statements"). The Historical Audited Financial Statements and Current Audited Financial Statements are hereinafter collectively referred to as the "Audited Financial Statements".), and accordingly reliance has been placed on the financial information for the said years.

**A. Financial Information as per Audited Financial Statements:**

5. We have examined:

   a. The attached Restated Statements of Assets and Liabilities of the company, as at 30th September 2018, 31st March 2018, 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014 **(Annexure 1**);

   b. The attached Restated Statement of Profits and Losses of the company for the half year ended 30th September 2018 and for the financial years ended on 31st March 2018, 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014, (**Annexure 2**);

   c. The attached Restated Statement of Cash Flows of the company for the half year ended 30th September 2018 and for the financial years ended on 31st March 2018, 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014, (**Annexure 3**);

   d. The Significant Accounting Policies adopted by the company and notes to Restated Financial Statements along with adjustments on account of audit qualifications/ adjustments /regroupings. (**Annexure 4**);

6. 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 Statement of Assets and Liabilities" as set out in **Annexure 1** to this report, of the company as at 30th September 2018, 31st March2018, 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014 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 4** to this report.

   ii. The "Restated Statement of Profit and Loss" as set out in **Annexure 2** to this report, of the company for the half year ended on 30th September 2018, and for the financial year ended on 31st March 2018, 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014, 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 4** to this Report.

   iii. The "Restated Statement of Cash Flow "as set out in **Annexure 3** to this report, of the company for the half year ended on 30th September 2018, and for the financial years ended on 31st March 2018, 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014 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 the Restated Summary Statements as set out in **Annexure 4** 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 the Statutory Auditor of the Company for the half year ended on 30th September 2018, and for the financial years ended on 31st March 2018, 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014. We are of the opinion that **"Restated Financial Statements" or "Restated Summary Statements"** have been made after incorporating:

   a) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all reporting periods.

   b) Adjustments for any prior period material amounts in the respective financial years have been made to which they relate; and

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 4** 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 Financial Statements.

e) There is no change in accounting policies, which needs to be adjusted in the "Restated Financial Statements".

f) The company has not paid any dividend on its equity shares till 30th September 2018.

**B. Other Financial Information:**

7. We have also examined the following standalone financial information as set out in annexure prepared by the Management and as approved by the Board of directors of the company for the half year ended on 30th September 2018, and for the financial years ended on 31st March 2018, 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014.

| Sr. No. | Particulars | Annexure No. |
|---|---|---|
| 1 | Share Capital As Restated | 5 |
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| 6 | Trades Payable As Restated | 10 |
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| 9 | Tangible Assets As Restated | 13 |
| 10 | Intangible Assets As Restated | 13 |
| 11 | Capital Work in Progress As Restated | 13 |
| 12 | Deferred Tax Assets As Restated | 8 |
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| 15 | Other Non-Current Assets As Restated | 16 |
| 16 | Inventories As Restated | 17 |
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| 18 | Cash and Cash Equivalents As Restated | 19 |
| 19 | Balances with Bank other than cash As Restated | 20 |
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| 21 | Other Current Assets As Restated | 22 |
| 22 | Revenue from Operations As Restated | 23 |
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| 25 | Purchases of Stock-in Trade As Restated | 26 |
| 26 | Changes in Inventories of Finished Goods and Work in Progress As Restated | 27 |
| 27 | Employees Benefit Expenses As Restated | 28 |
| 28 | Finance Cost As Restated | 29 |
| 29 | Depreciation & Amortisation Expenses As Restated | 30 |
| 30 | Other Expenses As Restated | 31 |
| 31 | Earnings Per Share As Restated | 32 |
| 32 | Notes on Restated Financial Statements As Restated | 33 |
| 33 | Reconciliation of Restated Profit As Restated | 33.1 |
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| 37 | Summary of Accounting ratios As Restated | 34 |
| 38 | Tax Shelter Statement As Restated | 35 |
| 39 | Capitalization Statement As Restated | 36 |

8. The Restated Financial Information contain all the disclosures required by the Accounting Standards notified under the Companies Act, 2013 of India read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act.

9. We have not audited any financial statements of the company as of any date subsequent to September 30, 2018. 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 September 30, 2018.

10. 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.

11. In our opinion, the above financial information contained in **Annexure 1 to 3** and **Annexure 5 to 34** of this report read along with the restated statement of Significant Accounting Policies and Notes as set out in **Annexure 4** 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 you.

12. 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 a result of these regroupings and adjustments, the amount reported in the information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

13. The report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit report, nor should this construed as a new opinion on any of the financial statements referred to herein.

14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

15. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME - IPO for proposed Issue of Equity Shares of the company and our report should not be used, referred to or quoted for any other purpose without our written consent.

**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.

**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 30th September 2018, 31st March 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014;

b. In the case of the Restated Statement of Profit and Loss, of the profit of the Company for the half year ended on 30th September 2018, and for the financial years ended on 31st March 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014; and

c. In the case of the Restated Cash Flow Statement, of the cash flows of the Company for the half year ended on 30th September 2018, and for the financial years ended on 31st March 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014.

**For AMK & Associates**
Chartered Accountants
F.R.N.327817E

S/d-
Bhupendra Kumar Bhutia
Partner
Membership No. 059363

Date:06/11/2018
Place: Kolkata

**ANNEXURE 1: RESTATED BALANCE SHEET**

(Amt in Rs.)

| | Particulars | Annexure No. | As at | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
| **A** | **EQUITY AND LIABILITIES** | | | | | | | |
| **1** | **Shareholders' funds** | | | | | | | |
| | (a) Share capital | 5 | 5,42,72,900 | 49,33,900 | 49,33,900 | 49,33,900 | 49,33,900 | 52,34,000 |
| | (b) Reserves and surplus | 6 | 6,38,02,089 | 10,89,96,040 | 10,34,90,225 | 9,71,11,891 | 9,25,16,229 | 5,94,29,727 |
| | | | 11,80,74,989 | 11,39,29,940 | 10,84,24,125 | 10,20,45,791 | 9,74,50,129 | 6,46,63,727 |
| **2** | **Share application money pending allotment** | | - | - | - | - | - | - |
| **3** | **Non-current liabilities** | | | | | | | |
| | (a) Long-term borrowings | 7 | 5,25,00,000 | 48,41,000 | 38,41,000 | - | - | - |
| | (b) Defered Tax liability (Net) | 8 | - | 1,72,988 | 1,28,334 | - | - | 84,685 |
| | | | 5,25,00,000 | 50,13,988 | 39,69,334 | - | - | 84,685 |
| **4** | **Current liabilities** | | | | | | | |
| | (a) Short-term borrowings | 9 | 13,57,26,732 | 10,44,31,444 | 6,72,26,886 | 3,87,86,978 | 4,86,01,556 | 5,00,78,533 |
| | (b) Trade payables | 10 | 4,71,188 | 2,28,70,390 | 14,34,04,677 | 4,40,15,841 | 5,92,02,753 | 9,31,74,002 |
| | (c) Other current liabilities | 11 | 27,39,877 | 2,11,777 | 73,591 | 1,59,684 | 5,40,888 | 51,24,215 |
| | (d) Short-term provisions | 12 | - | - | - | - | - | 2,31,157 |
| | | | 13,89,37,797 | 12,75,13,611 | 21,07,05,154 | 8,29,62,503 | 10,83,45,197 | 14,86,07,907 |
| | **TOTAL (1+2+3+4)** | | **30,95,12,786** | **24,64,57,539** | **32,30,98,613** | **18,50,08,294** | **20,57,95,326** | **21,33,56,319** |
| **B** | **ASSETS** | | | | | | | |
| 1 | **Non-current assets** | | | | | | | |
| | (a) Fixed assets | 13 | | | | | | |
| | (i) Tangible assets | | 10,52,78,848 | 1,00,54,510 | 1,14,66,137 | 1,20,99,694 | 1,21,77,147 | 89,07,859 |
| | (ii) Intangible assets | | - | - | - | - | - | - |
| | (iii) Capital work-in-progress | | - | - | - | - | - | - |
| | | | 10,52,78,848 | 1,00,54,510 | 1,14,66,137 | 1,20,99,694 | 1,21,77,147 | 89,07,859 |
| | (b) Deferred tax assets (Net) | 8 | 2,22,028.00 | - | - | 94,823 | 48,497 | - |
| | (c) Non-current investments | 14 | - | - | - | 1,70,000 | 1,70,000 | - |
| | (d) Long-term loans and advances | 15 | 21,49,920 | 4,24,820 | 4,07,813 | 6,54,185 | 6,54,185 | 53,500 |
| | (e) Other non current assets | 16 | - | - | 1,00,00,000 | - | 49,89,453 | - |
| | | | 10,76,50,796 | 1,04,79,330 | 2,18,73,950 | 1,30,18,702 | 1,80,39,282 | 89,61,359 |
| **2** | **Current assets** | | | | | | | |
| | (a) Inventories | 17 | 11,53,21,584 | 10,22,84,404 | 10,49,36,339 | 7,50,81,950 | 14,61,52,505 | 14,18,48,450 |
| | (b) Trade receivables | 18 | 6,01,02,025 | 7,68,87,654 | 17,36,29,847 | 7,24,66,221 | 2,14,69,729 | 3,14,12,235 |
| | (c) Cash and cash equivalents | 19 | 2,12,818 | 8,30,109 | 34,37,258 | 2,36,818 | 7,76,111 | 10,68,361 |
| | (d) Balances with Bank other than (c) | 20 | 89,84,385 | 2,11,73,820 | 1,39,23,364 | 1,83,45,796 | 1,54,66,855 | 2,78,78,548 |
| | (e) Short-term loans and advances | 21 | 1,63,13,806 | 3,32,69,152 | 15,83,710 | 8,98,163 | 13,07,453 | - |
| | (f) Other current assets | 22 | 9,27,372 | 15,33,070 | 37,14,145 | 49,60,644 | 25,83,391 | 21,87,366 |
| | | | 20,18,61,990 | 23,59,78,209 | 30,12,24,663 | 17,19,89,592 | 18,77,56,044 | 20,43,94,960 |
| | **TOTAL (1+2)** | | **30,95,12,786** | **24,64,57,539** | **32,30,98,613** | **18,50,08,294** | **20,57,95,326** | **21,33,56,319** |

*Significant Accounting Policies* 4

*The accompanying notes 1 to 36 are an integral part of the Financial Statements*

| Annexure 2 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| RESTATED STATEMENT OF PROFIT & LOSS ACCOUNT | | | | | | | | |
| | | | | | | | | (Amt in Rs.) |
| Particulars | | Note No. | For the year ended | | | | | |
| | | | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
| | | | | | | | | |
| A | REVENUE | | | | | | | |
| 1 | Revenue from operations (gross) | 23 | 12,53,00,687 | 41,63,42,086 | 54,18,55,437 | 54,05,81,486 | 54,00,85,832 | 52,82,35,720 |
| 2 | Other income | 24 | 3,06,999 | 19,53,478 | 28,12,930 | 16,79,796 | 23,99,517 | 18,17,806 |
| 3 | **Total revenue (1+2)** | | **12,56,07,686** | **41,82,95,564** | **54,46,68,367** | **54,22,61,282** | **54,24,85,349** | **53,00,53,526** |
| B | **EXPENSES** | | | | | | | |
| | Cost of material consumed | 25 | 6,30,34,243 | 9,71,19,964 | 18,86,80,136 | 10,32,19,609 | 5,17,45,318 | 27,02,84,157 |
| | Purchase of stock-in-trade | 26 | 7,54,21,544 | 26,49,68,484 | 38,72,86,938 | 32,62,17,179 | 46,47,16,752 | 26,51,43,015 |
| | Changes in inventories of finished goods and work in progress | 27 | (3,49,88,463) | 2,18,47,102 | (5,79,44,665) | 8,07,02,090 | (1,05,78,192) | (3,88,71,885) |
| | Employee benefit expenses | 28 | 13,72,000 | 22,85,000 | 15,18,000 | 18,18,000 | 18,18,000 | 15,18,000 |
| | Finance Costs | 29 | 75,48,410 | 1,30,82,148 | 79,31,600 | 87,82,570 | 1,05,58,901 | 87,19,672 |
| | Depreciation and amortisation expense | 30 | 15,08,507 | 20,17,853 | 17,68,568 | 13,99,638 | 16,16,481 | 5,33,809 |
| | Other expenses | 31 | 63,29,267 | 88,20,725 | 66,19,481 | 1,34,65,271 | 1,67,48,024 | 1,71,06,191 |
| 4 | **Total expenses** | | **12,02,25,508** | **41,01,41,276** | **53,58,60,058** | **53,56,04,357** | **53,66,25,284** | **52,44,32,959** |
| | | | | | | | | |
| 5 | **Profit / (Loss) before tax ( 3-4)** | | **53,82,178** | **81,54,288** | **88,08,309** | **66,56,925** | **58,60,065** | **56,20,567** |
| 6 | **Tax expense:** | | | | | | | |
| | Current Tax | | 16,32,145 | 26,03,819 | 22,06,819 | 21,03,343 | 19,59,923 | 17,37,203 |
| | Defered Tax (Asset)/Liability | | (3,95,016) | 44,654 | 2,23,156 | (46,326) | (1,33,181) | 23,373 |
| | **Total Tax Expenses** | | **12,37,129** | **26,48,473** | **24,29,975** | **20,57,017** | **18,26,742** | **17,60,576** |
| | | | | | | | | |
| 7 | **Profit / (Loss) after tax (5-6)** | | **41,45,049** | **55,05,815** | **63,78,334** | **45,99,908** | **40,33,323** | **38,59,991** |
| | | | | | | | | |
| 8 | **Earnings per share (of Rs. 10/- each):** | 32 | | | | | | |
| | Basic | | 0.76 | 1.01 | 1.18 | 0.85 | 0.74 | 0.74 |
| | Diluted | | 0.76 | 1.01 | 1.18 | 0.85 | 0.74 | 0.74 |

*The accompanying notes 1 to 36 are an integral part of the Financial Statements*

| Annexure 3 | | | | | | |
|---|---|---|---|---|---|---|
| RESTATED CASH FLOW STATEMENT | | | | | | |
| | | | | | | (Amt. in Rs.) |
| PARTICULARS | For the Year Ended | | | | | |
| | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
| **A. Cash flow from operating activities :** | | | | | | |
| Profit/ (Loss) before tax | **53,82,178** | **81,54,288** | **88,08,309** | **66,56,925** | **58,60,065** | **56,20,567** |
| **Adjustments for :** | | | | | | |
| Depreciation & Amortisation | 15,08,507 | 20,17,853 | 17,68,568 | 13,99,638 | 16,16,481 | 5,33,809 |
| Finance Costs | 75,48,410 | 1,30,82,148 | 79,31,600 | 87,82,570 | 1,05,58,901 | 87,19,672 |
| Loss/(Profit) on Sale of Fixed Assets | 1,03,166 | (1,20,184) | (13,00,000) | - | - | - |
| Interest received | (2,29,249) | (15,05,047) | (15,12,930) | (16,79,796) | (23,99,517) | (18,17,806) |
| **Operating Profit before working capital changes** | **1,43,13,012** | **2,16,29,058** | **1,56,95,547** | **1,51,59,337** | **1,56,35,930** | **1,30,56,242** |
| **Adjustments for :-** | | | | | | |
| (Increase)/ Decrease in Inventories | (1,30,37,180) | 26,51,935 | (2,98,54,389) | 7,10,70,555 | (43,04,056) | (4,60,07,430) |
| (Increase)/Decrease in Trade Receivables | 1,67,85,629 | 9,67,42,193 | (10,11,63,626) | (5,09,96,492) | 99,42,506 | 3,26,48,229 |
| (Increase)/Decrease in Loans and Other Advances | 1,58,35,944 | (2,84,41,307) | 14,92,871 | (18,77,253) | (14,96,710) | (12,53,860) |
| Increase/(Decrease) in Trade Payables, Other Current Liabilities and Provisions | (1,98,71,102) | (12,03,96,101) | 9,93,02,743 | (1,55,68,116) | (3,85,54,576) | 3,52,11,109 |
| **Cash generated from operations** | **1,40,26,303** | **(2,78,14,222)** | **(1,45,26,854)** | **1,77,88,031** | **(1,87,76,906)** | **3,36,54,290** |
| Net Income Tax (paid) / refunds | (16,32,145) | (36,83,886) | (28,92,366) | (21,94,053) | (29,98,533) | (18,31,683) |
| **Net cash from operating activities (A)** | **1,23,94,158** | **(3,14,98,108)** | **(1,74,19,220)** | **1,55,93,978** | **(2,17,75,439)** | **3,18,22,607** |
| **B. Cash flow from investing activities :** | | | | | | |
| Acquisition of assets on account of merger scheme | - | - | - | - | 2,87,55,422 | - |
| Purchase of PPE | (9,70,36,022) | (8,86,042) | (41,35,010) | (13,26,431) | (48,90,454) | (19,52,000) |
| Sell of PPE | 2,00,011 | 4,00,000 | 43,00,000 | - | 2,342 | - |
| Sell / (Purchase) of Investments | - | - | 1,70,000 | - | (1,70,000) | - |
| Reedmption / (Investment) in Fixed Deposit | 1,21,89,435 | 27,49,544 | (55,77,568) | 21,10,512 | 74,22,240 | (87,80,820) |
| Interest Income | 2,29,249 | 15,05,047 | 15,12,930 | 16,79,796 | 23,99,517 | 18,17,806 |
| **Net Cash (used in) / from investing activities (B)** | **(8,44,17,327)** | **37,68,549** | **(37,29,648)** | **24,63,878** | **3,35,19,067** | **(89,15,014)** |
| **C. Cash flow from financing activities :** | | | | | | |
| Proceeds from Issue of Equity Shares | - | - | - | - | - | - |
| Net Increase / (Decrease) in Short Term & Long Term Borrowing | 7,89,54,288 | 3,82,04,558 | 3,22,80,908 | (98,14,578) | (14,76,977) | (1,53,20,512) |
| Finance Costs paid | (75,48,410) | (1,30,82,148) | (79,31,600) | (87,82,570) | (1,05,58,901) | (87,19,672) |
| **Net Cash used in financing activities ( C )** | **7,14,05,878** | **2,51,22,410** | **2,43,49,308** | **(1,85,97,148)** | **(1,20,35,878)** | **(2,40,40,184)** |
| **Net increase / (decrease) in cash and cash equivalents (A+B+C)** | **(6,17,291)** | **(26,07,149)** | **32,00,440** | **(5,39,293)** | **(2,92,250)** | **(11,32,591)** |
| Cash and cash equivalents (Opening Balance) | 8,30,109 | 34,37,258 | 2,36,818 | 7,76,111 | 10,68,361 | 22,00,952 |
| **Cash and cash equivalents(Closing Balance)** | **2,12,818** | **8,30,109** | **34,37,258** | **2,36,818** | **7,76,111** | **10,68,361** |
| | | | | | | |
| **Components of Cash & Cash Equivalent** | | | | | | |
| a) Cash in Hand | 2,12,818 | 8,16,610 | 34,17,657 | 1,73,214 | 4,89,644 | 4,37,000 |
| b) Balance with Banks | | | | | | |
| In Current Account | - | 13,499 | 19,601 | 63,604 | 2,86,467 | 6,31,361 |
| **Cash and cash equivalents(Closing Balance)** | **2,12,818** | **8,30,109** | **34,37,258** | **2,36,818** | **7,76,111** | **10,68,361** |

**The Cash Flow has been prepared under Indirect method as per Accounting Standard -3 "Cash Flow Statements" .**

**ANNEXURE: 4** SIGNIFICANT ACCOUNTING POLICIES

**RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

**SIGNIFICANT ACCOUNTING POLICIES:**

**1. CORPORATE INFORMATION:**

DIKSHA GREENS LIMITED was Incorporated on July 21, 2004 as a Private Limited company under the Companies Act, 1956, at Registrar of Companies, Kolkata and converted from a Private limited company to a Public limited company vide fresh Certificate of Incorporation given by the Ministry of Corporate Affairs on 06.02.2018. The Company is engaged in trading of wooden logs & manufacturing of sawn timber &veneer timber.

**2. Basis of Preparation of Financial Statements:**

The restated summary statement of assets and liabilities of the Company as at September 30, 2018, March 31,2018, 2017, 2016, 2015 and 2014 and the related restated summary statement of profits and loss and restated summary statement of cash flows for the financial year ended on September 30, 2018, March 31, 2018, 2017, 2016, 2015 and 2014 (herein collectively referred to as ('restated summary statements') have been compiled by the management from the audited financial statements of the Company for the financial year ended on September 30, 2018, March 31 2018, 2017, 2016, 2015 and 2014, approved by the Board of Directors of the Company. The restated summary statements have been prepared to comply in all material respects with the provisions of sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014; The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI") and Guidance note on reports in Companies Prospectus (Revised). The restated summary statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated summary statements.

All assets and liabilities have been classified as current and non-current as per company's normal operating cycle and other criteria as set out in Schedule III to the Companies Act 2013. The company has ascertained its operating cycle as twelve months for the purpose of current and non-current classifications of assets & liabilities.

**Presentation and disclosure of financial statements**

With the effect from 1st April 2014, Schedule III notified under the Act, has become applicable to the company for the preparation and presentation of its financial statements. Accordingly, previous year's figures have been regrouped/reclassified wherever applicable. Appropriate reclassification/regrouping have been made in the Restated Standalone Financial information wherever required, to corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company and the requirement of SEBI Regulations. The financial statements are prepared in Indian rupees round off to the nearest rupee.

**3. Use of Estimates**

The preparation of the financial statements is in conformity with Generally Accepted Accounting principles require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the reported amounts of income and expenses during the year. Actual results may differ from those estimates. Difference between the actual results and the estimates are recognised in the year in which the results become known/ materialise.

**4. Revenue Recognition**

Revenue from operations are recognized when there is certainty as to measurability and ultimate collectability.

- Sales of goods
  Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer and the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- Interest
  Interest Income is recognized on the time proportion basis taking into account the amount outstanding and the rate applicable.
- Insurance and Other Claims
  Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof

**5. Employees benefits**

- Short term Employee Benefits:

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

**6. Property, Plant and Equipment (AS 10)**

Land is carried at cost. All others items of Property, Plant and Equipment are stated at cost, less accumulated depreciation. Cost comprises non-refundable taxes, duties, freight, borrowing costs and other incidental expenses related to the acquisition and installation of the respective assets. The same is in compliance with AS-10 to the extent applicable.

**Depreciation and Amortisation**
Depreciation on fixed assets is calculated on a WDV basis based on the rates prescribed under the Schedule XIV to the Companies Act 1956, up to March 31, 2014. During the year ended March 31, 2015, pursuant to Companies Act, 2013 applicable from April 1,2014, management evaluated the estimates of useful lives of its fixed assets as per the requirements of Schedule II of the Companies Act, 2013 and depreciation has been provided as per WDV basis in accordance therewith.

**7. Impairment of Assets (AS 28):**

The company reviews the carrying amount of cash generating units / assets at reporting date to determine whether there is any indication of impairment. If such indication exists the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

**8. Intangible Assets (AS 26):**

Intangible Assets are recognised at consideration paid for acquisition and other direct costs that can be directly attributed or allocated on a reasonable and consistent basis. Intangible assets are stated at cost less accumulated amount of amortization.

