



HINDUSTAN FLEX LIMITED

CIN:U24243UP2004PLC028424

Our Company was incorporated as “Shriya ChemEnterprises Pvt Ltd” on March 23, 2004, under the provisions of the Companies Act, 1956 in the State of Uttar Pradesh. Subsequently, our Company’s name was changed to “Vibrant Ink Pvt Ltd” on August 29, 2014 followed by an acquisition of Hindustan Mono Chem Industries on May 16, 2015. On September 29,2016, “Vibrant Ink Pvt Ltd” changed its name to “Hindustan Flex Pvt Ltd” and on October 06,2016, it was converted into a Public Limited Company. For further details of our Company, please refer “General Information” and “Our History and Certain Other Corporate Matter” beginning on page no 36 and 101 respectively of this Draft Prospectus.

Registered Office: 123/57, Saresh Bagh, Factory Area, Kanpur-208 012

Contact Person: Ms. Upasana Mishra, Company Secretary and Compliance Officer

Tel. No.: + 91 0512 2222386 **Website:** www.hindustanflex.com; **E-Mail ID:** info@hindustanflex.com

PROMOTERS: MR. ALOK KUMAR MISHRA

| THE ISSUE |
|--|
| PUBLIC ISSUE OF [·] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FULLY PAID UP OF “HFL” OR “THE COMPANY” OR “THE ISSUER” FOR CASH AT A PRICE OF ₹ [·] PER EQUITY SHARE (THE “ISSUE PRICE”) (INCLUDING SHARE PREMIUM OF ₹[·] PER EQUITY SHARE) AGGREGATING ₹1330.00 LAKHS (THE “ISSUE”) BY OUR COMPANY OF WHICH [·] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FULLY PAID UP WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [·] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FULLY PAID UP IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [·]% AND [·]% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY |
| THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH, THE ISSUE PRICE IS ₹ [·]. THE ISSUE PRICE IS [·] TIMES THE FACE VALUE. |
| THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED FROM TIME TO TIME). For further details please refer to “Issue Information” beginning on page no 173 of this Draft Prospectus. |
| RISK IN RELATION TO THE FIRST ISSUE |
| This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 and the Issue Price is [·] times of the face value. The Issue Price (as determined and justified by the Company and the Lead Manager as stated under chapter titled “Basis for Issue Price” beginning on page no 62 of this Draft Prospectus) 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 and/or sustained trading in the Equity Shares of our Company 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 this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” on page no 15 of this Draft Prospectus. |
| COMPANY’S ABSOLUTE RESPONSIBILITY |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue; that the information contained in this Draft 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 Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. |
| LISTING |
| The Equity Shares of our Company issued through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Ltd (“BSE -SME”). In terms of the Chapter XB of the SEBI ICDR Regulations, 2009 as amended from time to time, our Company has received an in principle approval letter dated [·] from BSE Ltd for using its name in this issue document for listing of our shares on the SME Platform of BSE Ltd. For the purpose of this issue. BSE Ltd. shall be the Designated Stock Exchange. |

| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|--|---|
| <div style="display: flex; align-items: center;"> <div> <p>Mark Corporate Advisors Private Limited CIN: U67190MH2008PTC181996 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057. Contact Person: Mr. Manish Gaur Tel. No.: +91 22 2612 3207/08 E-Mail ID: smeipo@markcorporateadvisors.com SEBI Regn No.: INM000012128 Investor Grievance Email:investorgrievance@markcorporateadvisors.com</p> </div> </div> | <div style="display: flex; align-items: center;"> <div> <p>Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai- 400 059 Contact Person: Mr.Srinivas Dornala Tel No.: +91 22 62638200 Fax .:+91 022 62638299 E-Mail ID: ipo@bigshareonline.com SEBI Regn No.: INR000001385</p> </div> </div> |
| ISSUE PROGRAMME | |
| Issue Opens On: [·] | Issue Closes on: [·] |

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**SECTION 1 - GENERAL INFORMATION
DEFINITIONS AND ABBREVIATIONS**

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Draft 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.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI (ICDR) Regulations, the Companies Act 1956/2013, the SCRA, the Depositories Act and the rules and regulations made thereunder.

General Terms

| Term(s) | Description |
|--|--|
| 'Our Company' or 'The Company' or 'The Issuer' | Hindustan Flex Private Limited, a company incorporated under the Companies Act, 1956 and having its Registered office at 123/57 Saresh Bagh, Factory Area Kanpur- 208 012 and converted from Private Limited to Limited Company and RoC gives fresh Certificate of Incorporation dated October 06, 2016. |
| 'we', 'us' or 'our' | Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries |

Company Related Terms

| Term(s) | Description |
|---|---|
| Administrative Office Articles/Articles of Association/AOA | 123/57 Saresh Bagh, Factory Area Kanpur- 208 012. Unless the context otherwise requires, refers to the Articles of Association of our Company, as amended from time to time. |
| Auditor/Statutory Auditor | The Auditor of the Company being M/s Shashi Dinesh & Co., Chartered Accountant, Kanpur |
| Bankers to Our Company | State Bank Of India Kanpur, Co-operative Industrial Estate, Dada Nagar Kanpur 208022 |
| Board/Board of Directors/Our Board | The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company being Ms. Upasana Mishra |
| Director(s) | The Director(s) on the Board of Our Company as appointed from time to time, unless otherwise specified |
| Equity Shares | Equity Shares of our Company of face value of ₹10 each |
| Equity Shareholders | The holders of Equity Shares of our Company |
| Key Managerial Personnel/KMP | Key Managerial Personnel of our Company in terms of the SEBI (ICDR) Regulations, 2009 and Companies Act, 2013. For details, please refer "Our Management" on page no 105 of this Draft Prospectus. |
| Memorandum/Memorandum of Association/MOA | The Memorandum of Association of our Company, as amended from time to time. |
| Materiality Policy | The policy adopted by our Board on August 20, 2018 for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2009. |
| Managing Director | The Managing Director of our company namely Mr. Alok Kumar Mishra. |
| Non-Resident | A person resident outside India, as defined under FEMA Regulations. |

| Term(s) | Description |
|---|--|
| Non-Resident Indian/NRI | A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended. |
| Overseas Corporate Body/OCB | A Company, Partnership, Society or other Corporate Body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue. |
| Peer Reviewed Auditor | M/s Shashi Dinesh & Co., Chartered Accountants, having its Head Office at G-2, Prabhu Rachna Apartments,13/386-D,Civil Lines, Kanpur -208 001. |
| Promoters/Our Promoters | Promoters of Our Company namely Mr. Alok Kumar Mishra. For details, please refer “Our Promoters and Promoter Group” on page no 117 of this Draft Prospectus |
| Promoter Group | Persons and entities constituting the Promoter Group of our Company in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations, 2009. For details, please refer “Our Promoters and Promoter Group” on page no 117 of this Draft Prospectus. |
| Registered Office | 123/57 Saresh Bagh, Factory Area Kanpur- 208 012 |
| RoC | Registrar of Companies, (Uttar Pradesh & Uttarakhand), 37/17, Westcott Building, The Mall, Kanpur-208 001 |
| Hindustan Flex Limited/ /HFL/The Company/our Company/we/us/our and the Issuer Company | Hindustan Flex Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 1956 as amended in the Companies Act, 2013 as per Memorandum of Association. |

Issue Related Terms

| Term(s) | Description |
|--|---|
| Allocation/Allocation of Equity Shares | The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants |
| Allotment/Allot/Allotted | Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants |
| Allottee(s) | Successful Applicants to whom Equity Shares of our Company shall have been allotted |
| Applicant | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Prospectus |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue |
| Application Supported by Blocked Amount/ASBA | The application (whether physical or electronic) by an Applicant to make an Application authorizing the relevant SCSB to block the Application Amount in the relevant ASBA Account 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 potential investors shall participate in the Issue only through ASBA process providing details about the bank account which will be blocked by the SCSBs |
| ASBA Account | Account maintained with an 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 |

| Term(s) | Description |
|---|---|
| ASBA Application Location(s)/Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs viz, Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat |
| ASBA Bid | A Bid made by an ASBA Bidder |
| ASBA Investor/ASBA Applicant | Any prospective investor(s)/applicant(s) in this Issue who apply (ies) through the ASBA process in terms of this Draft Prospectus. |
| Banker(s) to the Issue/Escrow Collection Bank | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case, being [·] Limited |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page no 181 of this Draft Prospectus |
| Bid | An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI Regulations |
| Bid Amount | Highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid |
| Bid Lot | [·] Equity Shares |
| Broker Centre’s | Broker Centre’s notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centre’s, along with the name and contact details of the Registered Brokers, are available on the website of the BSE on the following link www.bseindia.com |
| Broker to the Issue | All recognized members of the stock exchange would be eligible to act as the Broker to the Issue |
| CAN/Allotment advice | The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange i.e BSE Limited (“SME Platform of BSE Ltd.”) |
| Client ID | Client identification number of the Applicant’s beneficiary account. |
| Collecting Depository Participant/ 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 the SCSBs | Such branches of the SCSBs which co-ordinate applications under this Issue by the ASBA Applicants with the Lead Manager, Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details |
| Depository | A Depository registered with SEBI under SEBI (Depositories and Participant) Regulations, 1996 |
| Depository Participant/DP | A Depository Participant as defined under the Depositories Act. |
| Designated CDP Locations | Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to |

| Term(s) | Description |
|--|--|
| | accept Application Forms are available on the website of the Stock Exchange i.e. www.bseindia.com |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time |
| Designated Date | The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants |
| 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/Market Maker | In our case, [•] having its Registered office at [•] |
| Designated RTA Locations | Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange. |
| Designated Stock Exchange | BSE Ltd |
| Draft Prospectus | The Draft Prospectus dated September 28,2018 issued in accordance with Section 26 of the Companies Act, 2013 and filed with the BSE under SEBI (ICDR) Regulations, 2009 |
| Eligible NRIs | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein |
| Eligible QFIs | Qualified Foreign Investors 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 Draft Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialized accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI (Foreign Portfolio Investors) Regulations, 2014. |
| Public Issue Account(s) | Account(s) opened with the Public Issue Bank/Banker for the Issue |
| Public Issue Account/ Agreement | Agreement entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Public Issue Bank to the Issue for collection of the Application Amounts |
| 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 circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in “Issue Procedure” on page 181 of this Draft Prospectus. |
| Issue/Issue Size/ Initial Public Issue/ Initial Public Offer/Initial Public Offering/Initial | Public Issue of [•] Equity Shares of face value of ₹10 each fully paid of Hindustan Flex Limited for cash at a price of ₹ [•] per |