**9. Inventories**

Inventories are valued at lower of cost or net realizable value. The cost includes cost of purchase, duties and taxes (to the extent not recoverable) and other costs incurred in bringing the inventories to their present location and condition. The cost of the various items of inventories are computed as under:

- Raw materials and stores and spares are valued at cost plus direct expenses and method of valuation is first in first out (FIFO).
- Work-in-Progress are valued at raw material cost plus conversion costs depending upon the stage of completion.
- Finished Goods are valued at raw material cost plus conversion costs, packing cost, and other overheads incurred to bring the goods to their present location and condition and method of valuation is first in first out (FIFO).

**10. Foreign Currency Transaction:**

- **Functional and Presentation currency**
  The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupee.

- **Transaction and balances**

  The foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

  The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise.

**11. Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease under which the risks and rewards incidental to ownership are not transferred to lessee is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term.

**12. Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**13. Earnings per Share**

- Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- Diluted earnings per share is computed by taking into account weighted average number of equity shares outstanding during the period and the weighted average number of equity shares which would be issued on conversion of all the dilutive potential equity shares into equity shares.

**14. Income Taxes**

Provision for tax is made for current and deferred taxes. Current tax is determined as the amount of tax payable in respect of taxable income for the period using the applicable tax rates under the tax laws.
Deferred tax is recognized on timing difference, being the difference between taxable income and accounting income, that originates in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent years are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets other than in respect of carried forward losses or unabsorbed depreciation are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized.
Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**15. Provisions, Contingent Liabilities and Contingent Assets**

- Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- A disclosure for a contingent liability is also 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 in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- Contingent Assets are neither recognized nor disclosed in the financial statements.

**16. Cash and Cash Equivalents**

The Cash Flow Statement is prepared by indirect method set in Accounting Standard-3 on cash flow statement and presents the cash flows by Operating, Investing and Finance activities of the company. Cash and cash equivalents presented in cash flow consists of cash in hand, cheques in hand, bank balances. The same is incompliance with AS-3 to the extent applicable.

**Annexure 5 : Share Capital As Restated**

**5.1 :Share Capital**

| Particulars | As at 30-09-2018 | | As at 31-03-2018 | | As at 31-03-2017 | | As at 31-03-2016 | | As at 31-03-2015 | | As at 31-03-2014 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. |
| (a)**Authorised**<br>Ordinary Equity Shares of Rs. 10/- each* | 1,10,00,000 | 11,00,00,000 | 18,60,000 | 1,86,00,000 | 18,60,000 | 1,86,00,000 | 18,60,000 | 1,86,00,000 | 18,60,000 | 1,86,00,000 | 7,50,000 | 75,00,000 |
| (b)**Issued, Subscribed & Paid Up**Ordinary Equity Shares of Rs. 10/- each* | 54,27,290 | 5,42,72,900 | 4,93,390 | 49,33,900 | 4,93,390 | 49,33,900 | 1,98,400 | 19,84,000 | 1,98,400 | 19,84,000 | 5,23,400 | 52,34,000 |
| (c)**Share Capital Suspense**<br>Ordinary Equity Shares of Rs. 10/- each | - | - | - | - | - | - | 2,94,990 | 29,49,900 | 2,94,990 | 29,49,900 | - | - |
| **Total** | **54,27,290** | **5,42,72,900** | **4,93,390** | **49,33,900** | **4,93,390** | **49,33,900** | **4,93,390** | **49,33,900** | **4,93,390** | **49,33,900** | **5,23,400** | **52,34,000** |

**5.2 : Reconciliation of number of Ordinary shares outstanding**

| Particulars | As at 30-09-2018 | | As at 31-03-2018 | | As at 31-03-2017 | | As at 31-03-2016 | | As at 31-03-2015 | | As at 31-03-2014 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. |
| **Shares Outstanding at the beginning of the period** | 4,93,390 | 49,33,900 | 4,93,390 | 49,33,900 | 1,98,400 | 19,84,000 | 1,98,400 | 19,84,000 | 5,23,400 | 52,34,000 | 5,23,400 | 52,34,000 |
| **Add** : Shares issued during the year* | 49,33,900 | 4,93,39,000 | - | - | - | - | - | - | - | - | - | - |
| : Shares issued in pursuant to arrangement scheme* | - | - | - | - | 2,94,990 | 29,49,900 | - | - | - | - | - | - |
| **Less** : Shares cancelled in pursuant to arrangement scheme* | - | - | - | - | - | - | - | - | 3,25,000 | 32,50,000 | - | - |
| **Shares Outstanding at the end of the year** | **54,27,290** | **5,42,72,900** | **4,93,390** | **49,33,900** | **4,93,390** | **49,33,900** | **1,98,400** | **19,84,000** | **1,98,400** | **19,84,000** | **5,23,400** | **52,34,000** |

*** Notes: -**

(a) Pursuant to scheme of amalgamation erstwhile Diksha Exim Private Limited and Wizard Vincom Private Limited stands amalgamated with the company w.e.f. 01.04.2014 as approved by the Honorable Calcutta High Court vide order no CP No. 237 of 2015 dated 15.05.2015. In terms of the said scheme all the Assets & Liabilities of the erstwhile transferor companies were transferred to & vested in the company w.e.f. 01.04.2014 at their respective book value. The effect for the same have been given in these accounts & in consonance with Accounting Policies followed by the transferee company.

(b) All the Assets and Liabilities of Transferor Companies have been recorded in these accounts at their respective book values. Excess of Assets taken over and above the Liabilities and Share Capital issued to the shareholders of erstwhile transferor companies has been credited to Securities premium account amounting to Rs. 2,07,00,000/- and Amalgamation Reserve amounting to Rs 2,90,55,522/- in terms of scheme as approved by the Shareholders.

(c) Pursuant to scheme as referred to in (a) above, the authorised share capital of Transferor companies have been amalgamated with the company and increased from Rs. 75,00,000/- to Rs. /-1,86,00,000.

(d) Pursuant to scheme referred to in (a), 2,94,550 Nos. of Equity Shares of Rs. 10/- were allotted to the shareholders of Diksha Exim Private Limited & 440 Nos. of Equity Shares of Rs. 10/- each were allotted to the shareholders of Wizard Vincom Private Limited as on 15-03-2017.

(e) The Company has issued and allotted 49,33,900 fully paid-up bonus shares of face value Rs.10/- each during the half year ended September 30, 2018 as on July 11, 2018, pursuant to issue was approved by board meeting dated June 15, 2018 an by Shareholders in EGM dated July 10,2018.

(f) The Company has increase it authorised share capital by 91,40,000 nos. shares of face value Rs.10/- each during the half year ended September 30, 2018 as on June 21, 2018, pursuant to issue was approved by board meeting dated May 4, 2018 and by shareholder in EGM dated June 4, 2018

**5.3 Terms / rights attached to equity shares As Restated :**
**:**

-The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

-The final dividend declared, if any, is subject to the approval of the members in the Annual General Meeting.

-In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company In proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

**5.4 Shareholders holding more than 5% of the Ordinary Shares in the Company**
**:**

| Particulars | As at 30-09-2018 | | As at 31-03-2018 | | As at 31-03-2017 | | As at 31-03-2016 | | As at 31-03-2015 | | As at 31-03-2014 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | No of Shares | % | No of Shares | % | No of Shares | % | No of Shares | % | No of Shares | % | No of Shares | % |
| Rajesh Kumar Pirogiwal | 96549 | 20% | 96549 | 20% | 126549 | 26% | 124900 | 24% | 124900 | 24% | 124900 | 24% |
| Sunita Pirogiwal | 40149 | 8% | 40149 | 8% | 40149 | 8% | 38500 | 7% | 38500 | 7% | 38500 | 7% |
| Rajesh Pirogiwal & Sons HUF | 35000 | 7% | 35000 | 7% | 35000 | 7% | 35000 | 7% | 35000 | 7% | 35000 | 7% |
| Wizard Vincom Pvt Ltd | - | - | - | - | - | - | - | - | - | - | 95000 | 18% |
| Diksha Exim Pvt. Ltd. | - | - | - | - | - | - | - | - | - | - | 230000 | 44% |
| Ridhi Sidhi Vincom Pvt Ltd | 244814 | 50% | 244814 | 50% | 244814 | 50% | - | - | - | - | - | - |
| High return marketing Ltd | 46878 | 10% | 46878 | 10% | 46878 | 10% | - | - | - | - | - | - |

| Annexure 6 : Reserves & Surplus As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| **6.1 : Securities Premium Reserve** | | | | | | |
| Balance as at the beginning of the year | 4,62,06,000 | 4,62,06,000 | 4,62,06,000 | 4,62,06,000 | 4,62,06,000 | 4,62,06,000 |
| Add: Addition during the year (Pursuant to scheme of Amalgamation)* | - | - | - | - | 2,07,00,000 | - |
| Less: Cancelled during the year (Pursuant to scheme of Amalgamation)* | - | - | - | - | 2,07,00,000 | - |
| Less: Utilised for issue of bonus shares | 4,62,06,000 | - | - | - | - | - |
| **Balance as at the end of the year** | **-** | **4,62,06,000** | **4,62,06,000** | **4,62,06,000** | **4,62,06,000** | **4,62,06,000** |
| **6.2 : Capital Reserve** | | | | | | |
| Balance as at the beginning of the year* | 2,90,55,522 | 2,90,55,522 | 2,90,55,522 | 2,90,55,522 | - | - |
| Add: Addition during the year | - | - | - | - | 2,90,55,522 | - |
| **Balance as at the end of the year** | **2,90,55,522** | **2,90,55,522** | **2,90,55,522** | **2,90,55,522** | **2,90,55,522** | **-** |
| **6.3 : Surplus in Statement of Profit and Loss** | | | | | | |
| Balance as at the beginning of the year | 3,37,34,518 | 2,82,28,703 | 2,18,50,369 | 1,72,50,461 | 1,32,21,384 | 93,63,736 |
| Less: Utilised for issue of bonus shares | 31,33,000 | - | - | - | - | - |
| Add: Profit for the year | 41,45,049 | 55,05,815 | 63,78,334 | 45,99,908 | 40,33,323 | 38,59,991 |
| **Balance as at the end of the year** | **3,47,46,567** | **3,37,34,518** | **2,82,28,703** | **2,18,50,369** | **1,72,54,707** | **1,32,23,727** |
| **Total ( 6.1 + 6.2+6.3 )** | **6,38,02,089** | **10,89,96,040** | **10,34,90,225** | **9,71,11,891** | **9,25,16,229** | **5,94,29,727** |

*** For details, Refer Annexure 5**

| Annexure 7 : Long Term Borrowings As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| Loan Repayable on Demand | | | | | | |
| Unsecured Loan - From Directors | - | 48,41,000 | 38,41,000 | - | - | - |
| Secured Loan from -From PSB | | | | | | |
| Term Loan | 5,25,00,000 | | | | | |
| **Total** | **5,25,00,000** | **48,41,000** | **38,41,000** | **-** | **-** | **-** |

| Annexure 8 : Deferred Tax (Assets) / Liability As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| Opening | 1,72,988 | 1,28,334 | (94,823) | (48,497) | 84,685 | - |
| Created during the year | (3,95,016) | 44,654 | 2,23,157 | (46,326) | (1,33,182) | 84,685 |
| **Deferred Tax Asset/Liabilities (Total)** | **-2,22,028** | **1,72,988** | **1,28,334** | **-94,823** | **-48,497** | **84,685** |

| Annexure 9 : Short Term Borrowings As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| **Secured** | | | | | | |
| From Banks | | | | | | |
| - CC A/c | 5,93,97,242 | 4,83,77,202 | 5,72,59,073 | 3,87,86,978 | 4,86,01,556 | 5,00,78,533 |
| -Others | 7,63,29,490 | 5,60,54,242 | 99,67,813 | - | - | - |
| **Total** | **13,57,26,732** | **10,44,31,444** | **6,72,26,886** | **3,87,86,978** | **4,86,01,556** | **5,00,78,533** |

| Annexure 10 : Trade Payables As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| **10.1: From Micro, Small & Medium** | - | - | - | - | - | - |
| **10.2: Others** | | | | | | |
| For - Materials/Supplies: | | | | | | |
| Domestic purchase | 3,56,588 | 2,26,49,093 | 14,10,19,120 | 4,04,95,278 | 5,89,93,887 | 9,20,97,574 |
| **Total (10.2)** | 3,56,588 | 2,26,49,093 | 14,10,19,120 | 4,04,95,278 | 5,89,93,887 | 9,20,97,574 |
| For - Services | 1,14,600 | 53,100 | 57,000 | 57,000 | 57,000 | 44,944 |
| For- Expenses & Others | - | 1,68,197 | 23,28,557 | 34,63,563 | 1,51,866 | 10,31,484 |
| **Total ( 10.1 + 10.2 )** | **4,71,188** | **2,28,70,390** | **14,34,04,677** | **4,40,15,841** | **5,92,02,753** | **9,31,74,002** |

| Annexure 11 : Other Current Liabilities As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| **11.1: Current Maturities of Long Term Debt** | | | | | | |
| a) Rupee Term Loans From NBFC | | | | | | |
| Principal | - | - | - | - | - | 21,75,419 |
| Interest Accrued And Due | - | - | - | - | - | - |
| Interest Accrued But Not Due | - | - | - | - | - | - |
| **Total (a)** | - | - | - | - | - | 21,75,419 |
| **11.2: Other Payables** | | | | | | |
| a) Advances from Customers | 24,26,892.00 | - | - | - | 1,69,771.00 | 23,69,803.00 |
| b)Liabilities for Expenses | | | | | | |
| Salaries & Wages | 2,79,000 | 1,00,000 | - | - | - | - |
| c)Statutory Dues Payable | | | | | | |
| CST & VAT | - | - | 1,000 | 34,684 | 1,36,615 | 4,55,311 |
| Tax Deducted at Source | 33,985 | 1,11,777 | 72,591 | 53,000 | 54,502 | 1,23,682 |
| d)Other Payables | - | - | - | 72,000 | 1,80,000 | - |
| **Total (a+b+c+d+e)** | 27,39,877 | 2,11,777 | 73,591 | 1,59,684 | 5,40,888 | 29,48,796 |
| **Total ( 11.1 +11.2)** | **27,39,877** | **2,11,777** | **73,591** | **1,59,684** | **5,40,888** | **51,24,215** |

| Annexure 12 : Short - Term Provisions As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| Provision for taxation | 55,34,046 | 39,01,901 | 1,08,47,120 | 86,40,301 | 65,36,958 | 45,77,035 |
| Less: Income Tax Paid (Refer Annexure : 21) | 55,34,046 | 39,01,901 | 1,08,47,120 | 86,40,301 | 65,36,958 | 43,45,878 |
| **Total** | - | - | - | - | - | **2,31,157** |

**Annexure 13: FIXED ASSETS AS RESTATED**

| Particulars | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
|---|---|---|---|---|---|---|
| **Tangible Assets** | | | | | | |
| **Land** | | | | | | |
| Opening Block | 6,31,070 | 6,31,070 | 36,31,070 | 36,31,070 | 36,31,070 | 36,31,070 |
| Addition | - | - | - | - | - | - |
| Deletion | - | - | 30,00,000 | - | - | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Net Block** | **6,31,070** | **6,31,070** | **6,31,070** | **36,31,070** | **36,31,070** | **36,31,070** |
| **Cold Storage** | | | | | | |
| Opening Block | - | - | - | - | - | - |
| Addition* | 9,70,04,991 | - | - | - | - | - |
| Deletion | - | - | - | - | - | - |
| Gross Block | 9,70,04,991 | - | - | - | - | - |
| Less : Accumulated Depreciation | - | - | - | - | - | - |
| **Net Block** | **9,70,04,991** | - | - | - | - | - |
| **Factory Shed** | | | | | | |
| Opening Block | 55,66,371 | 55,66,371 | 55,66,371 | 55,03,371 | 39,04,510 | 39,04,510 |
| Addition | - | - | - | 63,000 | 15,98,861 | - |
| Deletion | - | - | - | | - | - |
| Gross Block | 55,66,371 | 55,66,371 | 55,66,371 | 55,66,371 | 55,03,371 | 39,04,510 |
| Less : Accumulated Depreciation | 33,04,745 | 30,65,243 | 27,93,842 | 25,03,911 | 21,86,430 | 18,39,594 |
| **Net Block** | **22,61,626** | **25,01,128** | **27,72,529** | **30,62,460** | **33,16,941** | **20,64,916** |
| **Office Building** | | | | | | |
| Opening | 12,68,250 | 12,68,250 | 12,68,250 | 12,68,250 | 12,68,250 | 12,68,250 |
| Addition | - | - | - | - | - | - |
| Deletion | - | - | - | - | - | - |
| Gross Block | 12,68,250 | 12,68,250 | 12,68,250 | 12,68,250 | 12,68,250 | 12,68,250 |
| Less : Accumulated Depreciation | 7,79,493 | 7,17,491 | 6,45,522 | 5,68,558 | 4,82,080 | 3,84,917 |
| **Net Block** | **4,88,757** | **5,50,759** | **6,22,728** | **6,99,692** | **7,86,170** | **8,83,333** |
| **Air Conditioner** | | | | | | |
| Opening | 32,300 | 32,300 | 32,300 | 32,300 | 32,300 | 32,300 |
| Addition | - | - | - | - | - | - |
| Deletion | - | - | - | - | - | - |
| Gross Block | 32,300 | 32,300 | 32,300 | 32,300 | 32,300 | 32,300 |
| Less : Accumulated Depreciation | 23,989 | 21,979 | 19,309 | 16,319 | 12,641 | 8,117 |
| **Net Block** | **8,311** | **10,321** | **12,991** | **15,981** | **19,659** | **24,183** |
| **Computers** | | | | | | |
| Opening | 1,57,119 | 1,57,119 | 1,31,619 | 1,01,694 | 1,04,036 | 1,04,036 |
| Addition | - | - | 25,500 | 29,925 | - | - |
| Deletion | - | - | - | - | 2,342 | - |
| Gross Block | 1,57,119 | 1,57,119 | 1,57,119 | 1,31,619 | 1,01,694 | 1,04,036 |
| Less : Accumulated Depreciation | 1,48,531 | 1,45,324 | 1,21,343 | 1,08,092 | 95,715 | 79,731 |
| **Net Block** | **8,588** | **11,795** | **35,776** | **23,527** | **5,979** | **24,305** |
| **Electrical Equipments** | | | | | | |
| Opening | 55,077 | - | - | - | - | - |
| Addition | - | 55,077 | - | - | - | - |
| Deletion | - | - | - | - | - | - |
| Gross Block | 55,077 | 55,077 | - | - | - | - |
| Less : Accumulated Depreciation | 25,723 | 15,237 | - | - | - | - |
| **Net Block** | **29,354** | **39,840** | - | - | - | - |
| **Electrical Fitting** | | | | | | |
| Opening | 3,79,818 | 3,79,818 | 1,23,318 | 1,23,318 | 1,23,318 | 1,23,318 |
| Addition | - | - | 2,56,500 | - | - | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| Deletion | - | - | - | - | - | - |
| Gross Block | 3,79,818 | 3,79,818 | 3,79,818 | 1,23,318 | 1,23,318 | 1,23,318 |
| Less : Accumulated Depreciation | 2,54,644 | 2,10,168 | 1,44,529 | 1,14,230 | 1,06,760 | 93,150 |
| **Net Block** | **1,25,174** | **1,69,650** | **2,35,289** | **9,088** | **16,558** | **30,168** |
| **Plant & Machinary** | | | | | | |
| Opening | 1,07,91,437 | 1,03,01,026 | 64,48,016 | 52,14,510 | 19,25,260 | 6,73,260 |
| Addition | 31,031 | 8,30,965 | 38,53,010 | 12,33,506 | 32,89,250 | 12,52,000 |
| Deletion | 4,55,000 | 3,40,554 | - | - | - | - |
| Gross Block | 1,03,67,468 | 1,07,91,437 | 1,03,01,026 | 64,48,016 | 52,14,510 | 19,25,260 |
| Less : Accumulated Depreciation | 57,71,528 | 48,14,636 | 33,81,146 | 21,23,827 | 13,24,960 | 4,53,894 |
| **Net Block** | **45,95,940** | **59,76,801** | **69,19,880** | **43,24,189** | **38,89,550** | **14,71,366** |
| **Motor Car** | | | | | | |
| Opening | 16,68,978 | 16,68,978 | 16,68,978 | 16,68,978 | 16,68,978 | 9,68,978 |
| Addition | - | - | - | - | - | 7,00,000 |
| Deletion | - | - | - | - | - | - |
| Gross Block | 16,68,978 | 16,68,978 | 16,68,978 | 16,68,978 | 16,68,978 | 16,68,978 |
| Less : Accumulated Depreciation | 15,45,420 | 15,07,369 | 14,34,649 | 13,37,090 | 11,73,616 | 9,10,225 |
| **Net Block** | **1,23,558** | **1,61,609** | **2,34,329** | **3,31,888** | **4,95,362** | **7,58,753** |
| **Office Equipment** | | | | | | |
| Opening | 32,600 | 32,600 | 32,600 | 32,600 | 32,600 | 32,600 |
| Addition | - | - | - | - | - | - |
| Deletion | - | - | - | - | - | - |
| Gross Block | 32,600 | 32,600 | 32,600 | 32,600 | 32,600 | 32,600 |
| Less : Accumulated Depreciation | 31,120 | 31,063 | 31,055 | 30,800 | 16,742 | 12,835 |
| **Net Block** | **1,480** | **1,537** | **1,545** | **1,800** | **15,858** | **19,765** |
| | | | | | | |
| **Total Tangible Assets (Net Block)** | **10,52,78,849** | **1,00,54,510** | **1,14,66,137** | **1,20,99,694** | **1,21,77,147** | **89,07,859** |
| | | | | | | |
| **Total Assets (Net Block)** | **10,52,78,849** | **1,00,54,510** | **1,14,66,137** | **1,20,99,694** | **1,21,77,147** | **89,07,859** |

During the year ended March 31, 2015, pursuant to Companies Act, 2013 applicable from April 1,2014, management evaluated the estimates of useful lives of its fixed assets as per the requirements of Schedule II of the Companies Act, 2013 and depreciation has been provided as per WDV basis in accordance therewith." Due to change in evaluation or estimates during the financial year ended March, 2015, the company has recorded extra Rs. 1,11,405.00 on account of depreciation, due to which profit is reduced by Rs. 1,11,405.00

*Value of building is not identifiable from the total purchase cost of Cold Storage. Accordingly depreciation has not been charged/provided on the building during the half year ended 30.09.2018

**Annexure 14 : Non-Current Investments As Restated**

| Particulars | As at | | | | | |
|---|---|---|---|---|---|---|
| | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
| **Investment in Equity Instruments (Non Trade):** | | | | | | |
| Investment in unquoted equity shares | - | - | - | 1,70,000 | 1,70,000 | - |
| Investment in Gold | - | - | 1,59,000 | - | - | - |
| **Total** | **-** | **-** | **1,59,000** | **1,70,000** | **1,70,000** | **-** |

**Annexure 15 : Long-term loans and advances As Restated**

| Particulars | As at | | | | | |
|---|---|---|---|---|---|---|
| | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
| Security deposits | 21,49,920 | 4,24,820 | 4,07,813 | 6,54,185 | 6,54,185 | 53,500 |
| **Total** | **21,49,920** | **4,24,820** | **4,07,813** | **6,54,185** | **6,54,185** | **53,500** |

| Annexure 16 : Other Non Current Assets As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| Bank Deposits (due to mature after 12 months from the reporting date) | - | - | 1,00,00,000 | - | 49,89,453 | - |
| Refer Note no. 20 **Total** | **-** | **-** | **1,00,00,000** | **-** | **49,89,453** | **-** |

| Annexure 17 : Inventories As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| Raw Materials | - | 2,19,51,283 | 27,56,116 | 3,08,46,392 | 2,12,14,857 | 2,74,88,994 |
| Stock In Trade | 11,76,765 | 5,91,75,615 | 8,66,24,748 | 4,38,71,834 | 12,49,37,648 | 11,43,59,456 |
| Finished Goods | 11,41,44,819 | 2,11,57,506 | 1,55,55,475 | 3,63,724 | - | - |
| **Total** | **11,53,21,584** | **10,22,84,404** | **10,49,36,339** | **7,50,81,950** | **14,61,52,505** | **14,18,48,450** |

| Annexure 18 : Trade receivables As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| 18.1Trade Receivables outstanding for a period exceeding six months from the date they are due for payment | 5,49,59,817 | 5,38,94,819 | - | - | - | - |
| 18.2Others | 51,42,208 | 2,29,92,835 | 17,36,29,847 | 7,24,66,221 | 2,14,69,729 | 3,14,12,235 |
| 18.3**Gross Trade Receivables** Total (18.1 + 18.2) | 6,01,02,025 | 7,68,87,654 | 17,36,29,847 | 7,24,66,221 | 2,14,69,729 | 3,14,12,235 |
| 18.4Less : Provision for doubtful Trade Receivables | - | - | - | - | - | - |
| **Net Trade Receivables Total (18.3 - 18.4)** | **6,01,02,025** | **7,68,87,654** | **17,36,29,847** | **7,24,66,221** | **2,14,69,729** | **3,14,12,235** |
| **Classification of Trade Receivables** | | | | | | |
| Unsecured, considered good | 6,01,02,025 | 7,68,87,654 | 17,36,29,847 | 7,24,66,221 | 2,14,69,729 | 3,14,12,235 |
| Doubtful | - | - | - | - | - | - |
| **Gross Trade Receivables** | **6,01,02,025** | **7,68,87,654** | **17,36,29,847** | **7,24,66,221** | **2,14,69,729** | **3,14,12,235** |

| Annexure 19 : Cash and cash equivalents As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| 19.1Cash in hand (as certified by the Management) | 2,12,818 | 8,16,610 | 34,17,657 | 1,73,214 | 4,89,644.00 | 4,37,000 |
| 19.2Balance with banks | | | | | | |
| in Current Account | - | 13,499 | 19,601 | 63,604 | 2,86,467.00 | 6,31,361 |
| **Total (19.1 + 19.2)** | **2,12,818** | **8,30,109** | **34,37,258** | **2,36,818** | **7,76,111** | **10,68,361** |

| Annexure 20 : Balances With Bank other than Annexure 18.2 As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| **Balances with Banks** | | | | | | |
| In Term Deposit Account | 89,84,385 | 2,11,73,820 | 1,39,23,364 | 1,83,45,796 | 1,54,66,855 | 2,78,78,548 |
| (Under lien for facilities enjoyed from bank) | **89,84,385** | **2,11,73,820** | **1,39,23,364** | **1,83,45,796** | **1,54,66,855** | **2,78,78,548** |
| **Details of Bank balances/Deposits** | | | | | | |
| Bank deposits due to mature within 12 months of reporting date included under "Other Bank Balances" Refer Annexure-20 | 89,84,385 | 2,11,73,820 | 1,39,23,364 | 1,83,45,796 | 1,54,66,855 | 2,78,78,548 |
| Bank deposits due to mature after 12 months of reporting date included under "Other Non Current Assets" Refer Annexure- | - | - | 1,00,00,000 | - | 49,89,453 | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| 16 | | | | | | |

| Annexure 21 : Short-term loans and advances As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| 21.1Balances with government authorities | | | | | | |
| Unsecured, considered good | | | | | | |
| (a)Income Tax Paid (including TDS & TCS Receivables) Net off Provisions | | | | | | |
| Advance Tax | 82,94,411 | 62,76,421 | 1,13,73,926 | 86,17,519 | 65,91,399 | 38,50,019 |
| TCS Receivable | - | - | - | - | - | - |
| TDS Receivables | 2,89,257 | 2,89,257 | 10,56,904 | 9,20,945 | 7,53,012 | 4,95,859 |
| | 85,83,668 | 65,65,678 | 1,24,30,830 | 95,38,464 | 73,44,411 | 43,45,878 |
| Less: Provisions for Income Tax (Refer Annexure : 12.1) | 55,34,046 | 39,01,901 | 1,08,47,120 | 86,40,301 | 65,36,958 | 43,45,878 |
| Total (a) | 30,49,622 | 26,63,777 | 15,83,710 | 8,98,163 | 8,07,453 | - |
| (b)GST Input Balance | 1,10,193 | 9,05,375 | - | - | - | - |
| VAT Input Balance | - | - | - | - | 5,00,000 | - |
| Total (a+b) | 31,59,815 | 35,69,152 | 15,83,710 | 8,98,163 | 13,07,453 | - |
| 21.2Capital Advance | - | 2,95,00,000 | - | - | - | - |
| 21.3Other Advance | 1,31,53,991 | 2,00,000 | - | - | - | - |
| **Total (21.1+21.2)** | **1,63,13,806** | **3,32,69,152** | **15,83,710** | **8,98,163** | **13,07,453** | **-** |

| Annexure 22 : Other Current Assets As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **As at** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| Prepaid Expenses | - | - | - | - | 10,191 | 43,413 |
| Interest Accrued on Fixed Deposits | 8,21,662 | 8,21,662 | 3,03,864 | 10,95,252 | 24,35,587 | 21,03,953 |
| Other Receivables | 1,05,710 | 7,11,408 | 34,10,281 | 38,65,392 | 1,37,613 | 40,000 |
| | **9,27,372** | **15,33,070** | **37,14,145** | **49,60,644** | **25,83,391** | **21,87,366** |

| Annexure 23 : Revenue from operations As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **For the Year Ended** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| **Gross Sales** | | | | | | |
| a. Sale of Goods | | | | | | |
| **Export** | | | | | | |
| - Finished Products | - | 19,27,903 | - | - | - | - |
| **Domestic** | | | | | | |
| - Finished Products | 3,25,53,862 | 9,80,54,199 | 8,70,43,785 | 9,07,87,756 | 5,96,57,780 | 14,50,26,566 |
| -Raw Material | 9,07,94,954 | 31,61,95,221 | 45,43,24,822 | 44,91,66,054 | 48,00,77,667 | 38,20,45,037 |
| - Others | 3,03,573 | 1,64,763 | 4,86,830 | 6,27,676 | 3,50,385 | 11,64,117 |
| b.Sale of Services | | | | | | |
| -Rent from Cold Storage | 16,48,298 | - | - | - | - | - |
| **Total Gross Sales (a+b)** | **12,53,00,687** | **41,63,42,086** | **54,18,55,437** | **54,05,81,486** | **54,00,85,832** | **52,82,35,720** |

| Annexure 24 : Other income As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **For the Half Year Ended** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| Interest Income | 2,29,249 | 15,05,047 | 15,12,930 | 16,79,796 | 23,99,517 | 18,17,806 |
| Insurance Claim Received | - | 3,28,247 | - | - | - | - |
| Profit on sale of Land | - | - | 13,00,000 | | | |
| Profit on sale of Fixed Assets | - | 1,20,184 | - | - | - | - |
| Balances written off | 77,750 | - | | | | |
| **Total** | **3,06,999** | **19,53,478** | **28,12,930** | **16,79,796** | **23,99,517** | **18,17,806** |

| Annexure 25 : Cost of materials consumed As Restated: | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **For the Year Ended** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| 25.1Inventories at the beginning of the year | 2,19,51,283 | 27,56,116 | 3,08,46,392 | 2,12,14,857 | 2,74,88,994 | 2,03,53,448 |
| Add: Purchases | 4,10,82,960 | 11,63,15,131 | 16,05,89,860 | 11,28,51,144 | 4,54,71,181 | 27,74,19,703 |
| | 6,30,34,243 | 11,90,71,247 | 19,14,36,252 | 13,40,66,001 | 7,29,60,175 | 29,77,73,151 |
| Less: Inventories at the end of the year | - | 2,19,51,283 | 27,56,116 | 3,08,46,392 | 2,12,14,857 | 2,74,88,994 |
| **Cost of Materials Consumed Total (25.1)** | **6,30,34,243** | **9,71,19,964** | **18,86,80,136** | **10,32,19,609** | **5,17,45,318** | **27,02,84,157** |
| 25.2Details of Material Consumed | | | | | | |
| Wooden Logs | 6,30,34,243 | 9,71,19,964 | 18,86,80,136 | 10,32,19,609 | 5,17,45,318 | 27,02,84,157 |
| **Total (25.2)** | **6,30,34,243** | **9,71,19,964** | **18,86,80,136** | **10,32,19,609** | **5,17,45,318** | **27,02,84,157** |
| 25.3Details of Closing Stock of Materials | | | | | | |
| Wooden Logs | - | 2,19,51,283 | 27,56,116 | 3,08,46,392 | 2,12,14,857 | 2,74,88,994 |
| **Total (25.3)** | **-** | **2,19,51,283** | **27,56,116** | **3,08,46,392** | **2,12,14,857** | **2,74,88,994** |

| Annexure 26 : Purchase of Stock in Trade As Restated: | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **For the Year Ended** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| Wooden Logs | 7,54,21,544 | 26,49,68,484 | 38,72,86,938 | 32,62,17,179 | 46,47,16,752 | 26,51,43,015 |
| **Total** | **7,54,21,544** | **26,49,68,484** | **38,72,86,938** | **32,62,17,179** | **46,47,16,752** | **26,51,43,015** |

| Annexure 27 : Changes in inventories of finished goods, work-in-progress and Stock in Trade As Restated | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **For the Year Ended** | | | | | |
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| **27.1Change in Finished Goods** | | | | | | |
| Opening Stock of Finished Goods: | 2,11,57,506 | 1,55,55,475 | 3,63,724 | - | - | - |
| Less : Closing Stock of Finished Goods: | 11,41,44,819 | 2,11,57,506 | 1,55,55,475 | 3,63,724.00 | - | - |
| **Total (27.1)** | **(9,29,87,313)** | **(56,02,031)** | **(1,51,91,751)** | **(3,63,724)** | **-** | **-** |
| Details of Closing Stock of Finished Goods | | | | | | |
| Sawn Timber | **7,47,87,723** | **1,71,52,542** | **1,00,48,607** | **-** | **-** | **-** |
| Veneer Timber | **3,93,57,096** | **40,04,964** | **55,06,867** | **3,63,724.00** | **-** | **-** |
| | **11,41,44,819** | **2,11,57,506** | **1,55,55,474** | **3,63,724** | **-** | **-** |
| **27.2Changes in Stock in Trade** | | | | | | |
| Opening Stock in Trade: | 5,91,75,615 | 8,66,24,748 | 4,38,71,834 | 12,49,37,648.00 | 11,43,59,456 | 7,54,87,571 |
| Less : Closing Stock in Trade: | 11,76,765 | 5,91,75,615 | 8,66,24,748 | 4,38,71,834.00 | 12,49,37,648 | 11,43,59,456 |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Total (27.2)** | **5,79,98,850** | **2,74,49,133** | **(4,27,52,914)** | **8,10,65,814.00** | **(1,05,78,192)** | **(3,88,71,885)** |
| **Total (27.1 + 27.2)** | **(3,49,88,463)** | **2,18,47,102** | **(5,79,44,665)** | **8,07,02,090.00** | **(1,05,78,192)** | **(3,88,71,885)** |
| Details of Closing Stock in Trade Goods | | | | | | |
| Wooden Logs | **11,76,765** | **5,91,75,615** | **8,66,24,748** | **4,38,71,834.00** | **12,49,37,648** | **11,43,59,456** |

**Annexure 28 : Employee Benefit Expenses As Restated**

| Particulars | For the Year Ended | | | | | |
|---|---|---|---|---|---|---|
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| Salaries & Wages | 13,72,000 | 22,85,000 | 15,18,000 | 18,18,000 | 18,18,000 | 15,18,000 |
| **Total** | **13,72,000** | **22,85,000** | **15,18,000** | **18,18,000** | **18,18,000** | **15,18,000** |

**Annexure 29 : Finance Costs As Restated**

| Particulars | For the Year Ended | | | | | |
|---|---|---|---|---|---|---|
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| **Interest Expense** | | | | | | |
| -Banks | 28,95,728 | 1,03,40,996 | 63,90,286 | 61,41,820 | 73,94,558 | 62,92,500 |
| -Term Loan | 23,02,717 | - | - | - | - | - |
| **Finance Charges** | 23,49,965 | 27,41,152 | 15,41,314 | 26,40,750 | 31,64,343 | 24,27,172 |
| **Total** | **75,48,410** | **1,30,82,148** | **79,31,600** | **87,82,570** | **1,05,58,901** | **87,19,672** |

**Annexure 30 : Depreciation and Amortisation Expenses As Restated**

| Particulars | For the Year Ended | | | | | |
|---|---|---|---|---|---|---|
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| Depreciation | 15,08,507 | 20,17,853 | 17,68,568 | 13,99,638 | 16,16,481 | 5,33,809 |
| **Total** | **15,08,507** | **20,17,853** | **17,68,568** | **13,99,638** | **16,16,481** | **5,33,809** |

**Annexure 31 : Other Expenses As Restated**

| Particulars | For the Year Ended | | | | | |
|---|---|---|---|---|---|---|
| | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| (a)Power & Fuel | 5,05,837 | 10,42,549 | 11,78,257 | 10,31,413 | 3,80,099 | 3,76,731 |
| (b)Rent-Office | 23,436 | 41,211 | 39,504 | 39,296 | 34,500 | 30,000 |
| (c)Repair & Maintenance-Factory | 3,67,060 | 1,97,672 | 1,74,449 | 1,91,575 | 14,562 | 1,57,553 |
| (d)Insurance | 1,77,932 | 2,18,144 | 2,51,576 | 3,25,115 | 3,75,661 | 4,61,073 |
| (e)Rates, Taxes, excluding taxes on income | 1,05,172 | 6,30,281 | 4,80,943 | 3,82,443 | 2,75,816 | 1,05,493 |
| (f)Manufacturing Expenses | 10,45,013 | 22,50,199 | 15,37,933 | 14,06,233 | 6,03,688 | 4,28,558 |
| (g)Miscellaneous Expenses | | | | | | |
| Accounting Charges | 13,500 | 27,000 | 29,750 | 32,500 | 27,000 | 27,000 |
| Carriage Inward/Outward | 6,80,299 | 15,96,853 | 16,82,030 | 9,71,857 | 6,46,600 | 5,70,100 |
| Conveyance Expenses | 21,660 | 44,306 | 27,777 | 45,702 | 17,505 | 35,961 |
| Custodial Fees | 42,500 | - | - | - | - | - |
| Discount Allowed | - | - | - | 50,209 | - | - |
| Donation Expenses | - | 1,500 | - | - | 4,500 | 12,000 |
| Foreign Exchange Fluctuation Loss/(Gain) | 14,59,026 | 3,68,011 | -45,70,046 | 12,04,161 | 18,82,941 | -1,85,174 |
| Freight, Customs, Clearing & Forwarding | 5,07,764 | 8,82,162 | 49,94,621 | 64,75,926 | 1,14,90,989 | 1,41,18,854 |
| Filing Fees | 6,85,500 | 13,300 | 1,200 | 14,200 | 2,000 | 22,000 |
| General Expenses | 33,765 | 69,978 | 23,707 | 30,081 | 19,595 | 35,310 |
| Legal Charges | 41,001 | 92,009 | 8,002 | 68,293 | - | - |
| Loss on Sale of Fixed Asset | 1,03,166 | - | - | - | - | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| Professional & Consultancy Charges | 47,500 | 1,77,200 | 1,12,240 | 2,97,674 | 83,550 | 1,61,787 |
| Membership & Subscription fees | 10,000 | - | 5,750 | 10,270 | 20,259 | 5,115 |
| Office Maintenance Expenses | 19,275 | 30,880 | 30,668 | 28,064 | 15,928 | 50,144 |
| Postage & Courier | 5,160 | 8,920 | 5,195 | 5,971 | 4,695 | 4,775 |
| Printing & Stationery | 33,832 | 40,983 | 25,900 | 26,051 | 39,982 | 29,269 |
| Sundry Balance Written off | 23 | 7,516 | 913 | -5 | -8 | -233 |
| Telephone & Internet Expenses | 6,750 | 12,583 | 16,227 | 16,602 | 17,078 | 17,797 |
| Travelling Expenses (incld. Foreign Travelling ) | 3,36,597 | 9,31,799 | 4,13,567 | 6,64,101 | 6,35,320 | 4,71,897 |
| Motor Car Expenses | 7,500 | 76,669 | 92,318 | 90,540 | 98,764 | 1,29,731 |
| (i) Payment to Auditors | | | | | | |
| - For Statutory Audit | 50,000 | 41,300 | 39,900 | 39,900 | 39,900 | 28,090 |
| - For Tax Audit | - | 17,700 | 17,100 | 17,100 | 17,100 | 12,360 |
| **Total** | **63,29,267** | **88,20,725** | **66,19,481** | **1,34,65,271** | **1,67,48,024** | **1,71,06,191** |

**Annexure 32 : Earnings per share**

| Particulars | | Calculation | For the Year Ended | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | **30-09-2018** | **31-03-2018** | **31-03-2017** | **31-03-2016** | **31-03-2015** | **31-03-2014** |
| a) | Basic Earning per share | Restated PAT attributable to Equity Shareholders | 41,45,049 | 55,05,815 | 63,78,334 | 45,99,908 | 40,33,323 | 38,59,991 |
| | | Weighted Average Number of Equity Shares outstanding | 54,27,290 | 4,93,390 | 4,93,390 | 4,93,390 | 4,93,390 | 5,23,400 |
| | | Basic Earnings Per Share of Rs. 10/- each fully paid up (Pre Bonus) | 8.40 | 11.16 | 12.93 | 9.32 | 8.17 | 7.37 |
| | | Basic Earnings Per Share of Rs. 10/- each fully paid up (Post Bonus) | 0.76 | 1.01 | 1.18 | 0.85 | 0.74 | 0.74 |
| | | | | | | | | |
| b) | Diluted Earning per share | Restated PAT attributable to Equity Shareholders | 41,45,049 | 55,05,815 | 63,78,334 | 45,99,908 | 40,33,323 | 38,59,991 |
| | | Weighted Average Number of Equity Shares outstanding | 54,27,290 | 4,93,390 | 4,93,390 | 4,93,390 | 4,93,390 | 5,23,400 |
| | | Basic Earnings Per Share of Rs. 10/- each fully paid up (Pre Bonus) | 8.40 | 11.16 | 12.93 | 9.32 | 8.17 | 7.37 |
| | | Basic Earnings Per Share of Rs. 10/- each fully paid up (Post Bonus) | 0.76 | 1.01 | 1.18 | 0.85 | 0.74 | 0.74 |

## ANNEXURE 33: NOTES ON RESTATED FINANCIAL STATEMENTS AS RESTATED

**33.1 Reconciliation of Restated Profit**

The summary of results of restatement made to the audited financial statements for the respective years and its impact on the profit / (loss) of the Company is as bellow : -

| Particulars | As At | | | | | |
|---|---|---|---|---|---|---|
| | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
| **A) Net profit/(loss) as per audited statement of profit & loss** | **41,45,049** | **54,76,964** | **63,78,153** | **45,95,505** | **39,90,903** | **38,47,194** |
| **B) Adjustments** | | | | | | |
| Adjustment for Depreciation | - | - | - | 4,246 | 2,343 | - |
| Excess/Short Provision for Income Tax* | - | 28,850 | 181 | 157 | 40,077 | 12,797 |
| **Restated Net Profit** | **41,45,049** | **55,05,814** | **63,78,334** | **45,99,908** | **40,33,323** | **38,59,991** |

***Amounts relating to the Prior Period have been adjusted in the year to with the same is related.***

## 33.2 MATERIAL REGROUPINGS:-

### Note on Material Regrouping

W.e.f, April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable to the Company from April 1, 2011, for preparation and presentation of its financial statements. The adoption of Schedule III / Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. The Company has reclassified the figures for the previous financial year ended March 31, 2013 and March 31, 2014 in accordance with the requirements of Schedule III. Appropriate adjustments have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the year ended March 31, 2018, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

## ANNEXURE 33.3: RELATED PARTY TRANSACTIONS

***(i) List of related parties :***

**Key Management Personnel:**

- Rajesh Kumar Pirogiwal — Whole-time director
- Sunita Pirogiwal — Whole-time director

| Sl. No. | Name of the Company/ LLP/Individual | Relationship |
|---|---|---|
| 1 | Rajesh Kumar Pirogiwal | Whole-time director |
| 2 | Sunita Pirogiwal | Whole-time director |
| 3 | Rajesh Kumar Pirogiwal & Sons HUF | Karta is WTD in the Co. |

**(ii) Related Party Transactions :**

**For Half Year Ended September 30, 2018**

| Sl. No. | Name of the party | Nature of Relation | Nature of Transaction | Opening Balance Receivable | Opening Balance Payable | Credit | Debit | (Payable)/ Receivable |
|---|---|---|---|---|---|---|---|---|
| | | | | As on 01-04-18 | | | | As on 30-09-2018 |
| 1 | Rajesh Kumar Pirogiwal | Whole-time director | Salary | - | - | 4,00,000 | 5,00,000 | (1,00,000) |
| 2 | Rajesh Kumar Pirogiwal | Whole-time director | Loan/Advances | - | 36,91,000 | 36,91,000 | - | - |
| 3 | Sunita Pirogiwal | Whole-time director | Salary | - | - | 2,00,000 | 2,00,000 | - |
| 4 | Sunita Pirogiwal | Whole-time director | Loan/Advances | - | 11,50,000 | 11,50,000 | - | - |
| 5 | Rajesh Kumar Pirogiwal & Sons HUF | Karta is WTD in the Co. | Loan/Advances | - | - | - | - | - |

*Note : Loan/Advances from director is Interest Free.