| Term(s) | Description |
|--|---|
| Public Offering/ IPO | Equity Share (including a premium of ₹ [·].00 per Equity Share) aggregating ₹1330.00 Lakhs. |
| Memorandum of Understanding/ MoU | The agreement dated August 31,2018 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue |
| Indian GAAP | Generally Accepted Principles in India |
| Independent Director | A non-executive & independent director as per the Companies Act,2013 and Listing Regulations |
| ISIN Number | International Securities Identification Number in this case being [·] |
| Issue Opening Date | The date on which Issue opens for subscription |
| Issue Closing Date | The date on which Issue closes for subscription |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application |
| Issue Price | The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹[·] per Equity Share of face value of ₹10 each fully paid up |
| Issue Proceeds | Proceeds from the fresh Issue that will be available to our Company, being ₹ 1330.00 Lakhs |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and BSE Ltd. |
| Lead Manager | Lead Manager to the Issue, in this case being Mark Corporate Advisors Private Limited, a SEBI Registered Merchant Banker |
| Market Making Agreement | Market Making Agreement dated [·] between Our Company, LM and Market Maker |
| Market Maker | Market Maker appointed by our Company, in this case being [·] who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time |
| Market Maker Reservation Portion | The Reserved Portion of [·] Equity Shares of face value of ₹ 10 each fully paid for cash at a price of ₹ [·] per Equity Share aggregating ₹ [·] Lakhs for the Market Maker in this Issue |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds)Regulations, 1996, as amended from time to time |
| Net Issue | The Issue excluding the Market Maker Reservation Portion of [·] Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ [·] Equity Share aggregating ₹ [·] Lakhs by our Company |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page no 56 of this Draft Prospectus |
| Non-Institutional Investors | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than ₹ 2,00,000 |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue |
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable. |
| Person/Persons | Any individual, sole proprietorship, unincorporated association, |

| Term(s) | Description |
|--|---|
| | unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires |
| Prospectus | The Prospectus to be filed with RoC containing, inter-alia, the issue opening and closing dates and other information |
| Public Issue Account | Account opened with the Banker to the Issue/Public Issue Bank i.e. [·] by our Company to receive monies from SCSBs from the bank accounts of the ASBA Applicants on the Designated Date |
| Qualified Institutional Buyers or QIBs | QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, Multilateral and Bilateral Development ,Financial Institution, Venture Capital Fund registered with SEBI, Foreign Venture Capital Investor registered with SEBI, State Industrial Development Corporation, Insurance Company registered with Insurance Regulatory and Development Authority, Provident Fund with minimum corpus of ₹2,500 Lakhs, Pension Fund with minimum corpus of ₹2,500 Lakhs, NIF, Insurance Funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India |
| Refund Account (s) | Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur |
| Registered Brokers | Stock Brokers registered with the Stock Exchanges having nationwide terminals |
| Registrar/Registrar to the Issue | Bigshare Services Private Limited having Registered Office at 1stFloor, Bharat Tin Works Building, Opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai-400 059 |
| Retail Individual Investor | Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to ₹2,00,000 |
| Revision Form | The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s) |
| Self-Certified Syndicate Banker/ SCSB | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time |
| SME Platform of BSE/ | The SME Platform of BSE for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations |
| Underwriters | [·] Limited |
| Underwriting Agreement | The agreement dated [·] entered into between the Underwriters and our Company |
| Working Day | “Working Day” means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided |

| Term(s) | Description |
|---------|---|
| | however, with reference to Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Issue Closing Date and the listing of the Equity Shares on the SME Exchange of BSE Limited, “Working Day” shall mean all trading days of BSE Ltd, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 |

Technical and Industry Related Terms

| Term(s) | Description |
|--------------|--|
| REVERSE INKS | Used In Printing Of Polyester Inks,Bopp Inks |
| SURFACE INKS | Used In Printing Of Poly Films |
| DF INKS | Deep freeze inks |
| PP | Pearlised Pigments |
| GST | Goods And Services Tax |
| LDPE | Low Density Polyethylene |
| HDPE | High density polyethylene |
| CPP | CAST POLY PROPLENE |
| CRCA | COLD ROLLED CLOSE ANNEALED |
| RESIN | BINDER FOR PIGMENTS |
| SOLVENTS | Various Chemicals Like Ethyl Acetate, Toluene, MIBK, MEK IPA |
| GI SHEET | GALVANISED IRON SHEET |
| S.P. | STOVING PAINT |
| S. W. | SEAM WELDING |

Conventional and General Terms or Abbreviations

| Term(s) | Description |
|---------------|--|
| A/c | Account |
| Act | The Companies Act, 2013 |
| AGM | Annual General Meeting |
| Articles | Articles of Association of the Company framed in pursuance of this Act |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| AY | Assessment Year |
| ASBA | Applications Supported by Blocked Amount |
| BIFR | Board for Industrial and Financial Reconstruction |
| CAGR | Compounded Annual Growth Rate |
| CCI | Competition Commission of India |
| CDSL | Central Depository Services (India) Limited |
| CESTAT | Customs, Excise and Service Tax Appellate Tribunal |
| CENVAT | Central Value Added Tax |
| CIN | Corporate Identification Number |
| Companies Act | Companies Act, 2013 |
| CSO | Central Statistical Organization |
| Depositories | NSDL and CDSL, Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time. |

| Term(s) | Description |
|--|--|
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| DIN | Director Identification Number |
| DP | Depository Participant |
| DP ID | Depository Participant's Identity |
| DB | Designated Branch |
| EBIDTA | Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items |
| ECS | Electronic Clearing Services |
| EGM | Extraordinary General Meeting |
| ESIC | Employee State Insurance Corporation |
| ESOP | Employee Stock Option Plan |
| EPS | Earnings per Share |
| FDI | Foreign Direct Investment |
| FCNR Account | Foreign Currency Non-Resident Account |
| FEMA | Foreign Exchange Management Act, as amended from time to time and the regulations framed there under |
| FEMA Regulations | FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto. |
| FII(s) | Foreign Institutional Investors |
| FIs | Financial Institutions |
| FIPB | The Foreign Investment Promotion Board, Ministry of Finance, Government of India |
| FV | Face Value |
| FVCI | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 |
| FY | Financial Year |
| GAAP | Generally Accepted Accounting Principles |
| GDP | Gross Domestic Product |
| GOI | Government of India. |
| HNI | High Net Worth Individual |
| HUF | Hindu Undivided Family |
| ICDR Regulations/ SEBI Regulations/ SEBI (ICDR)Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time |
| Indian GAAP | Generally accepted accounting principles in India |
| ICAI | Institute of Chartered Accountants of India |
| ICSI | Institute of Company Secretaries of India |
| IFRS | International financial reporting standards |
| Ind AS | Indian Accounting Standards |
| IPC | Indian Penal Code |
| IPO | Initial Public Offering |
| IPR | Intellectual Property Right |
| IT | Information Technology |
| IT Act | The Income-tax Act, 1961 as amended from time to time except as stated otherwise |
| IT Rules | The Income-tax Rules, 1962, as amended from time to time |
| INR | Indian National Rupee |
| JV | Joint venture |
| KMP | The officers declared as a Key Managerial/Management Personnel and as mentioned in the chapter titled "Our Management" beginning on page 105 of this Draft Prospectus. |
| Ltd. | Limited |
| MBA | Master in Business Administration |

| Term(s) | Description |
|------------------------------------|---|
| M.Com | Master Degree in Commerce |
| MD | Managing Director |
| MoU | Memorandum of Understanding |
| MNC | Multinational Corporation |
| N/A or NA | Not Applicable |
| NAV | Net Asset Value |
| NECS | National Electronic Clearing Services |
| NEFT | National Electronic Fund Transfer |
| Net Worth | The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account |
| NOC | No Objection Certificate |
| NPV | Net Present Value |
| NR | Non-Resident |
| NRE Account | Non-Resident External Account |
| NRI | Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| p.a. | per annum |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| Pvt. | Private |
| PBT | Profit Before Tax |
| P/E Ratio | Price Earnings Ratio |
| POA | Power of Attorney |
| PIO | Persons of Indian Origin |
| QIB | Qualified Institutional Buyer |
| RBI | Reserve Bank of India |
| RBI Act | The Reserve Bank of India Act, 1934, as amended from time to time |
| Ron | Return on Net Worth. |
| Rs./INR/₹ | Indian Rupees |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SCSB | Self-Certified Syndicate Bank |
| SEBI | Securities and Exchange Board of India. |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended from time to time. |
| SEBI Depository Regulations | Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 |
| SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| SEBI LODR Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| SEBI Insider Trading Regulations | The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time |
| SEBI Takeover Regulations/Takeover | Securities and Exchange Board of India (Substantial Acquisition of |

| Term(s) | Description |
|--------------------------------|---|
| Regulations/Takeover Code | Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time |
| Sec | Section |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time |
| SSI Undertaking | Small Scale Industrial Undertaking |
| Stock Exchange(s) | SME Platform of BSE Ltd. |
| Sq. | Square |
| Sq. Mtr. | Square Meter |
| TAN | Tax Deduction Account Number |
| TCS | Tax Collected at Source |
| TDS | Tax Deducted at Source |
| TRS | Transaction Registration Slip |
| TIN | Taxpayers Identification Number |
| TNW | Total Net Worth |
| u/s | Under Section |
| UIN | Unique Identification Number |
| US/ U.S. / USA | United States of America |
| USD or US\$ | United States Dollar |
| U.S. GAAP | Generally accepted accounting principles in the United States of America |
| UOI | Union of India |
| Venture Capital Fund(s)/VCF(s) | Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time |
| WDV | Written Down Value |
| w.e.f. | With effect from |
| YoY | Year over Year |

Notwithstanding the foregoing:

- 1) In ‘*Main Provisions of the Articles of Association*’ beginning on page no 224 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.
- 2) In ‘*Summary of Our Business*’ and ‘*Our Business*’ on page no’s 30 and 78 respectively, of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.
- 3) In ‘*Risk Factors*’ on page no 15 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.
- 4) In ‘*Statement of Possible Special Tax Benefits*’ on page no 64 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.
- 5) In ‘*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*’ on page no 143 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.

USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Hindustan Flex Limited” and “HFL”, unless the context otherwise indicates or implies, refers to Hindustan Flex Limited

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our restated financial statements for the financial years ended on March 31, 2014, 2015, 2016, 2017 and 2018 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations and the Indian GAAP which are included in this Draft Prospectus, and set out in ‘*Financial Statements*’ on page no. 123 of this Draft Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between the Indian GAAP, the International Financial Reporting Standards (the “IFRS”) and the Generally Accepted Accounting Principles in the United States of America (the “U.S. GAAP”). Accordingly, the degree to which the financial statements included in this Draft 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, the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Certain figures contained in this Draft Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points, except for figures in percentage. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Prospectus as rounded off to such number of decimal points as provided in such respective sources.

Currency and units of Presentation

In this Draft Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America. All references to the word ‘Lakh’ or ‘Lac’ or ‘Lakhs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten Lakhs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operation" and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with Indian GAAP.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been obtained or derived from internal Company reports and industry and government publications, publicly available information and sources. 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, our Company believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified.

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

FORWARD LOOKING STATEMENTS

All statements contained in this Draft Prospectus that are not statements of historical facts constitute ‘forward-looking statements’. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in this Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our 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.

These forward looking statements can generally be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- Our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- Our ability to respond to technological changes;
- Our ability to attract and retain qualified personnel;
- The effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- General social and political conditions in India which have an impact on our business activities or investments;
- Potential mergers, acquisitions restructurings and increased competition;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Changes in the competition landscape;
- Our ability to finance our business growth and obtain financing on favourable terms;
- Our ability to manage our growth effectively;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business;
- Developments affecting the Indian economy; and
- Inability to meet our obligations, including repayment, financial and other covenants under our debt financing arrangements.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer ‘*Risk Factors*’, ‘*Our Business*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ on page no’s 15, 78 and 138 respectively of this Draft Prospectus.