**For the Financial year ended 2017-18**

| Sl. No. | Name of the party | Nature of Relation | Nature of Transaction | Opening Balance Receivable | Opening Balance Payable | Credit | Debit | (Payable)/ Receivable |
|---|---|---|---|---|---|---|---|---|
| | | | | As on 01-04-17 | | | | As on 31-03-18 |
| 1 | Rajesh Kumar Pirogiwal | Whole-time director | Salary | - | - | 600,000 | 600,000 | - |
| 2 | Rajesh Kumar Pirogiwal | Whole-time director | Loan/Advances | - | 2,841,000 | 300,000 | 1,150,000 | (3,691,000) |
| 3 | Sunita Pirogiwal | Whole-time director | Salary | - | - | 600,000 | 600,000 | - |
| 4 | Sunita Pirogiwal | Whole-time director | Loan/Advances | - | 650,000 | | 500,000 | (1,150,000) |
| 5 | Rajesh Kumar Pirogiwal & Sons HUF | Karta is WTD in the Co. | Loan/Advances | - | 350,000 | 850,000 | 500,000 | - |

*Note: Loan/Advances from director is Interest Free.

**For the Financial year ended 2016-17**

| Sl. No. | Name of the party | Nature of Relation | Nature of Transaction | Opening Balance Receivable | Opening Balance Payable | Credit | Debit | (Payable)/ Receivable |
|---|---|---|---|---|---|---|---|---|
| | | | | As on 01-04-16 | | | | As on 31-03-17 |
| 1 | Rajesh Kumar Pirogiwal | Whole-time director | Salary | - | - | 400,000 | 400,000 | - |
| 2 | Rajesh Kumar Pirogiwal | Whole-time director | Loan/Advances | - | - | 159,000 | 3,000,000 | (2,841,000) |
| 3 | Sunita Pirogiwal | Whole-time director | Salary | - | - | 500,000 | 500,000 | - |
| 4 | Sunita Pirogiwal | Whole-time director | Loan/Advances | - | - | - | 650,000 | (650,000) |
| 5 | Rajesh Kumar Pirogiwal & Sons HUF | Karta is WTD in the Co. | Loan/Advances | - | - | - | 350,000 | (350,000) |

*Note: Loan/Advances from director is Interest Free.

**For the Financial year ended 2015-16**

| Sl. No. | Name of the party | Nature of Relation | Nature of Transaction | Opening Balance Receivable | Opening Balance Payable | Credit | Debit | (Payable) / Receivable |
|---|---|---|---|---|---|---|---|---|
| | | | | As on 01-04-15 | | | | As on 31-03-16 |
| 1 | Rajesh Kumar Pirogiwal | Whole-time director | Salary | 60,000 | - | 605,000 | 665,000 | - |
| 2 | Rajesh Kumar Pirogiwal | Whole-time director | Loan/Advances | | 100,000 | 3,800,000 | 3,700,000 | - |
| 3 | Sunita Pirogiwal | Whole-time director | Salary | 25,000 | - | 465,000 | 490,000 | - |
| 4 | Sunita Pirogiwal | Whole-time director | Loan/Advances | - | 165,000 | 4,665,000 | 4,500,000 | - |

*Note: Loan/Advances from director is Interest Free.

**For the Financial year ended 2014-15**

| | Name of the party | Nature of Relation | Nature of Transaction | Opening Balance Receivable Payable | Credit | | Debit | (Payable)/ Receivable |
|---|---|---|---|---|---|---|---|---|
| | | | | As on 01-04-14 | | | | As on 31-03-15 |
| 1 | Rajesh Kumar Pirogiwal | Whole-time director | Salary | 30,000 | - | 1,370,000 | 1,340,000 | 60,000 |
| 2 | Rajesh Kumar Pirogiwal | Whole-time director | Loan/Advances | - | - | 50,000 | 150,000 | (100,000) |
| 3 | Sunita Pirogiwal | Whole-time director | Salary | 10,000 | - | 990,000 | 975,000 | 25,000 |
| 4 | Sunita Pirogiwal | Whole-time director | Loan/Advances | - | - | | 165,000 | (165,000) |

*Note : Loan/Advances from director is Interest Free

**For the Financial year ended 2013-14**

| Sl.No. | Name of the party | Nature of Relation | Nature of Transaction | Opening Balance Receivable Payable | | Credit | Debit | (Payable)/ Receivable |
|---|---|---|---|---|---|---|---|---|
| | | | | As on 01-04-13 | | | | As on 31-03-14 |
| 1 | Rajesh Kumar Pirogiwal | Whole-time director | Salary | - | - | 530,000 | 500,000 | 30,000 |
| 2 | Sunita Pirogiwal | Whole-time director | Salary | - | - | 410,000 | 400,000 | 10,000 |
| 3 | Diksha Exim Pvt Ltd | Associate Company | Loan/Advances | - | 5,500,000 | 47,600,000 | 42,100,000 | - |

*Note: Loan/Advances from director is Interest Free

**33.4 OTHER NOTES: -**

a) The company has converted from a Private limited company to a Public limited company vide fresh Certificate of Incorporation given by the Ministry of Corporate Affairs on 06.02.2018

b) **Contingent liabilities and Commitments**

| Particulars | As At | | | | | |
|---|---|---|---|---|---|---|
| | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
| **A) Contingent Liabilities** | | | | | | |
| Claims against the company not acknowledged as Debts | | | | | | |
| 1)Income Tax * | 75,66,968 | 75,66,968 | 94,10,710 | 1,02,31,710 | 47,49,490 | - |

*Claims net off refunds and self assessment tax

a) The company had received an Demand Order dated 29/02/2016 for AY 2011-12 under section 147/143(3) of the Income Tax Act,1961, of Rs. 54,73,220/-, against which as on 29/04/2016, an appeal has been filed by assessee before CIT (A). The company has already paid Rs. 1095644/- against the demand order. The matter is still pending before the concerned authorities.

b) The company had received an Demand Order dated 03/02/2015 for AY 2012-13, under Section 143(3) of the Income Tax Act, 1961, of Rs. 57,50,490/-, against which as on 03/03/2015, an Appeal has been filed before the CIT (A) which is dismissed by CIT (A) by leter date 16/08/2017. Assessee has filed an appeal to Appellate Tribunal as on 30/10/2017 against the order of CIT(A). The company has already paid Rs. 25,61,098/- against the demand order. The matter is still pending before the concerned authorities.

**B) Capital Commitments**

| Particulars | As at | | | | | |
|---|---|---|---|---|---|---|
| | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
| Capital Commitments | - | 1,11,68,000 | - | - | - | - |

c) **Disclosure under Accounting Standard 15:**

Provisions related to "The Payment of Gratuity Act, 1972" is not applicable to the company.

d) **Micro, Small & Medium Enterprises Development Act, 2006:**

As per the explanation given by the management, the company owes no dues to any company/entity that are required to be furnished u/s 22 of the Micro Small and Medium Enterprise. This has been relied upon by the auditors.

e) **Segment Reporting**

The company operates in single reportable business segment of trading of wooden logs & manufacturing of sawn timber & vinner timber.

f) Figures have been rounded off to the nearest rupee.

**ANNEXURE 34: SUMMARY OF ACCOUNTING RATIOS**

| S. No. | Particulars | Calculation | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
|---|---|---|---|---|---|---|---|---|
| 1 | Basic Earning per share | Restated PAT attributable to Equity Shareholders | 41,45,049 | 55,05,815 | 63,78,334 | 45,99,908 | 40,33,323 | 38,59,991 |
| | | Weighted Average Number of Equity Shares outstanding | 54,27,290 | 4,93,390 | 4,93,390 | 4,93,390 | 4,93,390 | 5,23,400 |
| | | **Basic Earnings Per Share (Pre Bonus)** | **8.40** | **11.16** | **12.93** | **9.32** | **7.71** | **7.82** |
| | | **Basic Earnings Per Share (Post Bonus)** | **0.76** | **1.01** | **1.18** | **0.85** | **0.74** | **0.74** |
| 2 | Net Asset Value per equity share | ASSETS* | 30,92,90,758 | 24,64,57,539 | 32,30,98,613 | 18,49,13,471 | 20,57,46,829 | 21,33,56,319 |
| | | LIABILITIES* | 19,14,37,797 | 13,23,54,611 | 21,45,46,154 | 8,29,62,503 | 10,83,45,197 | 14,86,07,907 |
| | | Net Asset value (Assets-Liability) | 11,78,52,961 | 11,41,02,928 | 10,85,52,459 | 10,19,50,968 | 9,74,01,632 | 6,47,48,412 |
| | | Weighted Average Number of Equity Shares outstanding | 54,27,290 | 4,93,390 | 4,93,390 | 4,93,390 | 4,93,390 | 5,23,400 |
| | | **Net Asset Value per equity share (Post Bonus)** | **21.71** | **21.02** | **20.00** | **18.78** | **17.95** | **12.37** |
| 3 | Return on Net Worth | Restated PAT attributable to Equity Shareholders | 41,45,049 | 55,05,815 | 63,78,334 | 45,99,908 | 40,33,323 | 38,59,991 |
| | | EQUITY SHARE CAPITAL+RESERVES AND SURPLUS** | 11,80,74,989 | 11,39,29,940 | 10,84,24,125 | 10,20,45,791 | 9,74,50,129 | 6,46,63,727 |
| | | **Ratio** | **3.51%** | **4.83%** | **5.88%** | **4.51%** | **4.14%** | **5.97%** |

*** Assets & Liability exclude Deferred Tax Assets & Deferred Tax Liability respectively.**

****Reserve & Surplus exclude Revaluation Reserve**

**Annexure 35: Tax Shelter Statement**

| Particulars | | For the Year Ended | | | | |
|---|---|---|---|---|---|---|
| | 30-09-2018 | 31-03-2018 | 31-03-2017 | 31-03-2016 | 31-03-2015 | 31-03-2014 |
| **Profit before tax as per Restated P/L (A)** | **53,82,178** | **81,54,288** | **88,08,309** | **66,56,925** | **58,60,065** | **56,20,567** |
| | | | | | | |
| Normal Corporate Tax Rate | 26.00% | 30.90% | 30.90% | 30.90% | 30.90% | 30.90% |
| Special Tax Rates | 20.60% | 20.60% | 20.60% | - | - | - |
| Minimum Alternate Tax | 19.05% | 19.05% | 19.05% | 19.05% | 19.05% | 19.05% |
| **Adjustments** | | | | | | |
| **Permanent Difference (B)** | | | | | | |
| Expenses Disallowed under Income Tax Act, 1961 | | | | | | |
| Disallowance u/s 36 (i) (vii) | - | 2,18,144 | | | | |
| Disallowance u/s 37 | - | 1,500 | | | | 20,000 |
| **Total Permanent Difference (B)** | **-** | **2,19,644** | **-** | **-** | **-** | **20,000** |
| **Timing Difference (C)** | | | | | | |
| Depreciation as per Books | 15,08,507 | 20,17,853 | 17,68,568 | 13,99,638 | 16,18,824 | 5,33,809 |
| Depreciation as per IT Act | 6,13,208 | 16,26,861 | 24,90,758 | 12,53,957 | 11,87,819 | 6,09,448 |
| Disallowance u/s 43 B | - | - | - | - | - | - |
| **Total Timing Difference (C)** | **8,95,299** | **3,90,992** | **(7,22,190)** | **1,45,681** | **4,31,005** | **(75,639)** |
| **Net Adjustment (D) = (B) + (C)** | 8,95,299 | 6,10,636 | (7,22,190) | 1,45,681 | 4,31,005 | (55,639) |
| Tax Expense/ (saving) thereon Tax Expense /(saving) thereon | 2,32,778 | 1,88,687 | (2,23,157) | 45,015 | 1,33,181 | (17,192) |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Income taxable with special tax rates (E)** | - | 1,20,184 | 13,00,000 | - | - | - |
| **Exempt Income (F)** | - | - | - | - | - | - |
| **Total Taxable Income/(loss) G=(A+D-E-F)** | **62,77,477** | **86,44,740** | **67,86,119** | **68,02,606** | **62,91,070** | **55,64,928** |
| **Brought Forward Loss Set Off** | - | - | - | - | - | - |
| Ordinary Business Loss | - | - | - | - | - | - |
| Total Loss set off **(H)** | - | - | - | - | - | - |
| **Adjusted Taxable Income/(loss) (G-H)** | **62,77,477** | **86,44,740** | **67,86,119** | **68,02,606** | **62,91,070** | **55,64,928** |
| **Tax as per Normal Provision** | **16,32,144** | **26,71,225** | **20,96,911** | **21,02,005** | **19,43,941** | **17,19,563** |
| **Tax as per Special Tax Rates** | **-** | **-** | **69,779** | **-** | **-** | **-** |
| **Total Tax under Normal Provision** | **16,32,144** | **26,71,225** | **21,66,690** | **21,02,005** | **19,43,941** | **17,19,563** |
| **Taxable Income/(Loss) as per MAT** | **53,82,178** | **81,54,288** | **88,08,309** | **66,56,925** | **58,60,065** | **56,20,567** |
| **Tax as per MAT** | **10,25,305** | **15,53,392** | **16,77,983** | **12,68,144** | **11,16,342** | **10,70,718** |
| **Tax Paid as per MAT or Normal Provision** | Normal Provision | Normal Provision | Normal Provision | Normal Provision | Normal Provision | Normal Provision |

**Annexure 36: Capitalization Statement**

| **Particulars** | **Standalone** | |
|---|---|---|
| | **Pre-Issue as at September 30, 2018** | **Adjusted for the post-issue** |
| **Borrowings** | | |
| Short term debt (A) | 13,57,26,732 | 13,57,26,732 |
| Long term debt (B) | 5,25,00,000 | 5,25,00,000 |
| Total Debts (C) | **18,82,26,732** | **18,82,26,732** |
| **Shareholder's fund** | | |
| Share Capital | 5,42,72,900 | 9,86,72,900 |
| Reserve & Surplus | 6,38,02,089 | 15,26,02,089 |
| **Total Shareholder's fund (D)** | **11,80,74,989** | **25,12,74,989** |
| **Long Term Debt / Shareholder's fund (B/D)** | **0.44** | **0.21** |
| **Total Debt/ Shareholder's fund (C/D)** | **1.59** | **0.75** |

**1. Short Term Debts represents debts which are due within 12 months from September, 2018**

**2. Long Term Debts represents other than Short Term Debts, as defined above but Includes current maturities of long term debt.**

**3. The Figures Disclosed above are based on restated statements of Assets & Liabilities of the Company as at September, 2018.**

**4. Share Capital Increased by present issue and Bonus Issue of 49,33,900 nos. of equity share having face value of Rs. 10 each and fresh issue of 44,40,000 nos. of equity share having face value of Rs. 10 each**

**5. Reserve and surplus increased by premium @ 20/- for 44,40,000 nos. of equity shares of Rs. 10 each proposed to be issued at Rs. 30 each.**

Notes forming part of the financial statements

| Financier/ Lender | Purpose of Borrowing | Sanctioned amount | Principal Outstanding as on 30/09/2018 | Repayment terms | Rate of interest | Security /Principal terms & conditions |
|---|---|---|---|---|---|---|
| Punjab & Sind Bank (C.C) | To meet Working Capital requirement of the Company | 6,00,00,000 | 5,93,97,242 | On demand | R.O.I: One Year MCLR +2.75% - 0.25% P.A as applicable on internal rating "3" (11.75 %) P.fee: RS 500 per lakhs as per Bank's guidelines. Other charges:As per Bank norms | Primary Security:1st hypothecation charge on all the current assets (Stock of Timber), both preset and future, of the company and by way of assignment of all the revenue of the company. No Book Debts more than 180 days shall be taken into Consideration for the purpose |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | of determining the drawing power. |
| Punjab & Sind Bank {L.C[Inland/ FLC]/BC-180 days} | To Purchase Raw Material | 11,00,00,000 | 7,63,29,490 | On due date | Commission : As per Bank norms P.fee: 50% concession on existing bank charges.(existing concession to continue) Other Charges :As per bank norms. | Primary Security:Assignment of Title of Documents and purchased materials under LC and extension of charge on all current assets of the company both present and future. |
| BG Limit | To meet Working Capital requirement of the Company | 20,00,000 | - | On due date/ on Demand | As per norms . | Counter Guarantee |
| Term Loan (NEW) | Purchase of multipurpose Cold Storage | 5,25,00,000 | 5,25,00,000 | Moratorium Period-7 months . 1st Installment due- 7 months after 1st disbursement. Total Quarterly Installments 21 Installment maount Rs 25.00 Lakhs. Door to Door tenor- 70 months | R.O.I: Three Year MCLR +0.50% (as per Circular No 520 dated 17/05/2017) Upfront fee: 0.75% with review fees (as per circular No 520 dated 17/05/2017) Other charges:As per Bank norms | Primary Security:Assets purchased out of Term Loan.(Entire land measuring about 6.22 Acres in total which include the entire mutlipurpose cold storage alongwith all the accessories machineries, articles, furniture, electricity installations and fittings along with Office Building , Labour Quarters and toilets , electrical room and collection center which also include the Tin Shades constructed therof ) |

**Collateral Security:**

Property No. 1 A Plot of land with Factory Shed and office Building surrounded by Boundary wall. Premises no 174/G N.T. Road, Baidyabati, Ward No. 22, PS- Serampore dist. Hooghly-712222 Property is covered by following title deeds Deed No 7698 for the year 2004, 7696 for the year 2004, 03549 for the year 2007, 03148 for the year 2008 Owner For Deed No 7698, 7696 & 03549 Shri Rajesh Pirogiwal, Smt Sunita Pirogiwal & For Deed No. 01348- Diksha Timber Pvt Limited CERSAI REG NO:100002627090 & 100002629789 Hypothecation of Plant & Machinery of the Company. The Company has purchased new Machineries.

| Financier/ Lender | Purpose of Borrowing | Sanctioned amount | Principal Outstanding As At | | Repayment terms | Rate of interest | Security /Principal terms & conditions |
|---|---|---|---|---|---|---|---|
| | | | 30-09-2018 to 31-03-2015 | 31-03-2014 | | | |
| Religare -Sme Loans | Business Loan | 25,00,000 | - | 12,48,326 | 36 Monthly Installments of Rs 90,708 | 18.26% | Unsecured |
| Tata Capital Financial Services Ltd | Business Loan | 25,00,000 | - | 9,36,965 | 36 Monthly Installments of Rs 1,04,715 | 22.71% | Unsecured |

## FINANCIAL INDEBTEDNESS

**To,**
**The Board of Directors,**
**DIKSHA GREENS LIMITED**
11 Sambhu Chatterjee St.
Kolkata-700 0007
West Bengal, India.

**Dear Sirs,**

**Report on Financial Indebtedness**

**A. Loan from Banks / Financial Institutions (Secured Loans) – As on 30-09-208**

| Financier/ Lender | Purpose of Borrowing | Sanctioned amount | Principal Outstanding as on 30/09/2018 | Repayment terms | Rate of interest | Security /Principal terms & conditions |
|---|---|---|---|---|---|---|
| Punjab & Sind Bank (C.C) | To meet Working Capital requirement of the Company | 6,00,00,000 | 5,93,97,242 | On demand | R.O.I: One Year MCLR +2.75% - 0.25% P.A as applicable on internal rating "3" (11.75 %) P.fee: RS 500 per lakhs as per Bank's guidelines. Other charges:As per Bank norms | Primary Security:1st hypothecation charge on all the current assets (Stock of Timber), both preset and future, of the company and by way of assignment of all the revenue of the company. No Book Debts more than 180 days shall be taken into Consideration for the purpose of determining the drawing power. |
| Punjab & Sind Bank {L.C[Inland/ FLC]/BC-180 days} | To Purchase Raw Material | 11,00,00,000 | 7,63,29,490 | On due date | Commission : As per Bank norms P.fee: 50% concession on existing bank charges.(existing concession to continue) Other Charges :As per bank norms. | Primary Security:Assignment of Title of Documents and purchased materials under LC and extension of charge on all current assets of the company both present and future. |
| BG Limit | To meet Working Capital requirement of the Company | 20,00,000 | - | On due date/ on Demand | As per norms . | Counter Guarantee |
| Term Loan (NEW) | Purchase of multipurpose Cold Storage | 5,25,00,000 | 5,25,00,000 | Moratorium Period-7 months . 1st Installment due- 7 months after 1st disbursement. Total Quarterly Installments 21 Installment maount Rs 25.00 Lakhs. Door to Door tenor- 70 months | R.O.I: Three Year MCLR +0.50% (as per Circular No 520 dated 17/05/2017) Upfront fee: 0.75% with review fees (as per circular No 520 dated 17/05/2017) Other charges:As per Bank norms | Primary Security:Assets purchased out of Term Loan.(Entire land measuring about 6.22 Acres in total which include the entire mutlipurpose cold storage alongwith all the accessories machineries, articles, furniture, electricity installations and fittings along with Office Building , Labour Quarters and toilets , electrical room and collection center which also include the Tin Shades constructed therof ) |

**Collateral Security:**
Property No. 1 A Plot of land with Factory Shed and office Building surrounded by Boundary wall. Premises no 174/G N.T. Road, Baidyabati, Ward No. 22, PS- Serampore dist. Hooghly-712222 Property is covered by following title deeds Deed No 7698 for the year 2004, 7696 for the year 2004, 03549 for the year 2007, 03148 for the year 2008 Owner for Deed No 7698, 7696 & 03549 Shri Rajesh Pirogiwal, Smt Sunita Pirogiwal & For Deed No. 01348- Diksha Timber Pvt Limited CERSAI REG NO:100002627090 & 100002629789 Hypothecation of Plant & Machinery of the Company. The Company has purchased new Machineries.

**For AMK & Associates,**
**Chartered Accountants**
**FRN -327817E**

**S/d-**
**Bhupendra Kumar Bhutia**
**(P a r t n e r)**
**M. No. 059363**

**Date: 06/11/2018**

**Place: Kolkata**

**Management's Discussion and Analysis of Financial Conditions and Results of Operations**

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the half yearly ended September 30, 2018 and F.Y. ended March 31, 2018, 2017, 2016, 2015 and 2014 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this Prospectus. You should also see the section titled "Risk Factors" beginning on page 14 of this Prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

*These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated November 06, 2018 which is included in this Prospectus under the section titled "Financial Information" beginning on page 135 of this Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.*

*Accordingly, the degree to which the financial statements in this Prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled "Currency Conventions, Use of Financial, Industry and Market Data and Currency Presentation" beginning on page 10 of this Prospectus.*

## Business Overview

Our company M/s Diksha Greens Limited was originally incorporated on July 21, 2004 by the name of M/s Diksha Timber Private Limited as Private Limited Company under the provisions of the Companies Act, 1956, with the Registrar of Companies West Bengal, Kolkata. The company started with the object of carrying business in trading of timber, wooden logs, sawn timber as well as manufacturing of veneer sheets. The company is being promoted and managed by Mr. Rajesh Kumar Pirogiwal (Promoter Director) who has almost 3 (three) decades of experience to his credit in the timber and plywood industry. Mr. Rajesh Kumar Pirogiwal has got the enriching experience of this trade as a legacy from his father who started the trade way back in 1970 with a small retail shop of timber and was involved in trading of timber.

Later in the year 2006 the company obtained Importer-Exporter code (IEC) from Dy. Director General of Foreign Trade, Ministry of Commerce, Government of India and started importing the wooden logs and timber from countries such as Malaysia, Vietnam, and Burma in Asia, Nigeria, Ghana and Ivory Coast in Africa, Ecuador, Salvador, and Costa Rica in America, Solomon Island, Papua and Guinea etc.