Forward looking statements reflects views as of the date of this Draft Prospectus and not a guarantee of future performance. 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. Neither our Company/our Directors nor the Lead Managers, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Managers will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft prospectus including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled ‘Our Business’ and ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ on page nos. 78 and 143 of this Draft Prospectus respectively as well as other financial and statistical information contained in this Draft Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto.

Materiality

The Risk factors have been determined and disclosed on the basis of their materiality. The following factors have been considered for determining the materiality:

1. Some risks may not be material individually but may be material when considered collectively.
2. Some risks may have an impact which is qualitatively though not of quantitatively;
3. Some events may not be material at present but may be having material impact in future.

INTERNAL RISK FACTORS

1. ***Our Company and promoter are involved in certain legal proceedings. Any adverse decision in such proceedings may render us liable to liabilities / penalties which may adversely affect our business, financial condition and reputation.***

Our Company is involved in certain legal proceedings, details whereof are as follows:

| Sr. No. | Outstanding Litigations | Number of Cases | Financial implications to the extent quantifiable (Amount. in Rs.) |
|----------------|--------------------------------|------------------------|---|
| 1. | Filed by our Company | | |
| | Criminal | 5 | 5,43,848/- |
| 2. | Filed against our Company | | |
| | Tax | | |
| | Indirect Tax | 3 | 28,19,554/- |
| 3. | Filed by our Promoter | | |
| | Criminal | 1 | - |
| 4. | Filed against our Promoter | | |
| | Criminal | 1 | - |

The amounts mentioned above may be subject to additional interest rates/ penalties being levied by the concerned authorities / tribunals/ courts for delay in making payment or otherwise.

We can give no assurance that these legal proceedings will be decided in our favor. We may incur significant expenses and management time in such legal proceedings. If any adverse developments arise, for example, a change in Indian law or rulings against us by the appellate courts or tribunals, we may face losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. Any adverse decision may render us liable to liabilities / penalties and may have a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

For further details regarding these legal proceedings, please refer '*Outstanding Litigations and Material Developments*' on page 149 of this Draft Prospectus.

2. *We are subject to the restrictive covenants of banks in respect of the Loan/Credit Limit and other banking facilities availed from them.*

Our financing arrangements contain restrictive covenants whereby we are required to obtain prior approval from our lenders, regarding, among other things such as entering into borrowing arrangements with other banks and other parties, taking up new projects for large scale expansion, making investment in or giving loans to other parties, effecting mergers and acquisitions, etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in certain of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows.

For further details on the Term Loan and Cash Credit Limit and other banking facilities, please see 'Statement of Financial Indebtedness' on page 147 of the Draft Prospectus.

3. *One of the factory premises of our Company is not owned by us.*

One of our factory premises situated at K – 15, UPSIDC Industrial Area, Jainpur, Kanpur Dehat is owned by UP State Industrial Development Corporation Ltd., Kanpur which has been taken by our Company on lease for a period of 64 (sixty four) years. The factory premises situated at Jainpur are being used for manufacturing of containers. In the event of expiry, non-renewal or early termination of the lease agreement, the same may have an adverse impact on our business and operations. We will be required to return the said premises to the lessor, unless renewed. There can be no assurance that the term of the lease will be renewed and in the event the lease terminates or is not renewed on commercially acceptable terms, or at all, and we will be required to vacate the factory premises and identify alternative premises and enter into fresh lease agreement. Such a situation could result in disruption of the production process which in turn may result in loss of business.

4. *Trademark of our logo is not registered and we are in the process of seeking registration of trademark of our logo.*

Our corporate name and logo  has not been registered and consequently, the use of the same or the words 'Hindustan Flex Limited' in the corporate and trading names by any third parties may lead consumers to confuse them with our Company and if they experience any negative publicity, it could have an adverse effect on our business, results of operations and financial condition. This confusion might also lead to our Company losing business to such competitors and might adversely affect our goodwill. However, the Company has in June 2018 made an application for the registration of the trademark of our logo. Maintaining the reputation of our brands, corporate name, logo and the goodwill associated with these trademarks is critical to our success. Substantial erosion in the value of our brand names could have a material adverse effect on our business, financial condition, results of operations and prospects. For further details please refer to section titled '*Government and Other Approvals*' beginning on page 155 of this Draft Prospectus.

5. *As of March 31, 2018, we had Rs. 35.07 Lakhs of contingent liabilities. The details whereof are as follows:*

(₹ in Lakhs)

| Sr. No. | Particulars | Amount |
|---------|--|--------------|
| 1. | Foreign Letter of Credit issued to parties by banks on our behalf for which material not received | 06.82 |
| 2. | Sales Tax demand issued to Hindustan Mono Chem Industries for the FY 2014-15. Appeal/ application pending with appropriate authority | 28.25 |
| | TOTAL | 35.07 |

If any of the aforesaid contingent liabilities materialize, we may have to fulfil our payment obligations, which may have an adverse impact on our profitability, cash flows and result of operations. For further details, see “Financial Statements” on page 123 of this Draft Prospectus.

6. *In the 12 (twelve) months prior to the date of filing the Draft Prospectus, the Company has issued Equity Shares at a price, which may be lower than the Issue Price*

In the 12 (twelve) months prior to the date of filing of the Draft Prospectus, the Company had issued equity shares at a price lower than the issue price as under:

| Date of allotment | No. of Equity Shares Issued | Face Value (in Rs.) | Issue Price (in Rs.) | Issue Type |
|-------------------|-----------------------------|---------------------|----------------------|-------------|
| July 19, 2018 | 14,15,716 | 10/- | Nil | Bonus Issue |

7. *We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations*

As of March 31, 2018, we have ₹ 633.76 Lacs as per restated financials of the Company respectively of outstanding debt on our balance sheet. Our level of indebtedness has important consequences to us, such as

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

If any of these risks were to materialize, our business and results of operations may be adversely affected.

8. *Our success depends heavily on our Promoter and Key Managerial Personnel through their continuing services and strategic guidance and support.*

The success of any company depends upon its management team and key personnel and the company’s ability to attract and retain such persons. The resignation or loss of key management personnel may have an adverse impact on its business, future financial performance and the price of its Equity Shares. The Company is dependent on its senior management team for setting the strategic direction and managing its business, both of which are crucial to success. Given the substantial experience of the senior management team, in the event any or all of them leave or are unable to continue to work with the Company, it may be difficult to find suitable replacements in a timely manner or at all. The Company’s ability to retain experienced personnel as well as senior management will also in part depend on the Company maintaining appropriate staff remuneration and associated benefits. The Company cannot be sure that the remuneration and benefits that are in place will be sufficient to retain the services of the senior management and skilled people. The loss of any of the members of the senior management or other key personnel may adversely affect the business, financial condition and results of operations of the Company.

9. *Our Promoter, Mr. Alok Kumar Mishra is/ was in possession of more than one Director's Identification Number (DINs) and could be subjected to action taken statutory/regulatory authorities*

Our Promoter, Mr. Alok Kumar Mishra is/ was in possession of two DINs until recently which is a contravention of Section 155 of the Companies Act, 2013. In case of any cognizance being taken by the authorities, he may be subjected to imprisonment for a term which may extend to six months or with fine which may extend to fifty thousand rupees and where the contravention is a continuing one, with a further fine which may extend to five hundred rupees for every day after the first during which the contravention continues. Although no show - cause notice has been received by our promoter till date in respect of the aforesaid violation but there can be no assurance that no action will be taken by the concerned authorities against our promoter in this regard.

10. *We do not have access to records and data pertaining to certain historical, legal and secretarial information in relation to certain disclosures.*

Our Company does not have access to records pertaining to certain historical, legal and secretarial data or information as the same are not available with us or the Registrar of Companies, Kanpur, Uttar Pradesh. The information relating to maintenance internal records by our Company and as such there are no other records that are available with regulatory authorities. We cannot assure you of the accuracy and completeness of such internal records maintained by our Company.

11. *Our insurance cover may not adequately protect us against all material hazards.*

We have various insurance policies covering stocks, building, furniture, plant and machinery, etc. for both factory premises for a total insured amount of Rs. 2345 lacs, details of which are disclosed of this Draft Prospectus. We believe that we have insured ourselves against the majority of the risks associated with our business. Our significant insurance policies provide cover for risks relating to physical loss, theft or damage to our assets, as well as business interruption losses. While we believe that the policies that we maintain would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have obtained sufficient insurance (either in amount or in terms of risks covered) to cover all material losses. To the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate, the loss would have to be borne by us, and, as a result, our results of operations and financial condition could be adversely affected.

12. *Our foreign trade activities expose us to a continuing risk of foreign currency fluctuations.*

Our Company imports raw materials and undertakes exports of finished products, which involves risks associated with foreign exchange fluctuations, which could adversely affect the revenues and profitability of our operations. Any borrowings in foreign currency could also face similar risks.

Further, some of the raw materials required in our processes, are manufactured from materials procured from international markets, the price of these goods is also subject to fluctuations in foreign exchange rates and duties levied on imports or changes in government policies with respect to these materials or the countries supplying the same. We may be unable to make adequate provisions for the price fluctuations and, consequently, any adverse fluctuations that we have not factored in or provided for may adversely affect the results of our operations and our financial conditions.

13. *Any loss of or breakdown of our machineries, at any of our manufacturing facilities may have an adverse effect on business, financial condition and results of operations.*

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, industrial accidents and the need to comply with directives of relevant government authorities. The

occurrence of any of these risks could significantly affect our operating results. Although, we have taken precautions to minimize the risks of any significant operational issues at our manufacturing facilities, our business and operations may be adversely affected by any disruption of operations at manufacturing facilities.

14. Our manufacturing facilities are geographically located in one area.

Our manufacturing units are majorly based out of Kanpur, Uttar Pradesh. As a result, any localized social unrest, natural disaster or breakdown of services and utilities in Kanpur or nearby areas could have material adverse effect on the business, financial position and results of operations of the Company. Further, continuous addition of industries in and around Kanpur without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure in Kanpur, which may affect our business. Further, spiraling cost of living in Kanpur may push the Company's manpower cost in the upward direction, which may reduce the margin and cost competitiveness.

15. Our operations may be adversely affected by strikes, work stoppages or increased wage demands by our or our contractor's workforce or any other industrial unrest or dispute

While we have not experienced any industrial unrest or dispute in any of our manufacturing units in the past, we cannot be certain that we will not suffer any disruption to our operations due to strikes, work stoppages or increased wage demands in the future. Further, if our work force in any of our units, unionizes in the future, collective bargaining efforts by labour unions may divert our management's attention and result in increased costs.

16. Any disruption in supply of power at our plants may have an adverse effect on our production.

The power requirements of our Company are presently met by purchase of electricity from the State Boards of Uttar Pradesh. Any disruption in supply of power at our plants may have an adverse effect on our production.

17. The promoter will continue to retain majority control in the company after the issue, which will enable them to influence the outcome of matters submitted to shareholders for approval.

After completion of the issue, the promoter will continue to hold approximately 51% of post-issue paid up share capital. So long as the promoter holds a majority of the Company's equity shares, then it will be able to control most matters affecting the Company, including the appointment and removal of directors, business strategy and policies, any determinations with respect to mergers, business combinations and acquisitions, dividend payout and financing. Further, the extent of promoter shareholding may result in delay or prevention of a change of management or control of the Company, even if such transaction may be beneficial to other shareholders.

18. We have entered into and may continue to enter into related party transactions and there can be no assurance that such transactions have been on favorable terms.

Our Company has entered into related party transactions with our related parties aggregating to ₹ 293.70 Lakhs for the financial year ended March 31, 2018 as per the restated financials of the Company. While our Company believes that all such transactions have been conducted on arms-length basis, there can be no assurance that it could not have been achieved on more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to "Annexure XXIX - Related Party Transactions" under section titled 'Financial Statements' on page 139 of this Draft Prospectus.

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

Some of the agreements to which the Company is a party may not be adequately stamped or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying differential stamp duty and/or penalty for inadequate stamping. The effect of non-registration of an instrument is that the title to the property does not transfer in favor of the transferee and therefore, making the instrument unenforceable. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

20. *Volatility in the prices of the raw materials may have an adverse impact on the business and financial operations.*

Our Company may not be able to pass on increase in the raw material and other direct costs, if any, to its customers. Over a period of time, our Company expects that several more of Company's customers would enter into long-term supply agreements. These long-term contracts reduce Company's flexibility in changing its product prices in response to changes in raw material costs. Also, our Company can provide no assurances that (a) in future, input costs will not increase (b) it will be in a position to pass through increases, if any, to its customers and (c) present profit margins of our Company will improve or will not be adversely affected.

21. *The Company's ability to implement its business plans may be restricted by availability of the required funds at an appropriate time and on acceptable terms.*

The Company may require additional capital in the future to implement its business plans, including for expansion and business development. If the Company fails to generate sufficient cash through product sales or from other sources of revenue, it may need to raise additional capital from equity or debt sources to fund any such expansion or development. The Company may not be able to obtain financing on terms acceptable or at all and therefore may be forced to curtail planned expansions and business development initiative, which would have a material adverse effect on the company's business, financial condition and results of operations. In addition, any capital raising activities could, in the case of debt, increase the Company's interest payment obligations subject the Company to additional lender restrictions and impact its ability to service the existing indebtedness. Additional equity issuance could result in significant dilution to the existing shareholders.

22. *There could be an adverse effect if the Company fails to keep pace with the technical and technological developments/ research and developments in the manufacturing of packaging Ink and allied business.*

To meet the need of the clients', the Company must regularly update the existing technology and acquire or develop new products on a continuous basis. In addition, rapid and frequent technology and market demand changes can often render existing technologies and equipment's obsolete, requiring substantial new capital expenditure and/ or written-down value of assets. The failure to anticipate or to respond adequately to changing technical, market demand and/ or client requirements could adversely affect the business and financial results of the company.

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

In the recent years, our industry has experienced advancement in technology and sophistication in production process. Modernisation and technology upgradation is essential to reduce costs and to increase the output. Although we strive to keep our technology, plant and machinery in line with the latest technological standards, we may be required to implement new technology or upgrade or retro fit the machineries employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries involve substantial costs which could substantially affect our finances and operations.

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

Some of the agreements to which the Company is a party may not be adequately stamped or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying differential stamp duty and/or penalty for inadequate stamping. The effect of non-registration of an instrument is that the title to the property does not transfer in favor of the transferee and therefore, making the instrument unenforceable. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

25. *Increased competition may result in lower prices of or a decreased market share for our products. Our failure to effectively compete may reduce our profitability.*

We experience competition across markets for our products from domestic and international players. We compete with other ink manufacturers on the basis of availability of technology, product, and product range, product traits, quality and other factors as well as based on price, reputation, customer service and customer convenience. Our failure to compete effectively may decrease or prevent us from increasing our market share and reduce our profitability.

26. *Employee health, safety and regulatory measures are very important in our industry; any negligence in this regard can adversely affect our performance.*

Our manufacturing process involves certain processes which may pose as a health hazard to our employees. Although we attempt to mitigate our liability by taking precautionary measures for our employees' welfare and availing of insurance, we cannot assure that these measures would prove adequate to mitigate the losses which may be caused by any negligence in this regard, and the same can adversely affect our performance.

27. *If we are unable to obtain the requisite approvals, licenses, registrations and permits to develop and operate our business/manufacturing/packaging and other related businesses or are unable to renew them in a timely manner, our operations may be adversely affected.*

We require a number of regulatory approvals, licenses, registrations and permits for operating manufacturing/packaging and other businesses undertaken by us. These approvals pertain to, amongst others, environmental clearances, licenses from local authorities for manufacturing and sale of our products and includes no-objection from the Chief Fire Officer for fire safety. Whilst we have obtained a number of required approvals, certain approvals may have expired in the ordinary course of our business and we would have applied for renewal of such approvals. Additionally, we have applied and may also need to apply for additional approvals in the ordinary course of our business. For further details, please see the section entitled "Government and Other Approvals" on page 155.

Further, the approvals and licenses we have received in relation to our manufacturing of liquid printing inks for packaging and manufacturing of metal container for packing of liquid based material are subject to numerous conditions, some of which are onerous and require us to incur substantial time and expenditure. Additionally, in relation to some of our new properties, we have applied for certain licenses and approvals which are still to be received. We cannot assure you that the approvals, licenses, registrations and permits issued would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may adversely affect our business, financial condition and results of operations.

RISK FACTORS RELATED TO EQUITY SHARES

1. *Any further issuance of Equity Shares by our Company or sales of Equity Shares by a significant shareholders may adversely affect the trading price of the Equity Shares*

Any future issuance of Equity Shares by our Company could dilute the investors' shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

2. *There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment*

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Prior to the Issue, there has not been a public market for the Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our quarterly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about our future performance or the performance of Indian fashion accessory companies generally;
- Performance of our competitors in the Indian fashion industry and the perception in the market about investments in the Steel sector;
- Significant developments in the regulation of the fashion industry in our key locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalisation and deregulation policies; and Significant developments in India's fiscal and environmental regulations. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

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

Capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Further, with effect from financial year 2018-19 long-term capital gains tax on the sale of listed equity shares exceeding a specified threshold at a rate of 10% will be reintroduced. Prior to the aforesaid proposal, any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months was not subject to capital gains tax in India if securities transaction tax had been paid on the transaction. Capital gains arising from the sale of equity shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result,

residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of equity shares.

4. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows*

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements, and that of our Subsidiary and the dividends they distribute to us. Our business is working capital intensive. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

5. *We cannot assure you that our equity shares will be listed on the SME Platform of BSE in a timely manner or at all, which may restrict your ability to dispose of the equity shares of our Company.*

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we have only applied to SME Platform of BSE to use its name as the Stock Exchange in this Draft Prospectus for listing our Equity Shares on SME Platform of BSE. Permission for listing of the Equity Shares will be granted only after the Equity Shares offered in this Issue have been allotted. Approval from SME Platform of BSE will require all relevant documents authorizing the issuing of the Equity Shares to be submitted to it. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Further, certain procedural and regulatory requirements of SEBI and the Stock Exchanges are required to be completed before the Equity Shares are listed and trading commences. Hence, we cannot assure you that the trading in the Equity Shares will commence in a timely manner. Any failure or delay in obtaining the approvals would restrict your ability to liquidate the investment in the Company by disposing off your equity shares.

6. *There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment.*

Prior to the Issue, there has not been a public market for our Equity Shares. We cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling our Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of our Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors.

EXTERNAL RISK FACTORS

1. *Our business is dependent on economic growth in India.*

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. In the past, economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

2. *If the rate of Indian price inflation increases, our results of operations and financial condition may be adversely affected*

In recent years, India's wholesale price inflation index has indicated an increasing inflation trend compared to prior periods. An increase in inflation in India could cause a rise in the price of transportation, wages, raw materials or any other expenses. In particular, the prices of raw materials required for fabrication of our

products are subject to increase due to a variety of factors beyond our control, including global commodities prices and economic conditions. If this trend continues, we may be unable to reduce our costs or pass our increased costs on to our customers and our results of operations and financial condition may be materially and adversely affected.

- 3. The extent and reliability of India's infrastructure could adversely impact our results of operations and financial conditions. Any disruption in the supply of power, raw materials and telecommunication or other services could disrupt our business process or subject us to additional costs.***

India's physical infrastructure is still developing. Any congestion or disruption with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our 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. Disruption in basic infrastructure could negatively impact our business since we may not be able to procure raw materials on time, dispatch of finished goods as per schedule and provide timely and adequate operation and maintenance and other services to our clients. We do not maintain business interruption insurance and may not be covered for any claims or damages if the supply of power, raw materials and telecommunication or other services are disrupted. This may result in the loss of customer, impose additional costs on us and have an adverse effect on our business, financial condition and results of operations.

- 4. Significant differences exist between Indian GAAP/ Ind-AS and other accounting principles, such as IFRS, which may be material to investors' assessment of our financial condition***

The financial data included in this Draft Prospectus has been prepared in accordance with Indian GAAP/ Ind-AS. There are significant differences between Indian GAAP/ Ind-AS and IFRS. We have not attempted to explain those differences or quantify their impact on the financial data included herein and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP/ Ind-AS financial statements included in this Draft 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 on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

- 5. Our performance is linked to the stability of policies and the political situation in India***

The Government of India has traditionally exercised, and continues to exercise, a significant 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. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However, there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

- 6. Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business***

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or 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 is available. This could have a material adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of our Equity Shares.

- 7. Financial instability in Indian financial markets could materially and adversely affect our results of operations and financial condition***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

8. *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 92 of this Draft 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.

9. *If communal disturbances or riots erupt in India, or if regional hostilities increase, this would adversely affect the Indian economy and our business*

Some parts of India have experienced communal disturbances, terrorist attacks and riots during recent years. If such events recur, our operational and marketing activities may be adversely affected, resulting in a decline in our income. The Asian region has, from time to time, experienced instances of civil unrest and hostilities among neighboring countries. Since May 1999, military confrontations between countries have occurred in Kashmir. The hostilities between India and its neighboring countries are particularly threatening because India and certain of its neighbors possess nuclear weapons. Hostilities and tensions may occur in the future and on a wider scale. Also, since 2003, there have been military hostilities and continuing civil unrest and instability in Afghanistan. There has also recently been hostility in the Korean Peninsula. In July 2006 and November 2008, terrorist attacks in Mumbai resulted in numerous casualties. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares.

10. *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business*

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

11. *Natural disasters could disrupt our operations and result in loss of revenues and increased costs*

Our plants are susceptible to natural disasters such as droughts, floods, earthquakes. The occurrence of any of the above event could disturb the operations of our plants and we may have to shut down our plant for

carrying out repairs that will result in loss of revenues and increased costs. Also, any negative impact of natural disasters on the Indian economy could adversely affect our business, results of operations and the market price of our Equity Shares.

12. *Emergence of competition from other manufacturing countries*

The global ink market is highly competitive. We may face global competition from countries. Our market position will depend on effective marketing initiatives and our ability to anticipate and respond to various competitive factors affecting the industry including pricing strategies. Any failure by us to compete efficiently, including in terms of pricing, could adversely effect our business, operations and profitability.