Once wooden logs are received in India, they are transferred to the godown cum Factory located in Baidyabati, Hooghly, West Bengal from where the logs are sold in raw form as well as the sawn timber (the logs are converted into the different shapes and sizes of timber as per the requirements of the customers) and veneer sheets are produced to suit varied customer preferences.

After getting rich experience in timber business, in the year 2018, the promoters of the company decided to go for further expansion cum diversion of business activity. Having seen the potential of Agri market, the company acquired a multi commodity cold storage located at Village& PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India having capacity of 5000 MT with two pre cooling chambers and reefer vans towards storage of seasonal produce from various parts of the country and abroad.

In the year 2004, the company started with the object of carrying business in trading of timber and wooden logs. They started importing the wooden logs and timber from places like Malaysia, Vietnam, and Burma in Asia, Nigeria, Ghana and Ivory Coast in Africa, Ecuador, Salvador, and Costa Rica in America, Solomon Island, Papua and Guinea etc.

Once wooden logs are received in India port, they are transferred to the godown cum Factory located in Baidyabati, Hooghly, West Bengal from where the logs are sold in raw form as well as the sawn timber and veneer sheets. Our Company in addition to Import also buys domestically.

The godown cum manufacturing facility is located at 174/G/N T Road, Baidyabati, Hooghly, Delhi Road, West Bengal on an area of around 37000 Sqft. Once wooden logs are received in India port, they are transferred to the godown cum Factory, from

where the logs are processed in saw mill machine and converted into the different shapes and sizes of timber as per the requirements of the customers.

Veneer sheets are normally a thin decorative covering of fine wood applied to a coarser wood or other material. In woodworking, veneer refers to thin slices of wood, usually thinner than 3 mm (1/8 inch), that typically are glued onto core panels (typically, wood, particle board or medium-density fibre board) to produce flat panels such as doors, tops and panels for cabinets, parquet floors and parts of furniture. Plywood consists of three or more layers of veneer. Normally, each is glued with its grain at right angles to adjacent layers for strength.

Recently in the month of April, 2018, the promoters of the company decided to go for further expansion cum diversion of business activity. Having seen the potential of Agri market in West Bengal, they acquired a ready to use Multi-Commodity Cold Storage at Village & PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India having capacity of 5000 MT for storage of Agriculture produce.

The total land area is 6.22 acres. The Cold Storage is built on an area of around 3983.98 Sqmt.

**SUMMARY OF THE RESULTS OF OPERATION:**

The following table sets forth select financial data from restated profit and loss accounts for the Financial Year ended on March 31, 2014, 2015, 2016, 2017, 2018 and for the half yearly ended September 30, 2018, the components of which are also expressed as a percentage of total income for such periods.

| | Particulars | | | For the year ended | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 30-09-2018 | % of Income | 31-03-2018 | % of Income | 31-03-2017 | % of Income | 31-03-2016 | % of Income | 31-03-2015 | % of Income | 31-03-2014 | % of Income |
| A | **REVENUE** | | | | | | | | | | | | |
| 1 | Revenue from operations (gross) | 1253.01 | 99.76 | 4,163.42 | 99.53 | 5418.55 | 99.48 | 5405.81 | 99.69 | 5400.86 | 99.56 | 5282.36 | 99.66 |
| 2 | Other income | 3.07 | 0.24 | 19.53 | 0.47 | 28.13 | 0.52 | 16.80 | 0.31 | 24.00 | 0.44 | 18.18 | 0.34 |
| 3 | **Total revenue (1+2)** | **1256.08** | **100.00** | **4,182.96** | **100.00** | **5446.68** | **100.00** | **5422.61** | **100.00** | **5424.85** | **100.00** | **5300.54** | **100.00** |
| B | **EXPENSES** | | | | | | | | | | | | |
| | Cost of material consumed | 630.34 | 50.18 | 971.20 | 23.22 | 1886.80 | 34.64 | 1032.20 | 19.04 | 517.45 | 9.54 | 2702.84 | 50.99 |
| | Purchase of stock-in-trade | 754.22 | 60.05 | 2,649.68 | 63.34 | 3872.87 | 71.11 | 3262.17 | 60.16 | 4647.17 | 85.66 | 2651.43 | 50.02 |
| | Changes in inventories of finished goods and work in progress | (349.85) | (27.86) | 218.47 | 5.22 | -579.45 | -10.64 | 807.02 | 14.88 | -105.78 | -1.95 | -388.72 | -7.33 |
| | Employee benefit expenses | 13.72 | 1.09 | 22.85 | 0.55 | 15.18 | 0.28 | 18.18 | 0.34 | 18.18 | 0.34 | 15.18 | 0.29 |
| | Finance Costs | 75.48 | 6.01 | 130.82 | 3.13 | 79.32 | 1.46 | 87.83 | 1.62 | 105.59 | 1.95 | 87.20 | 1.65 |
| | Depreciation and amortisation expense | 15.08 | 1.20 | 20.18 | 0.48 | 17.69 | 0.32 | 14.00 | 0.26 | 16.16 | 0.30 | 5.34 | 0.10 |
| | Other expenses | 63.29 | 5.04 | 88.21 | 2.11 | 66.19 | 1.22 | 134.65 | 2.48 | 167.48 | 3.09 | 171.06 | 3.23 |
| 4 | **Total expenses** | **1202.25** | **95.72** | **4,101.41** | **98.05** | **5358.60** | **98.38** | **5356.04** | **98.77** | **5366.25** | **98.92** | **5244.33** | **98.94** |
| | | | | | | | | | | | | | |
| 5 | **Profit / (Loss) before tax ( 3-4)** | **53.82** | **4.28** | **81.54** | **1.95** | **88.08** | **1.62** | **66.57** | **1.23** | **58.60** | **1.08** | **56.21** | **1.06** |
| 6 | **Tax expense:** | | | | | | | | | | | | |
| | Current Tax | 16.32 | 1.30 | 26.04 | 0.62 | 22.07 | 0.41 | 21.03 | 0.39 | 19.60 | 0.36 | 17.37 | 0.33 |
| | Deferred Tax (Asset)/Liability | (3.95) | (0.31) | 0.45 | 0.01 | 2.23 | 0.04 | -0.46 | -0.01 | -1.33 | -0.02 | 0.23 | 0.00 |
| | **Total Tax Expenses** | **12.37** | **0.98** | **26.48** | **0.63** | **24.30** | **0.45** | **20.57** | **0.38** | **18.27** | **0.34** | **17.61** | **0.33** |
| | | | | | | | | | | | | | |
| 7 | **Profit / (Loss) after tax (5-6)** | **41.45** | **3.30** | **55.06** | **1.32** | **63.78** | **1.17** | **46.00** | **0.85** | **40.33** | **0.74** | **38.60** | **0.73** |

**Key Components of Company's Profit and Loss Statement**

**Revenue from operation**: Revenue from operations mainly consists of revenue from sale of goods.

**Other Income**: Other income primarily comprises of Interest from Banks Deposit, Insurance Claim, Profit on sale of Land and Fixed Assets

**Expenses**: Company's expenses consist of Cost of material Consumed, Purchase of Stock-in Trade, Change in Inventory, Employee benefits expense, Finance Cost, Depreciation & Amortization Expenses, and Other Misc Expenses.

**Cost of Material Consumed:** Cost of material consumed during the year

**Purchase of Stock-in-Trade:** Purchase of stock in trade includes purchases of Wooden Logs.

**Change in Inventories:** It includes Change in finished goods such as Sawn Timber and Veneer Timber and Change in Stock in Trade such as Wooden Logs.

**Employee Benefits Expense**: Employee benefit expense includes Salaries and Wages.

**Finance Cost**: It's basically interest expenses for the loan taken for our projects and bank charges.

**Depreciation and Amortization Expense**: We recognize Depreciation and Amortization expense on a Written down value Method (WDV method) as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

**Other Expenses**: Other expenses include power & fuel, Rent, Repair & Maintenance for Factory, Insurance, Rates, Taxes (excluding taxes on income), manufacturing expenses, audit fees and miscellaneous expenditure etc.

**FINANCIAL PERFORMANCE HIGHLIGHTS FOR THE HALF YEARLY ENDED 30TH SEPTEMBER, 2018**

**Total Income:** The Company's total income during the period ended September 30, 2018 was ₹ 1256.08 Lacs. The revenue from operations was ₹ 1253.01 Lacs which comprised 99.76% of company's total income for the half yearly period ended September 30, 2018

**Total Expenses:** The total expenditure during the half yearly ended September 30, 2018 was ₹ 1202.25 Lacs. The total expenditure represents 95.72% of the total revenue Cost of material Consumed, Purchase of Stock-in Trade Change in Inventory, Employee benefits expense, Finance Cost, Depreciation and Amortization Expenses, and Other Misc Expenses. The main constituent of total expenditure Purchase of Stock-in Trade, which is ₹ 754.21 Lacs.

**Profit/ (Loss) after tax:** The restated net profit during the half yearly ended September 30, 2018 was ₹ 41.45 Lacs representing 3.30% of the total revenue of the Company.

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2018 WITH FISCAL 2017**

**Total Income**: During the FY 2017-18 the total revenue of the company decreased to ₹ 4,182.96 Lacs as against ₹ 5,446.68 Lacs in the FY 2016-17, representing a decrease of 23.20 % of the total revenue. This decrease was mainly due to recession in market.

**Other Income:** Other income of the Company for the FY 2017-18 was ₹ 19.53 Lacs in comparison with ₹ 28.13 Lacs for FY 2016-17.

**Total Expenses**: The total expenditure for the FY 2017-18decreased to ₹ 4,101.41 Lacs from ₹ 5,358.60 Lacs, representing a decrease of 23.46% from the FY 2016-17. This decrease was mainly due to decrease in Cost of material consumed and purchase of stock-in trade.

**Cost of Material Consumed:** Cost of Material Consumed for the FY 2017-2018 has decreased to ₹ 971.20 from ₹ 1886.80, representing decrease of 48.53 % from FY 2016-2017. Cost of Material Consumed is decreased due decrease in purchases of material.

**Purchase of Stock-in-Trade:** Purchase of Stock-in-Trade for the FY 2017-2018 has decreased to ₹ 2,649.68 from ₹ 3,872.87, representing decrease of 31.58 % from FY 2016-2017. Purchase of Stock-in-Trade is decreased due decrease in purchases of Wooden Logs.

**Change in Inventories:**The inventories for the FY 2017-2018 have decreased by Rs. 26.52 Lacs fromRs.1049.36 Lakhs representing decrease by 3 % from FY 2016-2017

**Employee Benefits Expense**: The Employee Benefits Expense for the FY 2017-2018 have been increased by Rs. 22.85 Lacs from ₹ 15.18 representing increase by 50.53 % from FY 2016-2017. Increase is due to addition of employees and director's remuneration.

**Finance Expenses:** The finance expense for FY 2017-18 has been increased to ₹.130.83 Lacs from ₹ 79.32 representing increase by 64.94 % from FY 2016-2017. Finance Costs has increased mainly due to increase in Interest and bank charges, as we needed more working capital

**Depreciation and Amortization Expense**: The Depreciation and Amortization Expense for FY 2017-18 has been increased to ₹.20.18 Lacs from ₹ 17.69 representing increase by 14.10 % from FY 2016-2017. Increase in Depreciation is due to increase in depreciation on additions to plant of machinery.

**Other Expense**: The Other Expense for FY 2017-18 has been increased to ₹.88.21 Lacs from ₹ 66.19 representing increase by 33.25 % from FY 2016-2017. Other Expenses have increased mainly due to increase power & fuel, Rent, Repair & Maintenance for Factory, Insurance, Rates, Taxes(excluding taxes on income), manufacturing expenses, audit fees and miscellaneous expenditure etc.

**Profit/ (Loss) Before Tax**:Profit before and Tax for FY 2017-18 has been decreased to ₹. 81.54 Lacs from ₹ 88.08 representing decrease by 7.43% from FY 2016-2017.Profit before and Tax has decreased due to comparative decrease in revenue than expenses.

**Profit/ (Loss) After Tax**: Profit after Tax for FY 2017-18 has been decreased to ₹. 55.06 Lacs from ₹ 63.78 representing decrease by 13.68% from FY 2016-2017. Profit after Tax has decreased due to comparative decrease in revenue than expenses.

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2017 WITH FISCAL 2016**

**Total Income**: During the FY 2016-17 the total revenue of the company increased to ₹ 5,446.68 Lacs as against ₹ 5,422.61 Lacs in the FY 2015-16, representing an increase of 0.44 % of the total revenue. This increase was mainly due to increase in volume from business.

**Other Income:** Other income of the Company for the FY 2016-17 was ₹ 28.13 Lacs in comparison with 16.80 Lacs for FY 2015-16. This increase was mainly due to profit on sale of land.

**Total Expenses**: The total expenditure for the FY 2016-17 increased to ₹ 5,358.60 Lacs from ₹ 5,356.04 Lacs, representing an increase of 0.05% from the FY 2015-16. This increase was mainly due to decrease in Cost of material consumed and purchase of stock-in trade.

**Cost of Material Consumed:** Cost of Material Consumed for the FY 2016-17 has increased to ₹ 1886.80 from ₹ 1032.20, representing increase of 82.79 % from FY 2015-16. Cost of Material Consumed is increased due increase in purchases of material.

**Purchase of Stock-in-Trade:** Purchase of Stock-in-Trade for the FY 2016-2017has increased to ₹ 3,872.87 from ₹ 3,262.17, representing increase of 18.72 % from FY 2015-16. Purchase of Stock-in-Trade is increased due increase in purchases of Wooden Logs.

**Change in Inventories:** The inventories for the FY 2016-2017have been increasedtoRs.298.54 Lacs from Rs.750.82 representing increase by 40 % from FY 2015-16

**Employee Benefits Expense**: The Employee Benefits Expense for the FY 2016-2017have been decreased by ₹.15.18 Lacs from ₹ 18.18 representing decrease by 16.50 % from FY 2015-2016.

**Finance Expenses:** The finance expense for FY 2016-2017 has been decreased to ₹.79.32 Lacs from ₹ 87.83 representing decrease by 9.69 % from FY 2015-2016. Finance Costs has decreased mainly due to decrease in bank charges.

**Depreciation and Amortization Expense**: The Depreciation and Amortization Expense for FY 2016-2017 has been increased to ₹.17.69 Lacs from ₹ 14.00 representing increase by 26.36 % from FY 2015-2016. Increase in Depreciation is due to increase in depreciation on additions to plant of machinery and computers.

**Other Expense**: The Other Expense for FY 2016-2017 has been decreased to ₹. 66.19 Lacs from ₹ 134.65 representing decrease by 50.84 % from FY 2015-2016.Other Expenses have decreased mainly due to Foreign Exchange Fluctuation Loss.

**Profit/ (Loss) Before Tax**: Profit before and Tax for FY 2016-2017 has been increased to ₹. 88.08 Lacs from ₹ 66.57 representing increase by 32.32 % from FY 2015-2016.Profit before and Tax has increased due to comparative increase in revenue than expenses.

**Profit/ (Loss) After Tax**: Profit after Tax for FY 2016-2017 has been increased to ₹.63.78 Lacs from ₹ 46.00 representing increase by 38.66% from FY 2015-2016. Profit after Tax has increased due to comparative increase in revenue than expenses.

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2016 WITH FISCAL 2015**

**Total Income**: During the FY 2015-16 the total revenue of the company decreased to ₹ 5,422.61 Lacs as against ₹ 5,424.85 Lacs in the FY 2014-15, representing a decrease of 0.04 % of the total revenue. This decrease was mainly due to decrease in other income.

**Other Income:** Other income of the Company for the FY 2015-16was ₹ 16.80 Lacs in comparison with 24.00 Lacs for FY 2014-15. This decrease was mainly due to interest income

**Total Expenses**: The total expenditure for the FY 2015-16 decreased to ₹ 5,356.04 Lacs from ₹ 5,366.25 Lacs, representing a decrease of 0.19 % from the FY 2014-15. This decrease was mainly due to decrease in purchase of stock-in trade.

**Cost of Material Consumed:** Cost of Material Consumed for the FY 2015-16 has increased to ₹ 1032.20 from ₹ 517.45, representing increase of 99.48 % from FY 2014-15. Cost of Material Consumed is increased due increase in purchases of material.

**Purchase of Stock-in-Trade:** Purchase of Stock-in-Trade for the FY 2015-16 has decreased to ₹ 3,262.17from ₹ 4647.17, representing decrease of 29.80 % from FY 2014-15. Purchase of Stock-in-Trade is decreased due decrease in purchases of Wooden Logs.

**Change in Inventories:** The inventories for the FY 2015-16 have been decreased by 710.70 Lacs from Rs.1461.52 Lakhs representing decrease by 49 % from FY 2014-15

**Employee Benefits Expense**: The Employee Benefits Expense for the FY 2015-16 is stagnant to ₹18.18 Lacs from ₹ 18.18 representing no fluctuation from FY 2014-2015.

**Finance Expenses:** The finance expense for FY 2015-16 has been decreased to ₹.87.83Lacs from ₹ 105.59 representing decrease by 16.82 % from FY 2014-2015. Finance Costs has decreased mainly due to decrease in interest cost and bank charges.

**Depreciation and Amortization Expense**: The Depreciation and Amortization Expense for FY 2015-2016has been decreased to ₹.14.00 Lacs from ₹ 16.16 representing decrease by 13.41 % from FY 2014-2015.

**Other Expense**: The Other Expense for FY 2015-2016has been decreased to ₹.134.65Lacs from ₹ 167.48 representing decrease by 19.60 % from FY 2014-2015.Other Expenses have decreased mainly due to Misc. Expenses

**Profit/ (Loss) Before Tax**: Profit before and Tax for FY 2015-2016has been increased to ₹. 66.57 Lacs from ₹ 58.60 representing increase by 13.60 % from FY 2014-2015. Profit before and Tax has increased due to comparative decrease in expenses.

**Profit/ (Loss) After Tax**: Profit after Tax for FY 2015-2016has been increased to ₹.46.00 Lacs from ₹ 40.33 representing increase by 14.05 % from FY 2014-2015. Profit after Tax has increased due to comparative decrease in expenses.

## COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014

**Total Income**: During the FY 2014-15 the total revenue of the company increased to ₹ 5,424.85 Lacs as against ₹ 5300.54 Lacs in the FY 2013-14, representing an increase of 2.35 % of the total revenue. This increase was mainly due to increase in volume from business.

**Other Income:** Other income of the Company for the FY 2014-15 was ₹ 24.00 Lacs in comparison with 18.80 Lacs for FY 2013-14. This increase was mainly due to increase in interest income.

**Total Expenses**: The total expenditure for the FY 2014-15 increased to ₹ 5,366.25 Lacs from ₹ 5,244.33 Lacs, representing an increase of 2.35 % from the FY 2013-14. This increase was mainly due to decrease in purchase of stock-in trade.

**Cost of Material Consumed:** Cost of Material Consumed for the FY 2014-15 has decreased to ₹ 517.45 from ₹ 2702.84, representing decrease of 80.86 % from FY 2013-14. Cost of Material Consumed is decreased due decrease in purchases of material.

**Purchase of Stock-in-Trade:** Purchase of Stock-in-Trade for the FY 2014-2015 has increased to ₹ 4,647.17 from ₹ 2,651.43, representing increase of 75.27 % from FY 2013-14. Purchase of Stock-in-Trade is increased due increase in purchases of Wooden Logs.

**Change in Inventories:** The inventories for the FY 2014-2015have been increased by₹. 43.04 Lacs from ₹ 1418.45 Lakhs representing increase by 3 % from FY 2013-14.

**Employee Benefits Expense**: The Employee Benefits Expense for the FY 2014-2015 have been increased by ₹. 18.18 Lacs from ₹ 15.18 representing decrease by 19.76 % from FY 2013-2014.

**Finance Expenses:** The finance expense for FY 2014-2015 has been increased to ₹.105.59Lacs from ₹ 87.20 representing increaseby21.20% from FY 2013-2014. Finance Costs has increased mainly due to increase in interest expenses.

**Depreciation and Amortization Expense**: The Depreciation and Amortization Expense for FY 2014-2015has been increased to ₹ 16.16 Lacs from ₹ 5.34 representing increase by 202.82 % from FY 2013-2014. Increase in Depreciation is due to increase in depreciation on additions to plant of machinery.

**Other Expense**: The Other Expense for FY 2014-2015has been decreased to ₹. 167.48Lacs from ₹ 171.06 representing decrease by 2.09 % from FY 2013-2014.Other Expenses have decreased mainly due to Repair & Maintenance and Misc. expenses.

**Profit/ (Loss) Before Tax**: Profit before and Tax for FY 2014-2015 has been increased to ₹. 56.60 Lacs from ₹ 56.21 representing increase by 4.26 % from FY 2013-2014. Profit before and Tax has increased due to comparative increase in revenue than expenses.

**Profit/ (Loss) After Tax:** Profit after Tax for FY 2014-2015 has been increased to ₹.40.33 Lacs from ₹ 38.60 representing increase by 4.49 % from FY 2014-2015.Profit before and Tax has increased due to comparative increase in revenue than expenses.

**Information required as per Item (2) (IX) (E) (5) of Part A of Schedule VIII to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

1. ***Unusual or infrequent events or transactions***

   The company is in the business of trading of timber, wooden logs, sawn timber as well as manufacturing of veneer sheets. Recently the company has also acquired a ready to use Multi-Commodity Cold Storage at Village & PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India having capacity of 5000 MT for storage of Agriculture produce in the month of April 2018.Except as disclosed in this Prospectus, there are no unusual or infrequent events or transactions in our Company.

2. ***Significant economic changes that materially affected or are likely to affect income from continuing operations.***

   There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. ***Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

   Apart from the risks as disclosed under Section "***Risk Factors***" beginning on page 14 in the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. ***Future changes in relationship between costs and revenues***

   Our Company's future costs and revenues will be determined by movement of the prices of our productsand government policies.

5. ***Total turnover of each major industry segment in which our Company operates***

   The Company is in the business of buying and selling of Timber related products. Relevant industry data, as available, has been included in the chapter titled ***"Industry Overview"*** beginning on page 79 of this Prospectus.

6. ***Status of any publicly announced New Products or Business Segment***

   Our Company has not announced any new product other than disclosed in this prospectus.

7. ***Seasonality of business***

   Our Company's business is not seasonal in nature.

8. ***Dependence on few customers/ clients***

   Our revenue is not dependent on a single or a few customers.

9. ***Competitive conditions***

   Competitive conditions are as described under the Chapters "***Industry Overview***" and "***Our Business***" beginning on page 79 and 95 respectively of the Prospectus.

10. ***Details of material developments after the date of last balance sheet i.e. March 31,2018***

    Except as mentioned below, no circumstances have arisen since the date of last financial statement until the date of filing the Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.