PROMINENT NOTES

- Public Issue of [●] Equity Shares of Face Value of ₹ 10/- each of Hindustan Flex Limited for cash at a Price of ₹ [●]/- Per Equity Share (Including a Share Premium of ₹ [●]/- per Equity Share) ('Issue Price') aggregating to ₹ 1330.00 Lacs, of which [●] Equity Shares of Face Value of ₹ 10/- each at a price of ₹ [●]/- aggregating to ₹ [●]/- will be reserved for subscription by Market Maker (Market Maker Reservation Portion) and Net Issue to Public of [●] Equity Shares of Face Value of ₹ 10/- each at a price of ₹ [●]/- aggregating to ₹ 1330.00 Lacs (hereinafter referred to as the Net Issue) The Issue and the Net Issue will constitute [●] % and [●] % respectively of the Post Issue paid up Equity Share Capital of Our Company.
- The Net worth of our Company as on March 31st, 2018, March 31st, 2017 and March 31st, 2016 was ₹ 505.09 Lacs, ₹ 399.13 Lacs and ₹ 104.34 Lacs respectively. For more information, see the section titled 'Financial Information' beginning on page 123 of this Draft Prospectus.
- The NAV or the Book Value per Equity Share based on Restated Financials of our Company as on March 31, 2018, March 31, 2017 and March 31, 2016 was ₹ 17.84, ₹ 14.10, 13.91 per equity share respectively. For more information, see the section titled 'Financial Information' beginning on page 123 of this Draft Prospectus.
- Investors may contact the Lead Manager for any complaint pertaining to the Issue. All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares for which the applied, Application Amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Form has been submitted by the ASBA Applicant.
- The average cost of acquisition per Equity Share by our Promoter is set forth in the table below:

| Name of Promoter | No. of Equity Shares held | Average cost of acquisition (in Rs.) |
|-----------------------|---------------------------|--------------------------------------|
| Mr. Alok Kumar Mishra | 34,67,757 | 12.08 |

For further details relating to the allotment of Equity Shares to our Promoter, please refer to the chapter titled 'Capital Structure' beginning on page 42 of the Draft Prospectus.

- There has been no financing arrangement whereby the Promoter, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Prospectus.
- The details of related party transactions entered into by our Company with our subsidiary during fiscal 2018 the nature and cumulative value of transactions are disclosed under 'Related Party Transactions' in 'Financial Information' of our Company beginning on page 123 of this Draft Prospectus.
- Our Company was incorporated as "Shriya ChemEnterprises Pvt Ltd" on March 23, 2004, under the provisions of the Companies Act, 1956 in the State of Uttar Pradesh. Subsequently, our Company's name was changed to "Vibrant Ink Pvt Ltd" on August 29, 2014 followed by an acquisition of Hindustan Mono

Chem Industries on May 16, 2015. On September 29, 2016, “Vibrant Ink Pvt Ltd” changed its name to “Hindustan Flex Pvt Ltd” and on October 06, 2016, it was converted into a Public Limited Company. The Corporate Identification Number of our Company is U24243UP2004PLC028424. For details of change in name and registered office, please refer to section titled ‘Our History and Certain Corporate Matters’ on page 101 of this Draft Prospectus.

9. None of our Promoter, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Draft Prospectus.
10. Our Company, Promoter, Directors, have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI nor they have been declared as willful defaulters by RBI / Government authorities. Further, no violations of securities laws have been committed by them in the past or pending against them.
11. Investors are free to contact the Lead Manager i.e. Mark Corporate Advisors Private Limited for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
12. In the event of over-subscription, allotment shall be made as set out in paragraph titled ‘Basis of Allotment’ beginning on page 191 of this Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. Bombay Stock Exchange of India Limited. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
13. The Directors / Promoter of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our company held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding and to the interest as disclosed in this Prospectus. For further details please see the chapter titled ‘Our Management’ beginning at page 105 chapter titled ‘Our Promoter and Promoter Group’ and ‘Our Group Companies’ beginning at page 117 and 119 respectively, and chapter titled ‘Financial Information’ beginning at page 123 of this Draft Prospectus. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details, please see ‘Financial Information’ beginning on page 123 of this Draft Prospectus.
14. Trading in the Equity Shares for all investors shall be in dematerialized form only.

For information on the changes of the objects clause of the Memorandum of Association of our Company, please refer to the chapter titled ‘Our History and Other Corporate Matters’ beginning on page 117 of this Draft Prospectus

SECTION III - INTRODUCTION

SUMMARY OF OUR INDUSTRY

The information contained in this section is extracted from an industry report prepared by Brickwork India. Industry Report prepared by BrickWork India is for our division- Ink Division and Container Division in India and Outside India.” Neither we, nor 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 generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Brief of Our Industry

The global ink industry was valued US\$ 19 Billion in 2017, growing at a CAGR of around 4% during 2010-2017, according to IMARC Group.

In the past few years, the consumption of printing inks has increased due to the growth in letterpress, lithographic printing, publishing and packaging industries. Other factors like affordability, constant innovations and popularity of environment-friendly inks are also encouraging the growth of global ink market.

The different types of ink available in the market are oil based inks, solvent-based liquid inks and water-based liquid inks. Asia-Pacific region currently represents the largest market accounting for around one-third of the total global consumption. Asia Pacific is followed by North America and Europe.

Sun Chemicals currently represents the biggest manufacturer in this market. Other major players include Flint Group, Toyo Ink, Siegwark Group, Sakata INX and Huber Group.

1.Global Printing Ink Industry

The global printing inks market size was valued at US\$ 16.46 billion in 2016. The market is driven by demand from applications and consumer-specific formulations. Applications such as commercial printing, publications, packaging, corrugated cardboards and others coupled with consumer specific need such as eco-friendly solutions have led the global demand for inks.

Global printing inks market is segmented as per product type into solvent-based printing inks, water-based printing inks, oil-based printing inks and other printing inks. In 2016, oil based printing inks dominated the global printing inks market followed by solvent based printing inks. However, water-based printing inks and bio based printing inks are expected to grow at a faster rate.

On the basis of application, the printing inks market is categorized into packaging, publication and commercial printing and other applications. In 2016, packaging segment accounted for the largest share of global printing inks market with more than 35% revenue share.

Global printing inks market is highly consolidated. Major players includes DIC Corporation, Flint Group, Royal Dutch Printing Ink, Sakata Inx., SiegwarkDruckfarben AG & Co. KGaA, Sun Chemical, T&K Toka, Toyo Ink S.C. Holdings, WikoffColor etc. Existing players are facing intense competition from the small/ regional players as the market is highly price sensitive. The manufactures are investing in research and development to develop high quality, differentiated and cost effective products to increase their market penetration especially in key consuming economies.

Recent developments in the printing inks market include various product launches and strategic partnerships including M&A. Sun Chemical’s acquired of Flint Group’s European publication gravure ink business in Oct, 2016.

On the supply side, there have been huge billion-dollar deals. In early January, 2017, Evonik completed the acquisition of Air Product’s Performance Materials Division for \$3.8 billion. Lanxess purchased Chemtura in April 2017. In May 2017, Clariant and Huntsman announced plans for a merger of equals. The largest of all mergers is nearing completion, as The Dow Chemical Company and DuPont are set to complete their own combination in August 2017, forming a company with combined sales of more than \$75 billion.

2. Indian Ink Industry

India is among the fastest growing printing ink markets, worldwide due to rapid expansion of domestic print markets. Backed by a strong demand from key end user segments such as packaging printing, newsprint, publishing and other commercial printing, the Indian printing ink market has registered strong growth in the recent years and expected to maintain its current healthy trend in future. The Indian printing ink industry is highly fragmented with more than 400 manufacturers and a large number of players in the unorganized sector.

Printing ink sector in India is estimated at 232 million tons in 2017, valued at about INR 54 billion (\$830 million), the Indian ink industry has grown at a CAGR of more than 8% in the past 10 years. Printed packaging is the largest sub-segment with around 40% of the demand. Ink consumption from this sub-segment has registered steady growth rate of 12% to 15% in each of the last five years.

India's packaging ink industry is expected to get a steady boost in the coming years as the overall packaging industry in India is expected to reach US\$73 billion in 2020 from US\$46 billion in 2016, according to Indian Federation of Indian Chambers of Commerce & Industry (FICCI) and Tata Strategic Management Group (TSMG). In the coming years, the Indian packaging industry is anticipated to register 18% annual growth, with flexible packaging and rigid packaging expected to grow annually at 25% and 15%, respectively.

Lightweight packaging with 20% to 25% less ink deposits have decreased ink consumption, which has had an effect on total volumes. However, demand of high quality printing inks has increased the total value of ink industry in this sub-segment. Despite a quantum jump in average prices from US\$ 2.75 per kg in 2015 to the current US\$3.17 per kg, India is far behind the global average prices of US\$4.25 per kg.

In terms of installed manufacturing capacity, Huber India has installed capacity of 203,000 metric tons per annum (MTPA) for printing inks, 67,600 MTPA for resins and varnishes, and 46,500 MTPA for pigments and flush colors at its four plants, two in Vapi and one each in Daman and Silvassa. DIC India, formerly Coates of India, produces 49,000 MTPA at its facilities in Noida, Kolkata, Bangalore and Ahmadabad. The packaging segment accounts for 30% of DIC India's sales value. Sakata INX India produces 48,000 MTPA, with gravure making up 28,000 tons and offset 20,000 tons at its plants in Bhiwadi and Panoli. Packaging forms two-thirds of Sakata India's revenue.

Global Drum Market

The global market for drums was valued at US\$8.6 billion in 2016 and is expected to grow at the rate of approximately 4-5% until 2021, reaching US\$10.9 billion. Steel drum, currently contributes to 67% of the global demand. However, demand for plastic drums is expected to have the fastest growth, of 6-7%, increasing its market share from 19% in 2016 to 20% in 2021.

Steel drum is experiencing strong growth owing to its cost and logistic advantages over its steel counterpart. However, steel drums will continue to dominate the market. Fiber drums are 10-15% lighter and 20-25% cheaper than plastic/steel drums, and has better recycling options. However, the market is very much matured and almost stagnant in the developed regions.

As per a report released by Future Market Insights has recently published a report titled "Industrial Drums Market: Global Industry Analysis (2012 - 2016) & Opportunity Assessment (2017 - 2027)" stated that the preference for industrial drums is steadily rising owing to their convenience and inexpensive nature. The demand for industrial drums is substantially rising among several end-use industries, especially chemicals and materials and petroleum lubricants.

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SUMMARY OF OUR BUSINESS

Our Company was incorporated as “Shriya ChemEnterprises Pvt Ltd” on March 23,2004, under the provisions of the Companies Act, 1956 in the State of Uttar Pradesh. Subsequently, our Company’s name was changed to “Vibrant Ink Pvt Ltd” on August 29,2014 followed by an acquisition of Hindustan Mono Chem Industries on May 16, 2015. On September 29,2016, “Vibrant Ink Pvt Ltd” changed its name to “Hindustan Flex Pvt Ltd” and on October 06,2016, it was converted into a Public Limited Company. For further details of our Company, please refer “General Information” and “Our History and Certain Other Corporate Matter” beginning on page no 36 and 101 respectively of this Draft Prospectus.

We are specialized in the manufacturing of high quality liquid printing inks for flexible packaging and metal containers for packing of liquid or powder-based materials, with a commitment to offer products & solutions optimally placed on Price Value Matrix. Our products and services are designed to provide reliable cost-effective solutions to industrial applications. Our prime objectives are quality, consistency and customer satisfaction. We ensure that all packaging needs are fulfilled with maximum ease and flexibility.

HFL combines Chemistry & Technology, ensures Quality & Consistency & assures pre & post Technical Support for establishing a longevity in business relationships with customers at affordable prices – thereby creating a robust “value chain” and a win-win situation for all the stake holders. Thus, with its high-value (quality and price competitive) products and intelligent solutions, HFL intends to carve out the important and long-lasting place for itself in the Indian and International markets.

Our portfolio for printing ink division ranges from Solvent Based Liquid Inks for packaging applications along with Water Based Inks. The company has put together a dedicated “Service Engineer Team” for providing “after sales service” to our customers (convertors).

Versatility of operations serves as another unique source of competitive advantage for the company as it manufactures a wide variety of Metal Containers ranging from a base capacity of 10 liters to around 30 liters. Flexible operations facilitate the manufacture of various types of Containers such as – Lightweight Containers , Inside Epoxy coated lacquer drums, and Open mouth drums as well as drums with different dimensions of Spouts as per customer demands.

Products manufactured by our company are of excellent quality that essentially serves as a sustainable and packaging medium fulfilling storage and transportation requirements of various powders and liquid items such as - petroleum products, lubricating oils, chemicals, pharmaceutical products, hazardous materials and so on. Our containers offer various advantages such as long storage capacity, ease of usability, low maintenance requirements and most importantly, great impact strength.

As per the requirements of our esteemed customers, our offered range can be custom designed wherein special packaging requirements could be met through suitable inner coating and lining mechanisms. This virtue of flexibility and adaptability enables our company to cater to varying degrees of demand across a range of market segments.

In addition to our own standards, Quality Management (ISO 9001:2015), OHSAS (18001:2007) and Environment Management Systems (ISO 14001:2015) are being constantly updated, upgraded & re-designed to follow globally accepted business & operating practices. Moreover, a strong & dynamic team of experienced professionals specializing in specific functions being Technical, Marketing, Manufacturing, Procurement, Finance and People Management, ensures value addition within functional & organizational level and above all, we offer a positive attitude towards customer queries coupled with culture of co-operation, understanding and customizing products with a resolve to blend with “value for money” products. Mainly engaged in the business of manufacturing of Printing Ink and metal containers, we emphasize on providing “complete packaging solutions” to our consumers and society at large.

Our progress in this business can be evaluated from the Restated Financial Statements given elsewhere in this Draft Prospectus. Our Total Income was ₹ 2061.76 Lakhs, ₹ 1566.26 Lakhs and ₹ 1181.41 Lakhs for FY 2017-18 2016-17 and 2015-16 respectively. Our EBITDA was ₹ 243.54 Lakhs, ₹ 69.51 Lakhs and ₹77.86 Lakhs, for FY 2017-18,

2016-17 and 2015-16 respectively while our Profit After Tax, in such periods was ₹ 105.95 Lakhs, ₹ 3.39 lakhs and ₹ 4.98 Lakhs respectively.

Business Strategy

Further widening of our customer base

With the growing opportunities available in the market, we will endeavor to continue to grow our business by adding new customers in existing and new geographies and also new market segments & products.

Reduction of operational costs and achieving efficiency

Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. We focus on power reduction by use of latest technology and modification in production process. Wages control is another tool where we are using latest technology in machineries and aim to automate the production process, thus resulting in reduced man power requirement.

To build-up a professional organization

We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks etc. We have a blend of the experience and the sufficient staff for taking care of our day to day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business.

Focus on cordial relationship with our Suppliers, Customer and employees

We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets.

SUMMARY OF OUR FINANCIAL STATEMENTS

The following summary of financial statements have been prepared in accordance with Indian GAAP, the companies Act and the SEBI (ICDR) Regulations 2009 and restated as described in the Peer Review Auditor's Report in the chapter titled 'Financial Statements' beginning on page no 123 of this Draft Prospectus. The summary financial information presented below should be read in conjunction with our restated financial statements for the Nine Months Ended and financial year ended March 31, and including the notes thereto and the chapter titled 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on page no 138 of this Draft Prospectus.

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹ in lakhs)

| Particulars | As at 31st March | | | | |
|--|------------------|----------------|---------------|--------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| I. EQUITY & LIABILITIES | | | | | |
| (1) Shareholder's Funds | | | | | |
| (a) Share Capital | 283.14 | 283.14 | 75.00 | 58.57 | 50.00 |
| (b) Reserves and Surplus | 221.95 | 115.99 | 29.34 | 18.77 | 14.54 |
| (2) Share Application Money Pending Allotment | 0.00 | 0.00 | 0.00 | 0.00 | 23.02 |
| (3) Non-Current Liabilities | | | | | |
| (a) Long Term Borrowings | 187.98 | 85.29 | 54.89 | 0.00 | 0.00 |
| (b) Deferred Tax Liability (Net) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (c) Other Long Term Liabilities | 232.50 | 9.45 | 192.75 | 0.00 | 0.00 |
| (d) Long Term Provisions | 1.95 | 0.90 | 0.00 | 0.00 | 0.00 |
| (4) Current Liabilities | | | | | |
| (a) Short Term Borrowings | 445.78 | 276.99 | 138.56 | 0.00 | 0.00 |
| (b) Trade Payables | 262.96 | 602.57 | 340.68 | 0.00 | 0.00 |
| (c) Other Current Liabilities | 38.03 | 11.76 | 11.90 | 4.47 | 0.35 |
| (d) Short Term Provisions | 34.81 | 5.34 | 3.72 | 0.65 | 0.00 |
| TOTAL | 1709.10 | 1391.43 | 846.84 | 82.46 | 87.91 |
| II. ASSETS | | | | | |
| (1) Non-Current Assets | | | | | |
| (a) Fixed Assets | | | | | |
| - Tangible Assets | 593.78 | 223.04 | 173.42 | 70.68 | 73.49 |
| - Intangible Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| - Capital Work in Progress | 5.20 | 43.52 | 0.00 | 0.00 | 0.00 |
| (b) Non-Current Investments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (c) Long Term Loans And Advances | 9.57 | 43.52 | 7.19 | 0.00 | 0.00 |
| (d) Deferred Tax Asset | 0.00 | 5.75 | 1.85 | 0.82 | 0.52 |
| (e) Other Non-Current Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (2) Current Assets | | | | | |
| (a) Inventories | 290.36 | 287.99 | 153.44 | 0.00 | 0.74 |
| (b) Trade Receivables | 701.13 | 699.18 | 465.64 | 0.00 | 0.00 |
| (c) Cash & Cash Equivalents | 49.20 | 49.48 | 34.10 | 3.01 | 1.97 |
| (d) Short-Term Loans And Advances | 59.86 | 38.95 | 11.20 | 7.95 | 11.19 |
| TOTAL | 1709.10 | 1391.43 | 846.84 | 82.46 | 87.91 |

STATEMENT OF PROFIT AND LOSS AS RESTATED
(₹ in lakhs)

| Particulars | For the year ended on 31st March | | | | |
|---|----------------------------------|----------------|----------------|---------------|---------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| REVENUE: | | | | | |
| Revenue From Operations | | | | | |
| Sale of Manufactured Products (Net of Taxes) | 2048.62 | 1564.12 | 1177.41 | 0.00 | 0.00 |
| Sale of Traded Products (Net of Taxes) | 0.00 | 0.00 | 0.00 | 11.57 | 16.36 |
| Total Sales | 2048.62 | 1564.12 | 1177.41 | 11.57 | 16.36 |
| Other Income | 13.14 | 2.14 | 4.00 | 19.18 | 7.08 |
| Total Revenue | 2061.76 | 1566.26 | 1181.41 | 30.75 | 23.44 |
| EXPENSES: | | | | | |
| Cost of Material Consumed | 1654.89 | 1332.97 | 1063.40 | 8.76 | 14.71 |
| Change In Inventories of WIP and Finished Goods | -33.27 | -40.65 | -42.87 | 0.74 | -0.33 |
| Employee Benefit Expenses | 114.80 | 123.51 | 49.40 | 9.84 | 4.20 |
| Finance Costs | 46.22 | 27.85 | 47.09 | 0.02 | 0.02 |
| Depreciation & Amortization Expenses | 50.68 | 34.50 | 23.10 | 2.81 | 2.18 |
| Other Expenses | 81.80 | 80.92 | 33.48 | 7.43 | 2.09 |
| Total Expenses | 1915.12 | 1559.10 | 1173.60 | 29.60 | 22.87 |
| Profit before Exceptional, Extraordinary Items and Tax | 146.64 | 7.16 | 7.81 | 1.15 | 0.57 |
| Less: Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit before Extra-ordinary Items and Tax | 146.64 | 7.16 | 7.81 | 1.15 | 0.57 |
| Extraordinary Items | 0.00 | 0.00 | 0.14 | 0.00 | 0.00 |
| Profit Before Tax | 146.64 | 7.16 | 7.67 | 1.15 | 0.57 |
| Tax Expenses: | | | | | |
| Current Tax | 34.93 | 7.67 | 3.72 | 0.65 | 0.11 |
| MAT Credit Entitlement | 0.00 | 0.00 | 0.00 | 0.00 | -0.11 |
| Deferred Tax | 5.76 | -3.90 | -1.03 | -0.30 | 0.00 |
| Profit after Tax | 105.95 | 3.39 | 4.98 | 0.80 | 0.57 |
| No. of Equity Shares | 2831431 | 2831431 | 750000 | 585715 | 500000 |
| Earning per Equity Share: | | | | | |
| (1) Basic | 3.74 | 0.12 | 0.66 | 0.14 | 0.11 |
| (2) Diluted | 3.74 | 0.33 | 0.78 | 0.16 | 0.11 |