    Recently the company has acquired a ready to use Multi-Commodity Cold Storage at Village & PO Dwarbasini, JL no: 89, PS Pandua, District Hooghly-712149, West Bengal, India having capacity of 5000 MT for storage of Agriculture produce in the month of April 2018.Except this there is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

## SECTION VII: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, its Directors, its Promoters and its Group Companies and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by the Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding Rs. 1.00 lakh, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under Schedule V to 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, its Promoters, its Directors and Group Companies.*

*Further, except as stated herein, there are no past cases in which penalties have been imposed on the Company, its Promoters, its Directors or its Group Companies, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.*

*Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or it's Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.*

### I. CONTINGENT LIABILITIES OF OUR COMPANY

| Particulars | Amount (in ₹ Lacs) * As on September 30, 2018 |
|---|---|
| Outstanding Income Tax demand for the assessment year 2011-12 | 43,77,576 |
| Outstanding Income Tax demand for the assessment year 2012-13 | 31,99,392 |
| **TOTAL** | **75,76,968** |

* As per the Restated Audited Financial for the half yearly period ended 30.09.2018

### II. LITIGATION INVOLVING OUR COMPANY

#### A. LITIGATION AGAINST OUR COMPANY

**1. Criminal matters**

NIL

**2. Civil Matters**

NIL

**3. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**4. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

Direct tax Proceedings:

(a) Our Company had received a demand notice dated 29th February, 2016 u/s 143(3) of the Income Tax Act, 1961 for the AY 2011-12 demanding an additional Tax of Rs.54,73,220/- (including interest for the period) by an

addition of Rs.1,00,00,000/- to the total income of the Company for the AY 2011-12, with respect to share capital of Rs.1,00,00,000/- received from Ridhi Sidhi Vincom Pvt. Ltd. credited into the account of the Company. Our company filed an appeal on 29th April, 2016 before the Commissioner of Income Tax Appeals for disallowance of such addition. Our company has already paid Rs. 1095644/- against the demand order. The matter is presently pending before the appellate authority.

(b) Our Company had received a demand order dated 3rd February, 2015, u/s 143(3) of the Income Tax Act, 1961 for the AY 2012-13 demanding an additional Tax of Rs.57,50,490/- (including interest for the period) by an addition of Rs.1,30,00,000/- to the total income of the Company for the AY 2012-13, stating reason that, unexplained cash credited into the account of the Company. Our company filed an appeal on 3rd March, 2015 before the Commissioner of Income Tax Appeals [CIT (A)] for disallowance of such addition. The CIT(A) by their letter dated 16th August, 2017 dismissed the appeal. The Company has filed an appeal to the Appellate Tribunal as on 30th October, 2017 against the order of CIT(A). Our company has already paid Rs. 25,61,098/- against the demand order. The matter is still pending before the Appellate Tribunal.

The matter is presently pending before the appellate authority.

**(ii) Indirect Taxes Liabilities**

Indirect tax Proceedings

NIL

5. **Other Pending Litigations**

NIL

**B. CASES FILED BY OUR COMPANY**

1. **Litigation Involving Criminal matters**

NIL

2. **Civil Matters**

| Sr. No. | Case No. | Name of Court | Filed by | Filed against | Particulars | Concern ADV. | Amt | Stage |
|---|---|---|---|---|---|---|---|---|
| **1** | 200 of 2017 | High Court at Calcutta | Diksha Timber Pvt. Ltd. (presently Diksha Greens Limited) | Mr. M. Shaw | Decree filed for recovery of dues. | M/s Singhania & Co. | 27,430,000 | Pending for hearing |
| **2** | 254 of 2017 | High Court at Calcutta | Diksha Timber Pvt. Ltd. (presently Diksha Greens Limited) | Mr. Rohit Singh | Decree filed for recovery of dues. | M/s Singhania & Co. | 39,576,000 | Pending for hearing |

3. **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

4. **Litigation involving Tax Liabilities**

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

| Sl. No. | Date | Particulars of Demand | Amount Involved | Status |
|---|---|---|---|---|
| **1.** | 26/04/2017 | Appeal filed against demand of Entry Tax Case No.212 of 2017-18 | Rs. 24,15,654/- | Revision has been filed on 26/04/2017 before West Bengal Commercial Taxes appellate & revisional Board. |

**5. Other Pending Litigations**

NIL

**III. <u>LITIGATION INVOLVING OUR DIRECTORS</u>**

**A. LITIGATION AGAINST OUR DIRECTORS**

1. **Criminal matters**

NIL

2. **Civil Matters**

NIL

3. **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

4. **Litigation involving Tax Liabilities**

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

5. **Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS**

1. **Litigation Involving Criminal matters**

NIL

2. **Civil Matters**

NIL

3. **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

4. **Litigation involving Tax Liabilities**

(i) Direct Tax Liabilities

(a) Mr. Rajesh Kumar Pirojiwal had received a demand notice dated 20th October, 2016 u/s 143(3) of the Income Tax Act, 1961 for the AY 2014-15 demanding an additional Tax of Rs.30,96,770/- (including interest for the period) by an addition of Rs.76,12,048/- to his total income for the AY 2014-15, with respect to income from capital gains of Rs.76,12,048/- received from sale of shares of M/s Kailash Auto Finance Limited. Mr. Rajesh Kumar Pirogiwal filed an appeal on 28th November, 2016 before the Commissioner of Income Tax Appeals for disallowance of such addition. The matter is presently pending before the appellate authority.

**(ii) Indirect Taxes Liabilities**

NIL

5. **Other Pending Litigations**

NIL

## IV. LITIGATION INVOLVING OUR PROMOTERS AND PROMOTER GROUP

### A. LITIGATION AGAINST OUR PROMOTERS AND PROMOTER GROUP

1. **Litigation Involving Criminal matters**

NIL

2. **Civil Matters**

NIL

3. **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

4. **Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

5. **Other Pending Litigations**

NIL

### B. LITIGATION FILED BY OUR PROMOTERS AND PROMOTER GROUP

1. **Litigation Involving Criminal matters**

NIL

2. **Civil Matters**

NIL

3. **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

4. **Litigation involving Tax Liabilities**

   **(i) Direct Tax Liabilities**

   As mentioned in point no. III B (4)(i) above.

   **(ii) Indirect Taxes Liabilities**

   NIL

5. **Other Pending Litigations**

   NIL

## V. LITIGATION INVOLVING OUR GROUP ENTITIES

### 1. Litigation Involving Criminal matters

NIL

### 2. Civil Matters

| Sr. No. | Case No. | Name of Court | Filed by | Filed against | Particulars | Concern ADV. | Amt | Stage |
|---|---|---|---|---|---|---|---|---|
| **1** | 244 of 2017 | High Court at Calcutta | Ridhi Sidhi Vincom Pvt. Ltd. | Mr. M. Shaw | Decree filed for recovery of dues. | M/s Singhania & Co. | 1,37,77,338 | Pending for hearing |

### 3. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

### 4. Litigation involving Tax Liabilities

**(i) Direct Tax Liabilities**

NIL

**(iii) Indirect Taxes Liabilities**

**(a) Ridhi Sidhi Vincom Ltd.**

| Sl. No. | Date | Particulars of Demand | Amount Involved | Status |
|---|---|---|---|---|
| **1.** | 26/04/2017 | Appeal filed against demand of Entry Tax Case No.211of 2017-18 | Rs.4,08,304/- | Revision has been filed on 26/04/2017 before West Bengal Commercial Taxes appellate & revisional Board. |

### 5. Other Pending Litigations

NIL

## OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

### 1. CREDITORS OF THE COMPANY FOR THE AMOUNT EXCEEDING RS. 1 LAKHS OUTSTANDING FOR MORE THAN 30 DAYS

As of September 30, 2018, our Company, in its ordinary course of business, has an aggregate amount of Rs. 4.71 Lakhs, which is due towards sundry and other creditors. As per the above policy, consolidated information of outstanding dues, as at September 30, 2018, owed to small scale undertakings, material dues to creditors and other dues to creditors separately, giving details of number of cases and aggregate amount for such dues is as under:

| Particulars | Number of Creditors | Amount (Rs. in Crores) |
|---|---|---|
| Micro, Small and Medium Enterprises | NIL | NIL |
| Material Creditors | | |
| Other Creditors | | |
| **Total** | | |

**Outstanding Litigations involving the Company or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.**

Except as described above, as on date of this Prospectus, there are no outstanding litigations involving the Company, or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

**There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 years.**

**Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

**Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies enactment in the last 5 years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 years against our Company.

**Material Fraud against our Company in the last five years**

There has been no material fraud committed against our Company in the last five years.

**Fines imposed or compounding of offences for default**

There are no fines imposed or compounding of offences for default or outstanding defaults.

**Non-Payment of Statutory Dues**

Except as disclosed in the chapter titled "***Financial Statements***" beginning on pages 135 there are have been no defaults or outstanding defaults in the payment of statutory dues payable under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

## MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled ***"Management's Discussion & Analysis of Financial Conditions & Results of Operations"*** beginning on page 165 there have been no material developments that have occurred after the Last Balance Sheet Date.

## GOVERNMENT & OTHER KEY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

### I. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on July 27, 2018, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.

2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on Aug 9, 2018 authorized the Issue.

3. In-principle approval dated November 02, 2018 from the BSE to use the name of BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.

4. The ISIN of the Company is INE01GR01018

### II. APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

| Sr. No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| 1. | Certificate of Incorporation | ROC- West Bengal | CIN-U91431WB2004PTC099199 | July 21, 2004 | Valid until Cancelled |
| 2. | Certificate of Incorporation pursuant to Change of Name | ROC- West Bengal | CIN-U63000WB2004PTC099199 | November 29, 2017 | Valid until Cancelled |
| 3. | Certificate of Incorporation consequent upon conversion from Private to Public Company | ROC- West Bengal | CIN-U20100WB2004PTC099199 | February 06, 2018 | Valid until Cancelled |

## III. BUSINESS RELATED APPROVALS

### A. Approvals/registrations availed

| Sr. No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| 1. | Certificate of Importer Exporter-Code | Dy. Director General of Foreign Trade | 0206015828 | IEC Allotment Date- 03.10.2006 File Date: 30.05.2018 | Perpetual |
| 2. | Pollution Certificate | West Bengal Pollution Control Board | Memo No. 06/PCB/HGY/O/4434-11(I) | 13.01.2016 | 30.09.2020 |
| 3. | Factory License | Directorate of Factories (Government of West Bengal) | License No.- 19648 | 27.03.2015 | Perpetual |
| 4. | Fire License | License under the West Bengal Fire Service Act, 1950 | License No.- IND/WB/FSL/20182019/28867 | 28.09.2017 | 27.09.2018 |
| 5. | Forest License | Howrah Social Forestry Division, Directorate of Forest, West Bengal Forest (Establishment & Regulation of Saw mill and wood –Based Industries) Rules 1982 | License No.- NEW/HWH/B005(OGL) | 30.07.2018 | 31.07.2019 |
| 6. | Property Mark Registration | Registration under WB forest produce transit rules 1959 by Directorate of Forest, Government of West Bengal | 26/FUO/2018-19 | 03.04.2018 | 31.03.2019 |

## IV. TAX RELATED APPROVALS

| Sr. No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| 1. | Permanent Account Number (PAN) | Income Tax Department | PAN No. AACCD1674L | 21.07.2004 | Valid until cancelled |
| 2. | Tax Deduction Account No.(TAN) | Income Tax Department | TAN No. CALD04993C | 12.05.2012 | Valid until cancelled |
| 3. | Registration for Goods and Services Tax | Goods & Service tax, West Bengal | GSTIN: 19AACCD1674LIZD | 18.04.2018 | Valid until cancelled |

**TRADEMARK REGISTRATION**

| Sr. No | Description | Authority | Class | Registration Number | Journal Number | Date of Certificate | Date of expiry | Logo (TM Image) |
|---|---|---|---|---|---|---|---|---|
| 1 | No trademark Registration is done | | | | | | | |

## OTHER REGULATORY AND STATUTORY DISCLOSURES

**Authority for the Issue**

The Issue in terms of this Prospectus has been authorized pursuant to the resolution passed by the Board of Directors dated July 27,2018 and by the shareholders pursuant to the special resolution passed in Extra Ordinary General Meeting dated August 09, 2018,under Section 62(1)(c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the BSE SME Ltd for using its name in the Prospectus pursuant to an approval letter dated November 02, 2018 BSE SME Ltd is the Designated Stock Exchange.

**Prohibition by SEBI or other Governmental Authorities**

We confirm that our Company, our Directors, our Promoters, natural person in control of Promoter, Promoter Group, our Directors or the person(s) in control of our Company have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other regulatory or government authority.

None of our Directors are in any manner associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

**Prohibition by RBI**

Neither our Company, nor our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a will full defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under Section titled, **Outstanding Litigations and Material Developments**, beginning on page no. 173 of this Prospectus.

**Eligibility for the Issue**

- Our Company is not ineligible in terms of Regulations 4(2) of SEBI ICDR Regulations for this Issue.
- Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations.
- Our Company is eligible for the Issue in accordance with Regulation 106(M)(1) and other provisions of Section XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital will be less than Rs. 25 crore, and we may hence, issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of BSE Ltd")

**We confirm that:**

- In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
- In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act, 2013.

- In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed this Issue document with SEBI nor has SEBI issued any observations on our Prospectus. Also, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

- In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE Ltd.

- We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Section XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 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.

1. As on September 30, 2018 the Company has Net Tangible Assets* of Rs. 1178.53 Lakh which satisfies the criteria of having Net Tangible Assets of at least Rs. 3.00 Crore.

   *Net tangible assets are defined as the sum of all net assets of the Company, excluding intangible assets and Net Deferred Tax as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India

   As per BSE Notice no: 20180711-23 dated 11th July, 2018 the same is not Applicable

2. The Net worth (excluding revaluation reserves) of the Company is at least Rs.3.00 Crore as per the latest audited financial results.

   As on September 30, 2018 the Company has Net Worth attributable to equity shareholders of Rs. 1180.75 Lakh as per the restated financial results

   *Net worth includes Equity Share Capital and Reserves (excluding revaluation reserves, Miscellaneous Expenditure not written off, if any & Debit Balance of Profit and Loss Account not written off, if any)

   As per BSE Notice no: 20180711-23 dated 11th July, 2018 the Company should have positive Net Worth

3. 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. Otherwise, the Net Worth shall be at least Rs.5.00Crores.

   The Company's distributable profits in terms of Sec. 123 of Companies Act, 2013 (as restated) in last three financial years are detailed below:

   (Amt. in Lakhs.)

| Particulars | For F.Y. 2017-18 | For F.Y. 2016-17 | For F.Y. 2015-16 |
|---|---|---|---|
| Net Profit (as restated) | 55.06 | 63.78 | 46.00 |

   As per BSE Notice no: 20180711-23 dated 11th July, 2018 the Company should have a track record of at least 3 years and Positive Cash Accruals (Earnings Before Depreciation and Tax) from operations for at least 2 financial years preceding the Application.

   (Amt. in Lakhs.)

| Particulars | As on 30.09.2018 | For F.Y. 2017-18 | For F.Y. 2016-17 | For F.Y. 2015-16 |
|---|---|---|---|---|
| Earnings Before Depreciation and Tax (as restated) | 68.91 | 101.72 | 105.77 | 80.57 |

4. Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central

Depositary Services Limited (CDSL) dated August 17, 2018 and National Securities Depository Limited dated August 17, 2018 and for establishing connectivity.

5. Our Company has a website i.e. www.dikshagreens.co.in

6. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

7. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.

8. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.

9. There has been no change in the promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

10. We confirm that we comply with all the above requirements/conditions so as to be eligible to be listed on the SME Platform of the BSE Ltd

**Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations**

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into a company.

**DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE LEAD MANAGER, FINSHORE MANAGEMENT SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MANAGER, FINSHORE MANAGEMENT SERVICES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 14, 2018 WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE PROSPECTUSWITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCEWITHTHE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 AFTER FILINGOF PROSPECTUSWITH ROC AND BEFORE OPENING OF ISSUE.

***"WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS":***

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE

2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER,

WE CONFIRM THAT:

A. THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS-**NOTED FOR COMPLIANCE**

5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE**

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – **NOTED FOR COMPLIANCE**

10. WE CERTIFY ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:

    A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND

    B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHILE MAKING THE ISSUE.

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS-TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WI TH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE PROSPECTUS.

**ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME EXCHANGE**

(1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

(2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

(3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 - **NOTED FOR COMPLIANCE**.

(4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER – NOTED FOR COMPLIANCE.

(5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. - **NOT APPLICABLE**

(6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPI TAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE INTHE PROSPECTUS.

(7) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

*Note:*

*The filing of this Prospectus does not, however, absolve our company from any liabilities under Section 34, section 35, Section 36 and Section 38 (1) of the Companies Act, 2013, or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Prospectus.*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad, Gujarat in terms of Sections 26, 32 and 33 of the Companies Act, 2013.*

**Statement on Price Information of Past Issues handled by Finshore Management Services Limited:**

| *Sr. No.* | *Issue Name* | *Issue Size ₹. (Cr.)* | *Issue Price (₹.)* | *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 | East India Securities Ltd | 92.74 | 920 | 13-03-2018 | 921.9 | 1.02 [+0.72] | 0.86 [+5.42] | 3.23 [+11.40] |
| 2 | Sungold Media And Entertainment Limited | 1.35 | 10 | 27-08-2018 | 9.75 | -11.43 [-5.56] | NA | NA |
| 3 | Powerful Technologies Limited | 13.54 | 51 | 28-08-2018 | 48 | -34.65 [-6.48] | NA | NA |
| 4 | AKI India Limited | 3.08 | 11 | 12-10-2018 | 11.55 | -2.68[1.22] | NA | NA |

Status as on 9/11/2018

**Summary statement of Disclosure:**

| *Financial Year* | *Total no. of IPOs* | *Total Funds Raised (`in Cr.)* | *Nos. of IPOs trading at discount - 30th calendar day from listing day* | | | *Nos. of IPOs trading at premium - 30th calendar day from listing day* | | | *Nos. of IPOs trading at discount - 180th calendar day from listing day* | | | *Nos. of IPOs trading at premium - 180th calendar day from listing day* | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | *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%* |
| 2016-17 | 0 | N. A | N. A | N. A | N. A | N.A | N. A | N. A | N.A | N. A | N. A | N.A | N. A | N.A |
| 2017-18 | 1 | 92.74 | N. A | N. A | N. A | N. A | N. A | N. A | N.A | N. A | N. A | N.A | N. A | 1 |
| 2018-19$ | 3 | 17.97 | N. A | 1 | 2 | N. A | N. A | N. A | N. A | N. A | N. A | N. A | N. A | N. A |

*Status as on 9/11/2018*
Sources: All share price data is from www.bseindia.com & www.nseindia.com

Note: -The BSE Sensex is considered as the Benchmark Index.

**Track Record of past issues handled by Finshore Management Services Limited**

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: www.finshoregroup.com.

**Disclaimer from our Company and the Lead Manager**

Our Company and the LM accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the LM (Finshore Management Services Limited) and our Company on August 10, 2018, and the Underwriting Agreement dated October 30, 2018 an entered into between the Underwriters and our Company and the Market Making Agreement dated October 29, 2018 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the LM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The LM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

**Caution**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**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 majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold

and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakh and pension funds with a minimum corpus of Rs.2,500.00 Lakh, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an Issue to sell or an invitation to subscribe for Equity Shares Issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Kolkata, West Bengal, India only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the SME Platform of BSE**

As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE). BSE Limited has given vide its letter Ref: DCS/SME/ IPO/PP/IP/1052/2018-19 dated November 02, 2018 permission to this company to use the Exchange's name in this Offer Document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this company. BSE does not in any manner:-

i. Warrant, certify or endorse the correctness or completeness of any of the contents of this offer documents; or
ii. Warrant that this company's securities will be listed or will continue to be listed on BSE; or
iii. Take any responsibility for the financial or other soundness of this company, its promoters, its management or any scheme or project of this company.

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE.

Every person who desires to apply for or otherwise acquire any securities of this company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the 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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Filing**

The Prospectus is being filed with BSE Limited, 20th Floor, P.J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra.

A copy of this Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the Prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Securities and Exchange Board of India, L & T Chamber, 3rd Floor, 16 Camac Street, Kolkata – 700 017 , India for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Kolkata, West Bengal.

**Listing**

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principle approval from BSE by way of its letter dated November 02, 2018 for listing of equity shares on BSE SME.

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within eight (8) 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 (8) days, be liable to repay such application money, with interest at the rate as prescribed under the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date.

**Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

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 to action under Section 447 of the Companies, Act 2013.

**Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Syndicate Members, Our Statutory Auditor, Key Managerial Personnel, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities shall be obtained as required as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s.AMK & Associates, Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on "Statement of Tax Benefits" relating to the possible tax benefits and restated financial statements as included in this Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Prospectus.

**Experts Opinion**

Except for the reports in the Section, **Financial Statement as Restated** and **Statement of Possible Tax Benefits** on page no 135 and page no 77 of this Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert"" as defined under the U.S. Securities Act 1933.

**Expenses of the Issue**

The Estimated Issue expenses are as under:

| Activity | Expenses (Rs. in Lakhs) | % of issue size |
|---|---|---|
| Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Makers, Bankers and Regulatory Fees & Other Expenses etc. | 75.00 | 5.63% |
| **Total Estimated Issue Expenses** | **75.00** | **5.63%** |

**Fees, Brokerage and Selling Commission payable to the LM**

The total fees payable to the LM will be as per the (i) Issue Agreement dated, August 10,2018 with the LM, Finshore Management Services Limited, (ii) the Underwriting Agreement dated October 30, 2018 with Underwriter Finshore Management Services Limited and (iii) the Market Making Agreement dated October 29, 2018 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on all Working Days from the date of the Prospectus until the Issue Closing Date.

**Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of refund orders, preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue May 28, 2018, a copy of which is available for inspection at our Company's 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 to the Registrar to the Issue to enable it to make refunds in any of the modes described in this Prospectus or send allotment advice by registered post/speed post.

**Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Prospectus.

**Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to Section titled, **Capital Structure**, beginning on page 51 of this Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public Issuing of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

**Performance vis-a-vis objects–Public/right issue of our Company and/or listed Group Companies/subsidiaries and associates of our Company**

Except as stated under Section titled, **Capital Structure**, beginning on page 51 of this Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/Entities or associates of our Company are listed on any stock exchange.

**Performance vis-a-vis objects - Last Issue of Group/Associate Companies**

All of our Group/Associate are unlisted and have not made a public issue of shares in the last ten (10) years preceding the date of this Prospectus.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Prospectus.

**Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

**Option to Subscribe**

Equity Shares being issued through the Prospectus can be applied for in dematerialized form only.

**Stock Market Data of the Equity Shares**

This being a public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

**Mechanism for Redressal of Investor Grievances**

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

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

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or the collection center of the SCSBs where the Application Form was submitted by the ASBA Applicants.

The Applicant should give full details such as name of the sole/first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor

shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

**Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Sumit Kumat Jain, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Mr. Sumit Kumar Jain
**Diksha Greens Limited**
11 Sambhu Chaterjee Street, Jorasanko Kolkata-700007
**Tel. No**: 033- 22198219
**E-mail**: cs@dikshagreens.co.in

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

**Status of Investor Complaints**

We confirm that we have not received any investor compliant during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

**Change in Auditors during the last three (3) years**

There is no change in the auditor since last three (3) years.

**Capitalization of Reserves or Profits**

Except as disclosed under Section titled, **Capital Structure**, beginning on page 51 of this Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

**Revaluation of Assets**

Our Company has not revalued its assets in five (5) years preceding the date of this Prospectus.

**Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the Section titled, **Statement of Possible Tax Benefits**, beginning on page 77 of this Prospectus.

**Purchase of Property**

Other than as disclosed under Section titled, **Our Business**, beginning on page 95 of this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from

the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Prospectus, other than property, in respect of which the contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

**Servicing Behaviour**

Except as stated in this Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of Our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed under Sections titled, **Our Management** and **Related Party Transactions**, beginning on page no 118 and 158, respectively, of this Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## SECTION VIII: ISSUE INFORMATION

## TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Prospectus, the abridged prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, 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 GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms,*

### AUTHORITY FOR THE PRESENT ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on July 27, 2018, subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on August 9, 2018.

### RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to Section titled, **Main Provisions of Articles of Association**, beginning on page 241 of this Prospectus.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by our Board of Directors and approved by our Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, For further details in relation to dividends, please refer to Sections titled, **Dividend Policy** and **Main Provisions of the Articles of Association**, beginning on page134 and 241 respectively, of this Prospectus.

### FACE VALUE AND ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, **Basis for Issue Price**, beginning on page 74 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. 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 of our Company, 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 other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, 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 company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, etc., please refer to Section titled, **Main Provisions of Articles of Association**, beginning on page 241 of this Prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issuer:

1. Tripartite agreement dated August 17, 2018 between our Company, NSDL and the Registrar to the Issue.
2. Tripartite agreement dated August 17, 2018 between our Company, CDSL and the Registrar to the Issue

The trading of the Equity Shares will happen in the minimum contract size of 4000Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Prospectus will be done in multiples of 4000 Equity Shares subject to a minimum allotment of 4000 Equity Shares to the successful Applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## JOINT HOLDERS

Where two (2) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in 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 of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board, elect either:

To register himself or herself as the holder of the Equity Shares; or
To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) 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 form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

## ISSUE PROGRAMME

| | |
|---|---|
| **ISSUE OPENS ON:** | NOVEMBER 26, 2018 |
| **ISSUE CLOSES ON:** | NOVEMBER 28, 2018 |

## MINIMUM SUBSCRIPTION

In accordance with Regulation [106P] (1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten. Also, in accordance with explanation to Regulation [106P](1) of SEBI (ICDR) Regulations, the underwriting shall not be restricted to any minimum subscription level. This Issue is 100% underwritten and the details of the same have been disclosed under Section titled, **General Information**, beginning on page 45 of this Prospectus.

As per section 39 of the new Companies Act, if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters within sixty (60) days from the date of closure of the issue, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

Further, in accordance with Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be fifty (50). In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Further, in accordance with Regulation [106Q] of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be 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.

## ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 4000equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

## APPLICATION BY ELIGIBLE NRIS, FPIS/FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs. Such Eligible NRIs, FPIs/FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

## AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOTPARTICIPATE IN THIS ISSUE.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are

under the automatic route under the foreign direct investment ***("FDI")*** Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

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, FPIs 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.

## RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the Section titled, **Capital Structure**, beginning on page 51 of this Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation/splitting of Equity Shares. For further details, please refer to the Section titled, **Main Provisions of Articles of Association**, beginning on page 241 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the LM are not liable to inform to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

## OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being Issued can be applied for in the dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange. Applicants will not have an option of Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.

## MIGRATION TO MAIN BOARD

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Section XB of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of our Company is likely to increase above Rs. 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which our Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

- If the Paid-up Capital of the company is more than Rs. 10 crore but below Rs.25 crore, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein M/s Nikunj Stock Broker Limited is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of three (3) years from the date of listing on the SME Platform of BSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, **General Information- Details of the Market Making Arrangements for this Issue**, beginning on page 45 of this Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

| Issue size | Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size) | Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size) |
|---|---|---|
| Upto Rs. 20 Crore, as applicable in our case | 25% | 24% |

Further, the Market Maker shall give two (2) way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

## NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this issue.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Kolkata, 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 to, or for the account or benefit of "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions 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.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106M (1) of Section XB of the SEBI (ICDR) Regulations, whereby, an issuer whose post issue face value capital does not exceed ten crores, shall issue shares 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 this Issue, please refer to Sections titled, **Terms of the Issue** and **Issue Procedure**, beginning on pages 195 and 202, respectively, of this Prospectus.

The present Issue of 44,40,000 Equity Shares at a price of Rs.30.00 each aggregating to Rs.1332.00Lakhs by our Company. The Issue and the Net Issue will constitute45 % and 42.72%, respectively of the post issue paid up equity share capital of the Issuer Company.

| Particulars of the Issue | Net Issue to Public* | Market Maker Reservation Portion |
|---|---|---|
| **Number of Equity Shares** | 42,16,000Equity Shares | 2,24,000Equity Shares |
| **Percentage of Issue Size available for allocation** | 94.95 % of the Issue Size | 5.05% of the Issue Size |
| **Basis of Allotment/Allocation if respective category is oversubscribed** | Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 4000Equity Shares each.<br><br>For further details please refer to "Basis of Allotment" under Section titled, **Issue Procedure**, beginning on page 202 of this Prospectus. | Firm Allotment |
| **Mode of Application** | Through ASBA Process Only | Through ASBA Process Only |
| **Mode of Allotment** | Compulsorily in dematerialised form. | Compulsorily in dematerialised form. |
| **Minimum Application Size** | **For Other than Retail Individual Investors:**<br><br>Such number of equity Shares in multiples of 4000 Equity Shares, such that the Application Value exceeds Rs. 2,00,000.<br><br>**For Retail Individuals:**<br><br>4000 Equity Shares at Issue price of Rs.30.00 each. | - |
| **Maximum Application Size** | **For Other than Retail Individual Investors:**<br><br>The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.<br><br>**For Retail Individuals Investors:**<br>4000 Equity Shares at Issue price of Rs.30.00 each. | - |
| **Trading Lot** | 4000 Equity Shares | 4000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009. |
| **Terms of Payment** | 100% | 100% |

This Issue is being made in terms of Section XB of the SEBI (ICDR) Regulations. For further details please refer to Section titled, **Issue Structure**, beginning on page 200 of this Prospectus.

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as present issue is a fixed price issue 'the allocation' is the net Issue to the public category shall be made as follows:

- Minimum fifty percent to Retail Individual Investors; and
- Remaining to Investors Other than Retail Individual Investors

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

"If the retail individual investor category is entitled to more than fifty per cent (50%) on proportionate basis, the retail individual investors shall be allocated that higher percentage"

## Trade for Trade Settlement

*As per SEBI circular no. CIR/MRD/DP/02/2012 dated January 20, 2012 is applicable to the company and securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days*

## WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

a. The final listing and trading approvals of BSE for listing of Equity Shares Issued through this Issue on its SME Platform, which the Company shall apply for after Allotment; and
b. The final RoC approval of this Prospectus after it is filed with the RoC.
c. In case, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (1) in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document with the stock exchange where the Equity Shares may be proposed to be listed.

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

## ISSUE PROGRAMME

| | |
|---|---|
| **ISSUE OPENING DATE** | NOVEMBER 26, 2018 |
| **ISSUE CLOSING DATE** | NOVEMBER 28, 2018 |

Applications and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing Date when applications will be accepted only between 10:00 a.m. to 4:00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

## ISSUE PROCEDURE

*All applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") included below under Section* ***"PART B – General Information Document"****, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations, as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations, 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public Company. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this issue.*

*Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept Application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing to six working days after the closure of the issue.*

***Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change.*** *Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus.*

*This section applies to all the Applicants, please note that all the applicants are required to make payment of the full Application Amount along with the Application Form.*

***Our Company and the LM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.***

## PART-A

## FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M) (1) of Section XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 **via Fixed Price Process**.

Applicants are required to submit their Applications to the Designated Intermediaries. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchanges, as mandated by SEBI.

## APPLICATION FORM

Pursuant to SEBI Circular dated November 10, 2015, and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA Mode. The prescribed colour of the Application Form for various categories applying in this Issue is as follows:

| Category | Colour |
|---|---|
| Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA) | White |
| Non-Residents including eligible NRIs, FPIs, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA) | Blue |

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "Designated Intermediaries").

| Sl. No. | Designated Intermediaries |
|---|---|
| 1. | An SCSB, with whom the bank account to be blocked, is maintained |
| 2. | A syndicate member (or sub-syndicate member) |
| 3. | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') |
| 4. | A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) |
| 5. | A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity) |

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical or electronic mode, respectively.*

The upload of the details in the electronic application system of stock exchange will be done by:

| | |
|---|---|
| **For Applications submitted by investors to SCSB:** | After accepting the form, SCSB shall capture and upload the relevant details in the electronic application system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| **For applications submitted by investors to Designated Intermediaries (other than SCSBs):** | After accepting the application form, respective Designated Intermediary (other than SCSBs) shall capture and upload the relevant details in the electronic application system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of |

| | |
|---|---|
| | funds within one day of closure of Issue. |

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Stock Exchange(s) shall validate the electronic details with depository's records for DP ID, Client ID and PAN, by the end of each day and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by the stock exchange.

Stock exchange(s) shall allow modification of selected fields in the details already uploaded on a daily basis.

**Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. www.bseindia.com

**Who can Apply?**

Each Applicant should check whether it is eligible to apply under applicable law.

In addition to the category of Applicants as set forth under ―Part B - General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non-Institutional Investors category;
- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

The information below is given for the benefit of the applicants. Our Company and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.

## GROUNDS FOR TECHNICAL REJECTION

Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Applicants are advised to note that the Applications are liable to be rejected, interalia, on the following grounds, which have been detailed at various placed in this Prospectus:

a) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

b) Applications by OCBs; and

c) In case of partnership firms, Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

d) In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Application Form;

e) Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

f) Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

g) DP ID and Client ID not mentioned in the Application Form;

h) PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

j) Applications for lower number of Equity Shares than the minimum specified for that category of investors;

k) Applications at a price less than the price fixed for IPO;

l) Applications at Cut-off Price by NIIs and QIBs;

m) The amounts mentioned in the Application Form does not tally with the amount payable for the value of the Equity Shares Applied for; with respect to Applications by ASBA Applicants, the amounts mentioned in the Application Form does not tally with the amount payable for the value of the Equity Shares Applied for;

n) Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

o) In relation to ASBA Applications, submission of more than five Application Form as per ASBA Account;

p) Applications for an Application Amount of more than Rs. 200,000 by RIIs by applying through non-ASBA process;

q) Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the prospectus;

r) Applications as defined in this GID and the Prospectus;

s) Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and as per the instructions in the Prospectus and the Application Forms;

t) Inadequate funds in the bank account to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the bank account;

u) Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks; with respect to ASBA Applications, where no confirmation is received from SCSB for blocking of funds;

v) Applications by QIBs (other than Anchor Investors) and Non-Institutional Applicants not submitted through ASBA process or Applications by QIBs (other than Anchor Investors) and Non-Institutional;

w) Applicants accompanied with cheque(s) or demand draft(s);

x) Applications submitted to a LM at locations other than the Specified Cities and Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

y) Applications not uploaded on the terminals of the Stock Exchanges; and

z) Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.

**MAXIMUM AND MINIMUM APPLICATION SIZE**

1. **For Retail Individual Applicants**

The Application must be for a minimum of 4000Equity Shares and in multiples of 4000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. **For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of 4000Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application form submitted by them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**PARTICIPATION BY ASSOCIATES /AFFILIATES OF LEAD MANAGER AND THE SYNDICATE MEMBERS**

The Lead Manager and Syndicate Members, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

**Option to Subscribe the Issue**

a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form. Furnishing the information in respect of depositories account is mandatory and applications without depositories account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of shares in physical form as mentioned above. However, they may get the shares re-materialized subsequent to allotment.

b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

c) A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

**Information for the Applicants**

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

2. Our Company will file the Prospectus with the RoC at least three (3) days before the Issue Opening Date.

3. Copies of the Application Form along with Abridged Prospectus and copies of the Prospectus will be available with the, the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.

4. Any applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office/Corporate Office.

5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

**Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis**

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors, foreign nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for such number of Equity Shares that exceed the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR/NRO accounts.

**Applications by eligible NRIs/ FPI's on Repatriation Basis**

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

**As per the current Regulations, the following restrictions are applicable for investments by FPIs.**

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (i) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by SEBI from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:

   a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

   b) Nothing contained in clause (a) shall apply to:
      i. Any transactions in derivatives on a recognized stock exchange;
      ii. Short selling transactions in accordance with the framework specified by the Board;
      iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the Issue in accordance with Section XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

iv. Any other transaction specified by the Board.

c) No transaction on the stock exchange shall be carried forward;

d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to;

i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
ii. Sale of securities in response to a letter of offersent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
vi. Any application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Section XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
viii. Any other transaction specified by SEBI.

e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by SEBI, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

4. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad-based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or subaccount, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

**Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

**Applications by Limited Liability Partnerships**

In case of application made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof.

**Applications by Hindu Undivided Families (HUFs)**

In case of HUFs, application can be made by the Karta of HUF and applications by Hindu Undivided Families would be treated on par with applications by individuals.

**Applications by Insurance Companies**

In case of application made by insurance companies registered with IRDA, certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

(a) Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

(c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

**Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakh (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakh, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lakh and pension funds with minimum corpus of Rs. 2500 Lakh, a certified copy of a certificate from a chartered accountant certifying

the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

**Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.

**Applications by banking companies**

In case of Application made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any application without assigning any reason therefore.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Circular – Para-banking Activities dated July 1, 2015 is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

**Method and Process of Application**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.

2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.

5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic application system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment if finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

**Issuance of a Confirmation of Allocation Note ("CAN") and Allotment in the Issue**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the LM or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

**Terms of payment**

The entire Issue price of Rs. 30.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicant should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the applicants.

**Payment mechanism**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

*Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in the public Issue can only invest through ASBA Mode.*

**Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
   (i) the applications accepted by them,
   (ii) the applications uploaded by them
   (iii) the applications accepted but not uploaded by them, or
   (iv) with respect to applications by Applicants, applications accepted and uploaded by any

   Designated Intermediary (other than SCSBs), the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
   (i) the applications accepted by any Designated Intermediaries;
   (ii) the applications uploaded by any Designated Intermediaries; or
   (iii) the applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

| Sl. No. | Details* |
|---|---|
| 1. | Symbol |
| 2. | Intermediary Code |
| 3. | Location Code |
| 4. | Application No. |
| 5. | Category |
| 6. | PAN |
| 7. | DP ID |
| 8. | Client ID |
| 9. | Quantity |
| 10. | Amount |

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:

- Name of the Applicant;
- IPO Name:
- Application Form Number;
- Investor Category;
- PAN (of First Applicant, if more than one Applicant);
- DP ID of the demat account of the Applicant;
- Client Identification Number of the demat account of the Applicant;
- Number of Equity Shares Applied for;
- Bank Account details;
- Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
- Bank account number.

8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated/allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue.

14. Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

15. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

16. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

**Allocation of Equity shares**

1) The Issue is being made through the Fixed Price Process wherein 2,24,000 Equity Shares shall be reserved for Market Maker. 21,08,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.

2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.

5) Allotment status details shall be available on the website of the Registrar to the Issue.

**Signing of Underwriting Agreement and Filing of Prospectus with ROC**

a) Our company and Lead Manager have entered into an Underwriting Agreement dated October 30, 2018 with underwriter.

b) A copy of Prospectus will be filled with the RoC in terms of Section 26 of Companies Act, 2013.

**Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre - issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii)Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre- issue advertisement, we will state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, will be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

**Issuance of Allotment Advice**

1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2) The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicants.

**General Instructions**

**Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres),the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed asper the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;

- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit with the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than five applications from one bank account.

**Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012, has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com.With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015, has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com .

**Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

**Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

**Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre - issue or post issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

**Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps 'for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed arc taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within six (6) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

**Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non- Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

**Impersonation**

Attention of the investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

Any person who-

a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under Section 447 of the Companies, Act 2013.

**Undertakings by Our Company**

We undertake as follows:

1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within six (6) Working days of Issue Closing Date.

3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

4) That our Promoters undertake to comply with the provisions in respect of minimum promoters' contribution as required under regulation 32 of SEBI ICDR Regulations;

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 unblocked on account of non-listing, under subscription etc. and

6) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Company;

**Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) Agreement dated August 17, 2018 between NSDL, the Company and the Registrar to the Issue;
b) Agreement dated August 17, 2018 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN INE01GR01018.

## 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. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the prospectus before investing in the Issue

### Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken inter-alia through the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009"**) as amended.

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the prospectus filed by the Issuer with the Registrar of Companies **("RoC").** Applicants should carefully read the entire prospectus and the Application Form and the abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the prospectus, the disclosures in the prospectus shall prevail. The prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India **("SEBI")** at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section "Glossary and Abbreviations".

### Section 2: Brief Introduction to IPOs on SME Exchange

#### 2.1 Initial public offer(IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009 if applicable. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the prospectus.

The Issuer may also undertake IPO under Chapter XB of SEBI (ICDR) regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer whose post-issue face value capital is more than ten crore rupees and upto twenty five crore rupees may also issue its specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

#### 2.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable ("the Companies Act), the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry- specific regulations if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

a) In accordance with Regulation 106(P) of SEBI (ICDR) Regulation, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.

b) In accordance with regulation 106(R) of SEBI (ICDR) Regulation, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be blocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.

c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the prospectus with Stock Exchange and the Registrar of Companies.

d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulation, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.

e) The company confirms that it has track record of more than 3 years.

f) The Net worth (excluding revaluation reserves) of the Issuer shall be positive as per the latest audited financial results.

g) The Issuer should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years.

h) The Post-Offer paid up capital of the Issuer shall be less than ₹ 25 Crores.

i) The Issuer shall mandatorily facilitate trading in demat securities.

j) The Issuer should not have been referred to Board for Industrial and Financial Reconstruction.

k) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.

l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.

m) The Company should have a website

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3) , Regulation 8,Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus the Company is eligible for the Issue in accordance with Regulation 106M(1) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital does not exceed Rs.1000 Lakh. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

### 2.3 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built Issue")** or undertake a Fixed Price Issue **("Fixed Price Issue").** An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the 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. Applicants should refer to the prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

### 2.4 Offer Period

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged prospectus or prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

### 2.5 Migration to Main Board

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

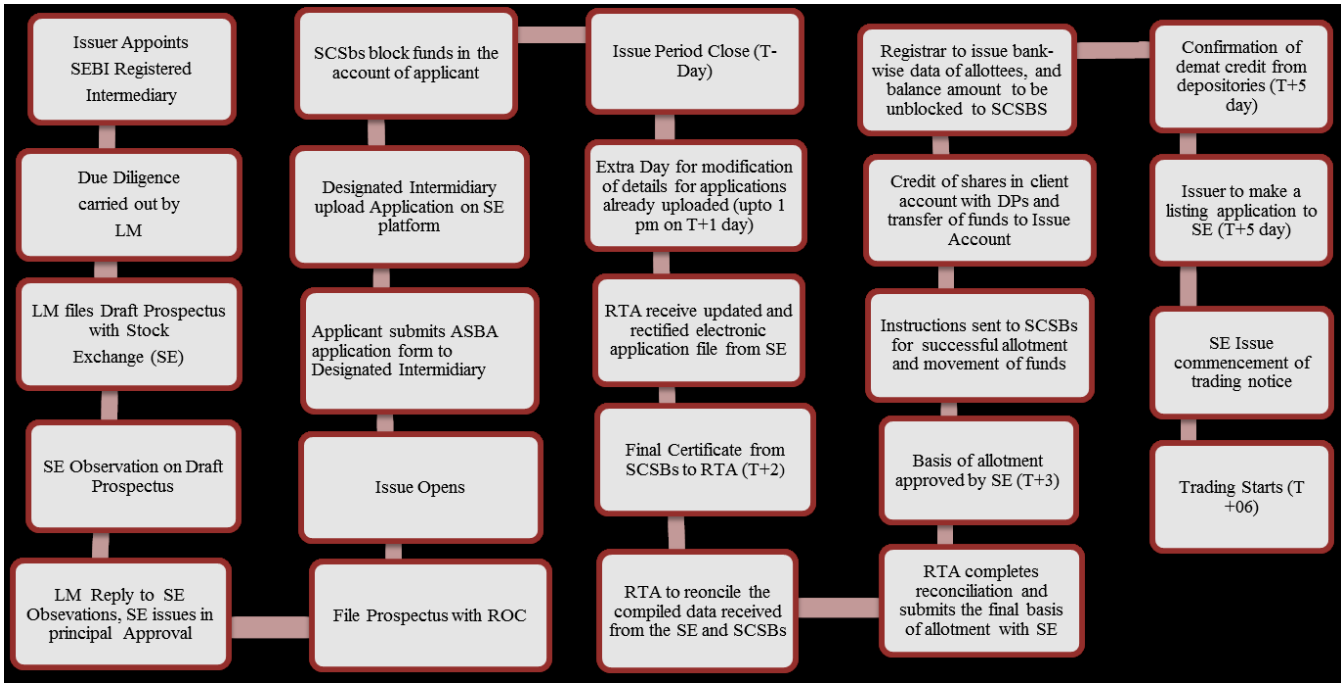
a) If the Paid up Capital of the Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in 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 ₹ 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by Share holders other than promoter shareholders against the proposal.

### 2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows:



**Section 3: Category of Investors Eligible to participate in an issue**

**Each Applicant should check whether it is eligible to apply under applicable law.** Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law; NRIs other than Eligible NRIs are not eligible to participate in this Issue.
- Indian Financial Institutions, scheduled commercial banks regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, VCFs and FVC are registered with SEBI.
- Limited liability partnerships registered in India and authorized to invest in equity shares.
- State Industrial Development Corporations.
- Trusts/societies registered under the Societies Registration Act, 1860, as amended or under any other law relating to trusts/ societies and who are authorized under their respective constitutions to hold and invest in equity shares;
- Scientific and or Industrial Research Organizations authorized to invest in equity shares.
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no F.No.2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy, air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply to this Issue, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian Laws.

Application not should be made by:

- Minors (Expect under guardianship)
- Partnership firms or their nominees
- Foreign Nations (Except NRIs)
- Overseas Corporate Bodies

As per the existing regulations, OCBs are not allowed to participate in an Issue.