CASH FLOW STATEMENT AS RESTATED
(₹ in Lakhs)

| S.No. | Particulars | For the year ended on 31st March | | | | |
|----------|---|----------------------------------|-----------------|-----------------|----------------|---------------|
| | | 2018 | 2017 | 2016 | 2015 | 2014 |
| A | CASH FLOW FROM OPERATING ACTIVITIES | | | | | |
| | Net Profit Before Tax | 146.64 | 7.16 | 7.67 | 1.15 | 0.57 |
| | Adjustments for: | | | | | |
| | Depreciation | 50.68 | 34.50 | 23.10 | 2.81 | 2.18 |
| | Interest Expenses | 40.38 | 22.39 | 42.21 | 0.00 | 0.00 |
| | Deferred Tax | 5.76 | -3.90 | 1.03 | 0.30 | -0.00 |
| | Interest Income | 2.37 | 2.06 | -2.18 | 0.00 | 0.00 |
| | Profit on sale of Car | 7.10 | 0.00 | -0.24 | 0.00 | 0.00 |
| | Operating Profit before Working Capital Changes | 233.99 | 58.06 | 71.58 | 4.26 | 2.75 |
| | Adjustments for: | | | | | |
| | Inventories | (2.37) | (134.55) | (153.44) | 0.74 | (0.33) |
| | Trade Receivables | (1.95) | (233.55) | (465.64) | - | 5.64 |
| | Long Term Loans & Advances | 33.96 | (36.33) | (7.20) | - | 0.13 |
| | Short Term Loans & Advances | (21.04) | (27.76) | 138.56 | - | (0.39) |
| | Long Term Provisions | 1.05 | 0.90 | 8.93 | 0.72 | - |
| | Short Term Borrowings | 159.34 | 138.43 | 340.68 | - | (7.62) |
| | Trade Payables | (339.61) | 261.88 | 1.56 | 4.05 | (3.65) |
| | Other Current Liabilities | 26.26 | 1.49 | (3.25) | 3.24 | (4.48) |
| | Deffered tax Assets | (5.76) | 3.90 | (1.03) | (0.30) | 0.00 |
| | Cash generated from Operations | 83.87 | 32.50 | (69.24) | 12.71 | (7.95) |
| | Less: Income Tax Paid | 5.34 | 7.67 | 3.72 | 0.65 | - |
| | Net Cash flow from Operating Activities (A) | 78.53 | 24.83 | (72.96) | 12.06 | (7.95) |
| B | CASH FLOW FROM INVESTING ACTIVITIES | | | | | |
| | Purchase of Fixed Assets | (275.60) | (114.54) | (127.70) | 0.00 | 0.00 |
| | C.W.I.P. | (134.56) | (13.08) | 0.00 | 0.00 | 0.00 |
| | Sale of Fixed Assets | 34.16 | 0.00 | 2.11 | 0.00 | 0.00 |
| | Interest Income | 2.37 | 2.06 | 2.18 | 0.00 | 0.00 |
| | Net Cash used in Investing Activities (B) | (373.63) | (125.56) | (123.41) | 0.00 | 0.00 |
| C | CASH FLOW FROM FINANCING ACTIVITIES | | | | | |
| | Increase In Share Capital | 0.00 | 208.14 | 16.43 | 8.57 | 23.02 |
| | Securities Premium receipts | 0.00 | 83.26 | 5.60 | 3.43 | 0.00 |
| | Long Term Borrowings | 102.70 | (152.90) | 247.64 | (23.02) | (14.00) |
| | Other Long Term Liabilities | 232.50 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Interest Expenses | (40.38) | (22.39) | (42.21) | 0.00 | 0.00 |
| | Net Cash used in Financing Activities (C) | 294.82 | 116.11 | 227.46 | (11.02) | 9.02 |
| D | Net increase in Cash & Cash Equivalents (A+B+C) | (0.28) | 15.38 | 31.09 | 1.04 | 1.07 |
| E | Cash and cash equivalents at the beginning of the year | 49.48 | 34.10 | 3.01 | 1.97 | 0.90 |
| F | Cash and cash equivalents at the end of the year | 49.20 | 49.48 | 34.10 | 3.01 | 1.97 |

THE ISSUE

The following is the summary of the Issue:

| Particulars | No of Equity Shares |
|--|---|
| Equity Shares Offered | Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹ per Equity Share aggregating ₹1330.00 Lakhs |
| Fresh Issue consisting of: | |
| Issue Reserved for Market Maker | [·] Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹[·] per Equity Share aggregating ₹[·] Lakhs |
| Net Issue to Public | [·] Equity Shares of face value of ₹10 each at a price of ₹[·] per Equity Share to the Public aggregating ₹ [·] Lakhs |
| | of which: |
| | [·]Equity Shares of face value of ₹10 each at a price of ₹[·] per Equity Share to the Retail Portion |
| | [·] Equity Shares of face value of ₹10 each at a price of ₹[·] per Equity Share to the Non-Retail Portion |
| Equity Shares outstanding prior to the Issue | [·] Equity Shares |
| Equity Shares outstanding after the Issue | [·] Equity Shares |
| Objects of the Issue | Please refer chapter 'Objects of the Issue' on page no 56 of this Draft Prospectus |

#Public issue of up to [·] Equity Shares of ₹10.00 each for cash at a price of ₹[·] per Equity Share of our Company aggregating to ₹1330.00 Lakhs is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to section '*Terms of the Issue*' on page 173 of this Draft Prospectus.

The Issue has been authorized by our Board pursuant to a resolution dated August 02, 2018 and by our Equity Shareholders pursuant to a resolution passed at the Extraordinary General Meeting held on August 10, 2018.

Note:

As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price offer the allocation in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to:
 - (i) Individual applicants other than retail individual investors; and
 - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

GENERAL INFORMATION

Our Company was incorporated as “Shriya ChemEnterprises Pvt Ltd” on March 23,2004, under the provisions of the Companies Act, 1956 in the State of Uttar Pradesh. Subsequently, our Company’s name was changed to “Vibrant Ink Pvt Ltd” on August 29,2014 followed by an acquisition of Hindustan Mono Chem Industries on May 16, 2015. On September 29,2016, the name of our company was changed from “Vibrant Ink Pvt Ltd” to “Hindustan Flex Pvt Ltd” and on October 06,2016, it was converted into a Public Limited Company. For further details of our Company, please refer “General Information” and “Our History and Certain Other Corporate Matter” beginning on page no 36 and 101 respectively of this Draft Prospectus.

Brief Company and Issue Information

| | |
|--|---|
| Registered Office | 123/57,Saresh Bagh, Factory Area, Kanpur |
| Date of Incorporation | March 23, 2004 |
| Company Registration No. | 028424 |
| Company Identification No. | U24243UP2004PLC028424 |
| Address of Registrar of Companies | 37/17, Westcott Buidling, The Mall,Kanpur-208001 |
| | Tel No.: +91 0512 2310443, 2310227, 2310323 |
| | E-Mail ID: roc.kanpur@mca.gov.in |
| | Website : www.mca.gov.in |
| Designated Stock Exchange | SME Platform of BSE |

Board of Directors

Details regarding our Board of Directors as on the date of this Draft Prospectus are set forth in the table hereunder:

| Sr. No. | Name | Designation | DIN | Address |
|---------|-------------------------|----------------------|----------|--|
| 1) | Mr. Alok Kumar Mishra | Managing Director | 00490767 | C-16, Sarvodaya Nagar, Hans Nagar Kanpur- 208005 |
| 2) | Mr. Karan Katyan | Whole Time Director | 07186785 | 119/449 Darshan Purwa, Ramkishan Nagar, Fazal Ganj , Kanpur-208012 |
| 3) | Mrs. Sapna Talreja | Independent Director | 08145835 | 120/500, A-Lajpat Nagar ,Harihar Nath Shastri ,Kanpur- 208005 |
| 4) | Mr. Surya Prasad Pandey | Independent Director | 08182522 | 128/2/19, Yashoda Nagar, Kidwai Nagar, Kanpur- 208011 |
| 5) | Mr. Vinod Kumar Dixit | Independent Director | 08191251 | 108/109 Gandhi Nagar, R K Nagar, Kanpur -208012 |

For further details of Management of our Company, please refer to section titled “Our Management” beginning on page no 105 of this Draft Prospectus.

Investors may contact the Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager to the Issue in case of any Pre-Issue or Post-Issue related matter such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the concerned SCSB, 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 SCSB where the ASBA Application Form was submitted by the ASBA Applicant.

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.

Lead Manager to the Issue

| | | |
|-------------------------------------|---|--|
| Name | : | Mark Corporate Advisors Private Limited |
| Address | : | 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057. |
| Tel No. | : | +91 22 2612 3207/08 |
| Contact Person | : | Mr. Manish Gaur |
| E-Mail ID | : | smeipo@markcorporatedvisors.com |
| SEBI Reg. No. | : | INM000012128 |
| Investor Grievance E-Mail ID | : | investorgrievance@markcorporateadvisors.com |
| Website | : | www.markcorporateadvisors.com |

Registrar & Share Transfer Agent

| | | |
|-----------------------|---|---|
| Name | : | Bigshare Services Private Limited |
| SEBI Regn No. | : | INR 000001385 |
| Address | : | 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai – 400 059 |
| Contact Person | : | Mr. Srinivas Dornala |
| Tel No. | : | +91 22 62638200 |
| E-Mail ID | : | ipo@bigshareonline.com |
| Website | : | www.bigshareonline.com |

Statutory & Peer Review Auditor

| | | |
|------------------------------------|---|--|
| Name | : | Shashi Dinesh & Co., Chartered Accountants |
| Address | : | G-2, Prabhu Rachna Appartments, 13/386 D, Civil Lines, Kanpur -208 001 |
| Tel No. | : | 0512-2530260 |
| Email Id | : | Kapoor.casudhir@gmail.com |
| Contact Person | : | +91-9839035452 |
| Firm Registration No | : | 004975C |
| Membership No | : | 073456 |
| Peer Review Certificate No. | : | 007664 |

Legal Advisor to the Issue

| | | |
|------------------|---|--|
| Name | : | Alliance Law, Advocates & Legal Advisors |
| Address | : | 801, 8th Floor, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai – 400 021 |
| Tel No. | : | +91 22 2204 0822/23/24 |
| E-Mail ID | : | cm@alliancelaw.in |

Secretarial Auditor

| | | |
|---------------------------------------|---|--|
| Name of The Firm | : | M/s K.N Shridhar & Associates |
| Address | : | 111, Chandralok Complex,26/72-D Birhana Road,Kanpur |
| Contact Person | : | K.N Shridhar |
| Tel No. | : | 9935648484,0512-2300628 |
| Membership Number | : | FCS 3882 |
| E-Mail ID | : | Kn.shridhar@yahoo.co.in |
| Certificate Of Practice Number | : | 2612 |

Company Secretary & Compliance Officer

| | | |
|---|---|---|
| Name of the Company Secretary & Compliance Officer | : | Ms Upasana Mishra |
| Address | : | 123/57,Saresh Baugh,Factory Area,Kanpur-208012 |
| Contact No. | : | 8090901222 |
| E-Mail ID | : | info@hindustanflex.com / cs.upasana@hindustanflex.com |
| Website | : | www.hindustanflex.com |

Bankers to the Company

| | | |
|-------------------------|---|--|
| Name of the Bank | : | State Bank Of India |
| Address | : | Cooperative Industrial Estate ,Dada Nagar Kanpur - 208002 |
| Contact Name | : | Anvita Jain |
| Contact No. | : | 8765983480 |
| E-Mail ID | : | anvita.jain@sbi.co.in |
| Website | : | www.sbi.co.in |

Bankers to the Issue

| | | |
|------------------|---|-----|
| Name | : | [•] |
| Address | : | [•] |
| Tel No. | : | [•] |
| Fax No. | : | [•] |
| E-Mail ID | : | [•] |
| Website | : | [•] |

Self-Certified Syndicate Banks (SCSB's)

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://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 link.

Registered Brokers

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 04, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone numbers, are available at the websites of the stock exchange, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchanges as updated from time to time.

CREDIT RATING

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

TRUSTEES

This being an issue of Equity shares, the appointment of Trustees is not mandatory.

IPO GRADING

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

APPRAISAL AND MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹10,000 Lakhs. Since the Issue size is less than ₹10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Regulation 18 (3) read with part C of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

DETAILS OF THE APPRAISING AUTHORITY

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since, Mark Corporate Advisors Private Limited is the sole Lead Manager to this Offer, all the issue related Activities will be managed by them.