**Section 4: Applying in the Issue**

**Fixed Price Issue:** Applicants should only use the specified cum Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the registered office of the Issuer, and office of the RTA and at the office of the LM. For further details regarding availability of Application Forms, Applicants may refer to the prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

| Category | Colour |
|---|---|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA) | White |
| Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA) | Blue |

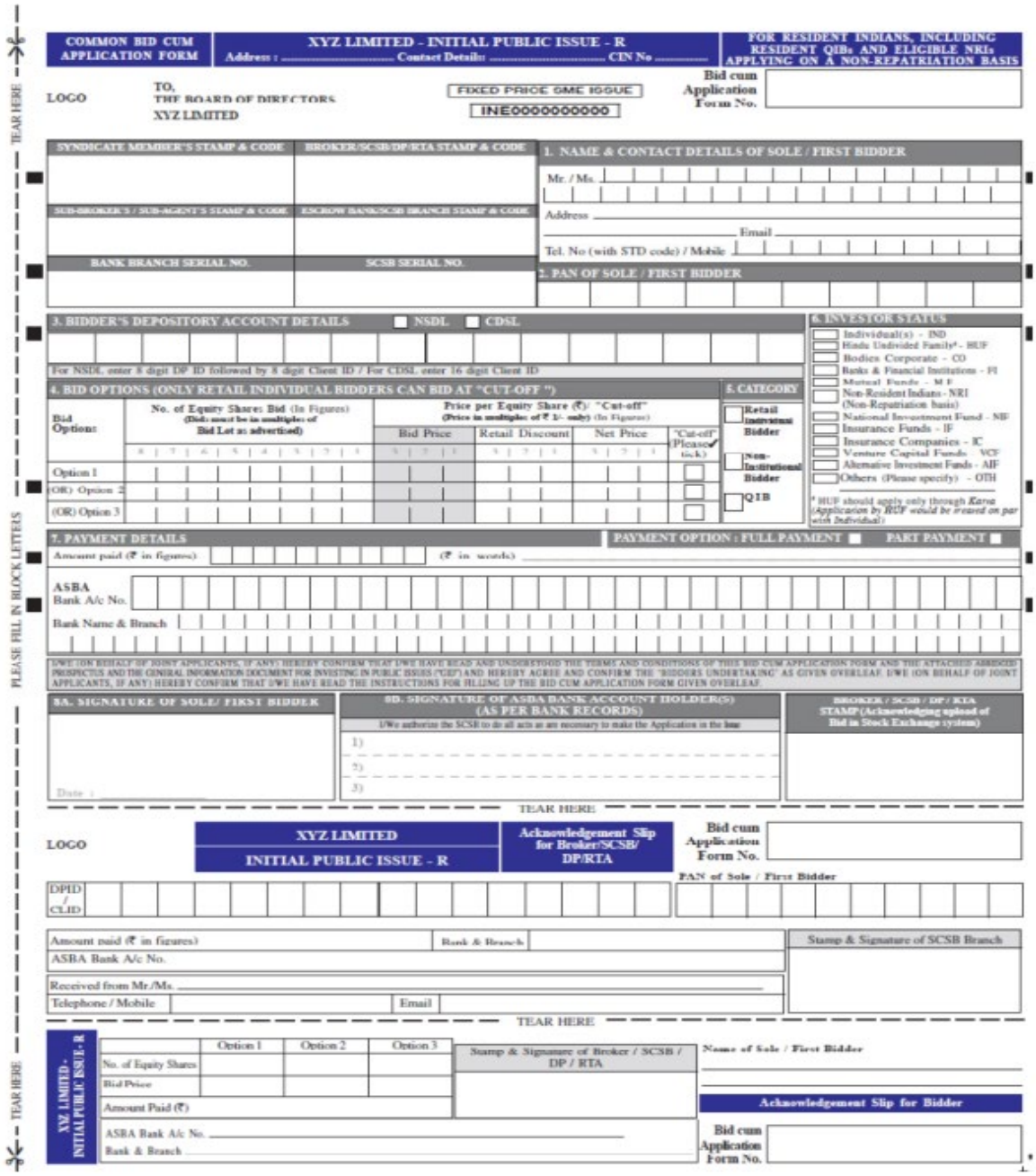
Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

### 4.1 INSTRUCTIONS FOR FILING APPLICATION FORM/APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:



COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : ..... Contact Details: ..... CIN No .....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE

INE0000000000

Bid cum Application Form No.

TEAR HERE

SYNDICATE MEMBER'S STAMP & CODE

BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options: | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹)/ "Cut-off" (Price in multiple of ₹ 1/- only) (In Figures): Bid Price | Retail Discount | Net Price | "Cut-off" (Please ✓ tick)

Option 1

(OR) Option 2

(OR) Option 3

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND

☐ Hindu Undivided Family* - HUF

☐ Bodies Corporate - CO

☐ Banks & Financial Institutions - FI

☐ Mutual Funds - MF

☐ Non-Resident Indians - NRI (Non-Repatriation basis)

☐ National Investment Fund - NIF

☐ Insurance Funds - IF

☐ Insurance Companies - IC

☐ Venture Capital Funds - VCF

☐ Alternative Investment Funds - AIF

☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)

Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Bid Price | | | |
| Amount Paid (₹) | | | |

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

Address : ..... Contact Details: ..... CIN No .....

For Eligible NRI, FII, FVCI, applying on Repatriation Basis

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE

INE000000000

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

| Bid Options | No. of Equity Shares Bid (In Figures) (Bid: must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price | Retail Discount | Net Price | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. Investor Status

| | | |
|---|---|---|
| ☐ | Non-Resident Indians (Repatriation basis) | NRI |
| ☐ | Foreign Institutional Investor | FII |
| ☐ | Foreign Venture Capital Investor | FVCI |
| ☐ | FII Sub Account Corporate/ Individual | FII SA |
| ☐ | Others (Please Specify) | OTH |

7. PAYMENT DETAILS

PAYMENT OPTION : FULL PAY

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorise the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) | Bank & Branch | Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Bid Price | | | |
| Amount Paid (₹) | | | |

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

ASBA Bank A/c No.

Bank & Branch

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

### 4.1.1 NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and email and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including refund orders and letters notifying the unblocking of the bank

accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(b) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favor of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

***"Any person***

- ***who makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or***
- ***makes or abets making of multiple applications to a Company in different names or indifferent combinations of his name or surname for acquiring or subscribing for its securities;***
- ***or otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name, Shall be liable for action under section 447 of the said Act."***

(d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

### 1.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

(a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Applications by Applicants whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

### 1.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

(a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected**.

(b) Applicants should ensure that the beneficiary account provided in the Application Form is active.

(c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.

(d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

### 1.1.4 FIELD NUMBER 4: APPLICATION DETAILS

(a) The Issuer may mention Price in the prospectus. However a prospectus registered with ROC contains one price.

(b) Minimum and Maximum Application Size

**i. For Retail Individual Applicants**

The Application must be for a minimum of 4,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for maximum 1 lots i.e. for 4,000 Equity Shares.

**ii. For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 4,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non- Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the prospectus.

**(c) Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Application Collecting Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

**(d)** Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

**(e)** The following applications may not be treated as multiple Applications:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.

iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

### 1.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the prospectus.

iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the prospectus.

### 1.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the prospectus for more details.

(c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.

(d) Applicants should ensure that their investor status is updated in the Depository records.

### 4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

a) All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of Discount. Only in cases where the prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

b) All categories of investors can participate in the Issue only through ASBA mechanism.

c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

#### 4.1.7.1 Payment instructions for Applicants

(a) Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries.

(b) Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Applicant should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicant shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Application Forms can be submitted.

(f) Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Application Forms (a list of such branches is

available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

(g) Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.

(h) ASBA Applicant applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form may upload the details on the Stock Exchange Platform.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(l) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(m) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

#### 4.1.8 Unblocking of ASBA Account

Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non-allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

##### 4.1.8.1 Discount (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the prospectus.

(c) For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

#### 4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

### 4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.

(d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

### 4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

(a) All communications in connection with Applications made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Issue.

ii. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.

iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.

(b) The following details (as applicable) should be quoted while making any queries -

i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application.
ii. Name and address of the Designated Intermediary, where the Application was submitted; or
iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the prospectus and the Application Form.

## 4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately.

(b) RII may revise their applications till closure of the issue period or withdraw their applications until finalization of allotment.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

**COMMON BID REVISION FORM** | **XYZ LIMITED - INITIAL PUBLIC ISSUE - R** | **FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS**

Address : ..... Contact Details: ..... CIN No .....

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : .....

Bid cum Application Form No.

TEAR HERE

| SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE |
|---|---|
| SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE |
| BANK BRANCH SERIAL NO. | SCSB SERIAL NO. |

**1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER**

Mr. / Ms. _____

Address _____ Email _____

Tel. No (with STD code) / Mobile _____

**2. PAN OF SOLE / FIRST BIDDER**

**3. BIDDER'S DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

**PLEASE CHANGE MY BID**

**4 FROM (AS PER LAST BID OR REVISION)**

| Bid Options | No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) | Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | |
|---|---|---|---|---|---|
| | | Bid Price | Retail Discount | Net Price | "Cut-off" (Please ✓ tick) |
| | 8 7 6 5 4 3 2 1 | 3 2 1 | 3 2 1 | 3 2 1 | |
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

OLD BID

**5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")**

| Bid Options | No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) | Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | |
|---|---|---|---|---|---|
| | | Bid Price | Retail Discount | Net Price | "Cut-off" (Please ✓ tick) |
| | 8 7 6 5 4 3 2 1 | 3 2 1 | 3 2 1 | 3 2 1 | |
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

REVISED BID

**6. PAYMENT DETAILS** | PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Additional Amount Paid (₹ in figures) _____ (₹ in words) _____

ASBA Bank A/c No. _____

Bank Name & Branch _____

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION 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 REVISION FORM GIVEN OVERLEAF.

PLEASE FILL IN BLOCK LETTERS

| 7A. SIGNATURE OF SOLE/ FIRST BIDDER | 7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) |
|---|---|---|
| Date : | I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue<br>1)<br>2)<br>3) | |

TEAR HERE

LOGO

**XYZ LIMITED**
**BID REVISION FORM - INITIAL PUBLIC ISSUE - R**

**Acknowledgement Slip for Broker/SCSB/ DP/RTA**

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Additional Amount Paid (₹) | Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms. _____

Telephone / Mobile | Email

Stamp & Signature of SCSB Branch

REVISED BID

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Bid Price | | | |
| Additional Amount Paid (₹) | | | |

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

**Acknowledgement Slip for Bidder**

ASBA Bank A/c No. _____

Bank & Branch _____

Bid cum Application Form No.

TEAR HERE

***Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:***

**1.2.1 FIELDS 1, 2 AND 3:** NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

**1.2.2 FIELD 4 & 5:** APPLICATION REVISION "FROM" AND "TO"

(a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.

(b) In case of revision of Applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, should not exceed ₹2,00,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

**1.2.3 FIELD 6:** PAYMENT DETAILS

(a) Applicants are required to make payment of the full application along with the Revision Form.

(b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to the Designated Branch through whom such Applicant had placed the original Application to enable the relevant SCSB to block the additional Application Amount, if any.

**4.2.4 FIELDS 7:** SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

**4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM**

Applicants may submit completed application form / Revision Form in the following manner:-

| Mode of Application | Submission of application Form |
|---|---|
| All Investors Application | To the Application Collecting Intermediaries |

**<u>Section 5: Issue Procedure in Fixed Price Issue</u>**

a. **Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.**

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the t prospectus with the RoC, the Application so submitted is considered as the application form. Applicants may only use the specified Application Form for the purpose of making an Application in terms of the prospectus which may be submitted through Designated Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

b. **Grounds for technical rejections**

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:-

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of applicable lot size;
- Category not ticked;
- Multiple Applications as defined in this prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and prospectus as per the instructions in the prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹. 200000 received after 3.00 pm on the issue closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.
- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

**APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

## Section 6: Issue Procedure in Book Built Issue

This being Fixed Price Issue, this section is not applicable for this Issue.

## Section 7: Allotment Procedure and Basis of Allotment

### 7.1 Basis of Allotment

Allotment will be made in consultation with BSE SME (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

c) For applications where the proportionate allotment works out to less than 4,000 Equity Shares the allotment will be made as follows:

i. Each successful applicant shall be allotted 4,000 Equity Shares;

ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 4,000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 4,000 Equity Shares subject to a minimum allotment of 4,000 Equity Shares.

e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 4,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this prospectus.

f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:

i. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as the Retail Individual Investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

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

iii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE- SME.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

## 7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

   Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 5 Working Days of the Issue Closing 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 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 Issue Closing Date.

## 8.2 GROUNDS FOR UNBLOCKING OF FUNDS

### 8.2.1 Non Receipt of Listing Permission

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in prospectus. The Designated Stock Exchange may be as disclosed in the prospectus with which the Basis of Allotment may be finalized.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith initiate action to unblock the application amount from the Investors accounts.

If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of Companies Act, and disclosed in the prospectus.

### 8.2.2 Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of Companies Act, 2013 if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the prospectus, the application money has to be returned within such period as may be prescribed. If our company does not receive the 100% subscription of the offer through the Offer Document including devolvement of underwriters, if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblock the entire application amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations, the Companies Act, 2013.

The minimum number of allottees in this 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 amounts in the ASBA Account shall be unblocked within 6working days of closure of the issue.

Further in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.100000/- (Rupees One Lakh) per application.

The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

**8.2.3 Minimum Number of Allottees**

The Issuer may ensure that the number of prospective allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be unblocked forthwith.

**8.3 MODE OF UNBLOCKING OF FUNDS**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

**8.3.1 Mode of making refunds for Applicants**

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

**8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT**

The Issuer may pay interest at the rate of 15% per annum if demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the Issue Closing Date, if Allotment is not made.

## Section 9: Glossary and Abbreviations

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

| Term | Description |
|---|---|
| Allotment/ Allot/ Allotted | The allotment of Equity Shares pursuant to the Issue to successful Applicants |
| Allottee | An Applicant to whom the Equity Shares are Allotted |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges |
| Application | An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto. |
| Application Form | The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue |
| Application Supported by Blocked Amount/(ASBA)/ASBA | An application, whether physical or electronic, used by Applicants to make an application authorising an SCSB to block the Application Amount in the specified bank account maintained with such SCSB |
| ASBA Account | Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant |
| ASBA Application | An Application made by an ASBA Applicant |
| Application Amount | The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable). |
| Banker(s) to the Issue/ | The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account(s) may be opened, and as disclosed in the prospectus and Application Form of the Issuer |
| Basis of Allotment | The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue |
| Bid | An indication to make an offer during the Issue Period by a prospective Applicant pursuant to submission of Application Form or during the Anchor Investor Issue Period by |

| Term | Description |
|---|---|
| | the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. |
| Business Day | Monday to Friday (except public holidays) |
| CAN/Confirmation of Allotment Note | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account |
| Companies Act | The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified) |
| DP | Depository Participant |
| DP ID | Depository Participant‘s Identification Number |
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Applicants including the Applicant‘s address, name of the Applicant‘s father/husband, investor status, occupation and bank account details |
| Designated Branches | Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries |
| Designated Date | The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account, as appropriate, after the prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue |
| Designated Stock Exchange | The designated stock exchange as disclosed in the prospectus of the Issuer |
| Discount | Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009. |
| draft prospectus | The draft prospectus filed with the Designated stock exchange in case of Fixed Price Issues and which may mention a price or a Price Band |
| Employees | Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details /Applicant may refer to the prospectus |
| Equity Shares | Equity shares of the Issuer |
| FCNR Account | Foreign Currency Non-Resident Account |
| Applicant | The Applicant whose name appears first in the Application Form or Revision Form |
| FPI(s) | Foreign Portfolio Investor |
| Fixed Price Issue/ Fixed Price Process/Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made |
| FPO | Further public offering |
| Foreign Venture Capital Investors or FVCIs | Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 |
| IPO | Initial public offering |
| Issue | Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable |
| Issuer/ Company | The Issuer proposing the initial public offering/further public offering as applicable |
| Issue Closing Date | The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide |

| Term | Description |
|---|---|
| | circulation Applicants may refer to the prospectus for the Issue Closing Date |
| Issue Opening Date | The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the prospectus for the Issue Opening Date |
| Issue Period | The period between the issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the prospectus for the Issue Period |
| Issue Price | The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s) |
| Lead Manager(s)/Lead Manager/ LM | The Lead Manager to the Issue as disclosed in the prospectus and the Application Form of the Issuer. |
| Maximum RII Allottees | The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot. |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996 |
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Fund Transfer |
| NRE Account | Non-Resident External Account |
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| Net Issue | The Issue less Market Maker Reservation Portion |
| Non-Institutional Investors or NIIs | All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs) |
| Non Institutional Category | The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the prospectus and the Application Form |
| Non Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEM |
| Offer for sale | Public offer of such number of Equity Shares as disclosed in the prospectus through an offer for sale by the Selling Shareholder |
| 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 |

| Term | Description |
|---|---|
| Prospectus | The Prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information |
| Public Issue Account | An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date |
| QIB Category Qualified Institutional Buyers or QIBs | The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009 |
| RTGS | Real Time Gross Settlement |
| Refunds through electronic transfer of funds | Refunds through ASBA |
| Registrar to the Issue/RTI | The Registrar to the Issue as disclosed in the Prospectus and Application Form |
| Reserved Category/ Categories | Categories of persons eligible for making application under reservation portion |
| Reservation Portion | The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009 |
| Retail Individual Investors / RIIs | Investors who applies or for a value of not more than Rs. 2,00,000. |
| Retail Individual Shareholders | Shareholders of a listed Issuer who applies for a value of not more than Rs. 2,00,000. |
| Retail Category | The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis. |
| Revision Form | The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s) |
| ROC | The Registrar of Companies |
| SEBI | The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 |
| SEBI ICDR Regulations, 2009 | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| Self Certified Syndicate Bank(s) or SCSB(s) | A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| SME IPO | Initial public offering as chapter XB of SEBI (ICDR) Regulation |
| SME Issuer | The Company making the Issue under chapter XB of SEBI (ICDR) Regulation |
| Stock Exchanges/SE | The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed |
| Specified Locations | Refer to definition of Broker Centers |
| Underwriters | Lead Manager (s) |
| Underwriting Agreement | Underwriting Agreement entered between Company and Underwriters |
| Working Day | Working days shall be all trading days of stock exchanges excluding Sundays and bank holidays |

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued the Consolidated FDI Policy, which with effect from May 12, 2015, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on May 12, 2015. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

As per the existing policy of the GoI, OCBs cannot participate in the Issue.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and, unless so registered, may not be Issued or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.**

**Accordingly, the Equity Shares are being Issued and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Prospectus as "U.S. QIBs" pursuant to the private placement exemption set out in Section 4(a)(2) of the Securities Act; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs"), in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur.**

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.**

## MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

### *I. Interpretation*

**1.** In these regulations—

(a) "the Act" means the Companies Act, 2013,

(b) "the seal" means the common seal of the company.

**2.** Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

### *II. Share capital and variation of rights*

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company 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. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) One certificate for all his shares without payment of any charges; or

(b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;

(iii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iv) In respect of any 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 for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back 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 is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.

4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

8 A. (i) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:

(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.
(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.
(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.

(ii) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.

(iii) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.

***Lien***

9. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien :

Provided that no sale shall be made—

(a) Unless a sum in respect of which the lien exists is presently payable; or

(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like 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.

***Calls on shares***

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

***Transfer of shares***

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(c) Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

(d) The common form of transfer shall be used by the Company.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognize any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

***Transmission of shares***

23. (i) 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 persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided 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, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

27. In case of a One Person Company—

(i) on the death of the sole member, the person nominated by such member shall be the person recognized by the company as having title to all the shares of the member;

(ii) the nominee on becoming entitled to such shares in case of the member's death shall be informed of such event by the Board of the company;

(iii) such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable;

(iv) on becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

***Forfeiture of shares***

28. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited 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 share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

***Alteration of capital***

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations 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.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

***Capitalization of profits***

39. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(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

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause

(iii) either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) 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;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(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

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

(iv) Capital paid-up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

***Buy-back of shares***

41. 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.

***General meetings***

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

***Proceedings at general meetings***

44. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

48. In case of a One Person Company—

(i) the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118;

(ii) such minutes book shall be signed and dated by the member;

(iii) the resolution shall become effective from the date of signing such minutes by the sole member.

***Adjournment of meeting***

49. (i) 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.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) 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.

(iv) 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.

***Voting rights***

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. (i) 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.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, 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.

54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

56. (i) 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.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

***Proxy***

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

***Board of Directors***

60. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

62. The Board may pay all expenses incurred in getting up and registering the company.

63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

64. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

66. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

***Proceedings of the Board***

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

68. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

69. 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.

70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

72. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

73. (i) A committee may meet and adjourn as it thinks fit.

(ii) 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.

74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly pointed and was qualified to be a director.

75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

76. In case of a One Person Company—

(i) where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118;

(ii) such minutes book shall be signed and dated by the director;

(iii) the resolution shall become effective from the date of signing such minutes by the director.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

77. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer,

manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

78. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

***The Seal***

79. (i) The Board shall provide for the safe custody of the seal.

(ii) 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.

***Dividends and Reserve***

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. 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.

82. (i) 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.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (i) 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.

(ii) 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.

(iii) 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.

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

87. 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.

88. No dividend shall bear interest against the company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law

***Accounts***

89. (i) 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.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

***Winding up***

90. Subject to the provisions of Chapter XX of the Act and rules made there under—

(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.

(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.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

***Indemnity***

91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## SECTION X: 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 the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at 11Sambhu Chatterjee Street, Jorasanko Kolkata-700007, India, from 10.00 am to 5.00 pm on all Working Days from the date of Prospectus until the Issue Closing Date.

### A. Material Contracts to the Issue

1. Issue Agreement dated 10th August, 2018 entered into among our Company and the Lead Manager.
2. Agreement dated 28th May 2018 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated August 17, 2018 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated August 17, 2018 entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement dated November 01, 2018 among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated October 29, 2018 between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated October 30, 2018 between our Company, the Lead Manager and the Market Maker.

### B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation of our Company dated February 06, 2018 issued by Registrar of Companies, West Bengal.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated 27th July, 2018 and 9th August, 2018 respectively, authorizing the Issue and other related matters.
4. Copies of Audited Financial Statements of our Company for the financial years ended March 31, 2018, 2017, 2016, 2015, 2014 and for the period ended 30th September, 2018
5. Auditor's report from Peer Review Auditor for Restated Financials dated 6thNovember, 2018 included in this Prospectus.
6. Copy of Statement of tax benefits dated 6th November, 2018 from the Peer Review Auditor included in this Prospectus.
7. Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Legal Advisor to the Issue, Bankers to our Company, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the Prospectus to act in their respective capacities.
8. In-principle listing approval dated November 02, 2018 from the BSE Limited for listing the Equity Shares on the SME Platform of BSE.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We 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 or guidelines issued by SEBI, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| *Mr.Rajesh Pirogiwal*<br>*DIN:01279323*<br>*Managing Director* | Rajesh Pirogiwal |
| Mrs. Sunita Pirogiwal<br>*DIN:01279325*<br>*Whole Time Director* | Sunita Pirogiwal |
| *Mr. Vikash Kedia*<br>*DIN:08165666*<br>*Non Executive and Independent Director* | Vikash Kedia |
| *Mrs. Sreejita Choudhary*<br>*DIN: 08185074*<br>*Non Executive and Independent Director* | Sreejita Choudhury |
| *Ms. Tanvi Pirogiwal.*<br>*Non Executive Director*<br>*DIN:* 07757429 | Tanvi Pirogiwal |

**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER**

Sumit Kumar Jain

Mr. Sumit Kumar Jain

**SIGNED BY THE CHIEF FINANCIAL OFFICER**

Biswanath Singha

Mr. Biswanath Singha

**Date 14th November, 2018**
**Place:** Kolkata, West Bengal