EXPERT OPINION

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

UNDERWRITING

This Issue is 100% Underwritten. The Underwriting Agreement is dated [•], 2018 pursuant to the terms of the underwriting agreement, the obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue.

| Name and Address of the Underwriter | Indicative Number of Equity shares to be Underwritten | Amount Underwritten (₹ in Lakhs) | % of the Total Issue Size Underwritten |
|-------------------------------------|---|----------------------------------|--|
| [.] | [.] | [.] | [.] |
| Total | | | |

In the opinion of the Board of Directors of the Company, the resources of the above-mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. Further, the underwriter shall be paid a commission at the rate of 0.25% of the net offer to the public.

Details of the Market Making Arrangement

Our Company has entered into Market Making Agreement dated [•], with the Lead Managers and Market Maker, duly registered with BSE Ltd to fulfill the obligations of Market Making:

| | | |
|----------------|---|-----|
| Name | : | [•] |
| Address | : | [•] |
| Tel No. | : | [•] |
| Fax | : | [•] |
| Email | : | [•] |
| Contact Person | : | [•] |
| SEBI Reg. No. | : | [•] |

[•], registered with SME Platform of BSE Ltd. 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 Ltd and SEBI in this matter from time to time.

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. 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 ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) After a period of three (3) years 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 [•] Equity Shares to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above [•] 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, the concerned stock exchange 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 a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, [□] Private Limited is acting as the sole Market Maker.

- 7) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 8) The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non- controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 10) The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).
In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
- 11) BSE Ltd SME will have all margins which are applicable on the BSE Ltd Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE SME can impose any other margins as deemed necessary from time-to-time.
- 12) BSE Ltd. will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities/trading membership.
The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- 13) 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.

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.

CAPITAL STRUCTURE

The Share Capital of our Company as of the date of this Draft Prospectus before and after the issue is set forth below:
(₹ In Lakhs)

| Sr. No. | Particulars | Aggregate Value at | |
|-----------|---|--------------------|-------------|
| | | Face Value | Issue Price |
| A. | AUTHORISED SHARE CAPITAL | | |
| | 10,000,000 Equity Shares of face value of ₹10 each | 1000.00 | |
| B. | ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL | | |
| | 42,47,147 fully paid up Equity Shares of face value of ₹10 each | 424.71 | |
| C. | PRESENT ISSUE IN TERMS OF PROSPECTUS* | | |
| | [·] Equity Shares of face value of ₹10 each at a price of ₹[·] per Equity Share | [·] | [·] |
| | Which comprises of: | | |
| | [·] Equity Shares of face value of ₹10 each at a price of ₹[·] per Equity Share reserved as Market Maker portion | [·] | [·] |
| | Net Issue to Public of [·] Equity Shares of face value of ₹10 each at a price of ₹ [·] per Equity Share to the Public | [·] | [·] |
| | Of which: | | |
| | Retail Portion: [·] Equity Shares of face value of ₹10 each at a price of ₹[·] per Equity Share will be available for allocation to Investors up to ₹2.00 Lakhs | [·] | [·] |
| | Non- Retail Portion: [·] Equity Shares of face value of ₹10 each at a price of ₹ [·] per Equity Share will be available for allocation to Investors above ₹2.00 Lakhs | [·] | [·] |
| D. | ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE | | |
| | [·] Equity Shares of face value of ₹10 each | [·] | [·] |
| E. | SECURITIES PREMIUM ACCOUNT | | |
| | Before the Issue | | |
| | After the Issue | | [·] |

*The Issue has been authorized pursuant to a resolution of our Board under section Section 179(3)(C) & 62(1)(c) dated August 02, 2018 and a Special Resolution passed under Section 23 and Section 62(1)(c) of the Companies Act, 2013 at an EGM of our shareholders held on August 10, 2018

Classes of Shares

The Company has only one class of Share Capital i.e. Equity Shares of face value of ₹10 each only. All Equity Shares issued are fully paid-up.

Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

History of change in Authorized Equity Share Capital of Our Company:

| Sr. No. | Particulars of Change | | Date of Shareholders Meeting | AGM/EGM |
|---------|--|--|------------------------------|---------|
| | From | To | | |
| 1) | ₹50,00,000 (5,00,000 Equity Shares of ₹ 10 each) | | On Incorporation | |
| 2) | ₹ 50,00,000 (5,00,000 Equity Shares of ₹ 10 each) | ₹75,00,000 (7,50,000 Equity Shares of ₹ 10 each) | March 20, 2015 | EGM |
| 3) | ₹ 75,00,000 (7,50,000 Equity Shares of ₹ 10 each) | ₹ 2,00,00,000 (20,00,000 Equity Shares of ₹ 10 each) | November 03,2016 | EGM |
| 4) | 2,00,00,000 (20,00,000 Equity Shares of ₹ 10 each) | 3,00,00,000 (30,00,000 Equity Shares of ₹ 10 each) | January 02,2017 | EGM |

| Sr. No. | Particulars of Change | | Date of Shareholders Meeting | AGM/EGM |
|---------|---|--|------------------------------|---------|
| | From | To | | |
| 5) | 3,00,00,000 (30,00,000 Equity Shares of ₹ 10 each) | 10,00,00,000 (1,00,00,000 Equity Shares of ₹ 10 each) | July 16,2018 | EGM |

NOTES TO THE CAPITAL STRUCTURE:

1) Equity Share Capital History:

| Date of Allotment of Equity Shares | No. of Equity Shares Issued | Face Value (₹) | Issue Price (₹) | Nature of Consideration | Nature of allotment | Cumulative No. of Equity Shares | Cumulative paid-up share capital (₹) |
|------------------------------------|-----------------------------|----------------|-----------------|-------------------------|--|---------------------------------|--------------------------------------|
| Incorporation | 12,000 | 10 | 10 | Cash | Subscription to MOA | 12,000 | 1,20,000 |
| February 02,2005 | 4,88,000 ⁽ⁱⁱ⁾ | 10 | 10 | Cash | Allotment | 5,00,000 | 50,00,000 |
| March 31,2015 | 85715 ⁽ⁱⁱⁱ⁾ | 10 | 14 | Cash | Allotment | 5,85,715 | 58,57,150 |
| May 26,2015 | 66,809 ^(iv) | 10 | 14 | Cash | Allotment | 6,52,524 | 65,25,240 |
| March 31,2016 | 97,476 ^(v) | 10 | 13 | Cash | Allotment | 750,000 | 75,00,000 |
| February 02,2017 | 14,96,438 ^(vi) | 10 | 14 | Cash | Allotment | 22,46,438 | 22,464,380 |
| March 03,2017 | 584993 ^(vn) | 10 | 14 | Cash | Allotment | 28,31,431 | 28,314,310 |
| July 19,2018 | 14,15,716 ^(viii) | 10 | 0 | - | 1 Bonus shares for Every 2 Equity Shares | 42,47,147 | 42,471,470 |

Note: Allotment includes the initial Subscriber of the MOA and relative persons belongs to promoter and promoter Group

(i.) *Initial Subscribers to the Memorandum of Association of our Company:*

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|--------------------------|------------------------|
| 1) | Mr. Alok Kumar Mishra | 3,000 |
| 2) | Mr. Avinash Kumar Mishra | 3,000 |
| 3) | Ms. Nisha Mishra | 3,000 |
| 4) | Ms. Manju Shukla | 3,000 |
| | Total | 12,000 |

(ii.) Allotment of 4,88,000 Equity Shares

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|--------------------------|------------------------|
| 1) | Mr. Avinash Kumar Mishra | 2,10,000 |
| 2) | Mr. Alok Kumar Mishra | 2,68,000 |
| 3) | Ms. Nisha Mishra | 10,000 |

(iii.) Allotment of 85,715 Equity Shares

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|--------------------|------------------------|
| 1. | Shri Sumit Pandey | 85,715 |

(iv.) *Allotment of 66,809 Equity Shares*

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|--------------------|------------------------|
| 1. | SUSHMA SHUKLA | 66,809 |

(v.) Allotment of 97,476 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|------------------------|------------------------|
| 1. | Shri Alok Kumar Mishra | 97,476 |
| | Total | 97,476 |

(vi.) Further Allotment of 14,96,438 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|-------------------------------------|------------------------|
| 1) | Shri Alok Kumar Mishra | 11,45,369 |
| 2) | Shri Shwetank Agarwal | 21,428 |
| 3) | Shri Shyam Kumar Srivastava | 1,42,857 |
| 4) | M/s Hiranmayi Construction Pvt. Ltd | 57,142 |
| 5) | Smt. Shushma Shukla | 1,29,642 |
| | Total | 14,96,438 |

(vii.) Further Allotment of 5,84,993 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|------------------------|------------------------|
| 1) | Shri Alok Kumar Mishra | 5,84,993 |
| | Total | 5,84,993 |

(viii.) Allotment of 14,15,716 Equity Shares By way of Bonus Issue in the ratio of 1 Bonus Equity Shares against every 2 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|--|------------------------|
| 1) | Shri Alok Kumar Mishra | 11,55,919 |
| 2) | Nisha Mishra | 6,500 |
| 3) | Manju Shukla | 1,500 |
| 4) | Avinash Kumar Mishra | 42,858 |
| 5) | Sushma Shukla | 98,035 |
| 6) | Shwetank Agarwal | 10,714 |
| 7) | Shyam Kumar Srivastava | 71,429 |
| 8) | Hiranmayi Construction Private Limited | 28,571 |
| 9) | Vijay Kumar Soni | 10 |
| 10) | Mahendra Kumar | 20 |
| 11) | Virendra Kumar | 10 |
| 12) | Pawan Kumar Sharma | 5 |
| 13) | Arti Sharma | 10 |
| 14) | Sandeep Kumar Shukla | 5 |
| 15) | Vijay Kumar | 5 |
| 16) | Anoop Kumar Mishra | 15 |
| 17) | Vimal Kumar Singh | 10 |
| 18) | Arman Ali | 5 |
| 19) | Ranjeet Thakur | 15 |
| 20) | Umesh Chandra Shukla | 10 |
| 21) | Rajesh Kumar Bajpai | 10 |
| 22) | Sudhir Dwivedi | 5 |
| 23) | Rajeev Maheshwari | 5 |
| 24) | IndraKumar Talreja | 10 |
| 25) | Ajay Tripathi | 10 |
| 26) | Sarita Tripathi | 5 |
| 27) | Piyusha Singh | 15 |
| 28) | Pushpa Singh | 5 |
| 29) | Naresh | 5 |

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|--------------------|------------------------|
| | Total | 14,15,716 |

- 2) We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act, 1956 and or Sections 230-232 of the Companies Act, 2013.
- 3) We have not issued any equity shares in last one year at price below the Issue Price immediately from the date of filing of this Draft Prospectus except Bonus Issue in the ratio of 1 Bonus Equity Shares against every 2 Equity Shares without revaluation of assets.

4) Capital built-up of our Promoters:

| Mr. Alok Kumar Mishra | | | | | | | |
|------------------------------|---------------|---------------------------------------|----------------------|------------|--------------------------|---------------------------------------|--|
| Date of Allotment | Consideration | Nature of the issue | No. of equity shares | Face Value | Issue/ acquisition Price | % of Pre-Issue Paid up Equity capital | % of Post Issue Paid up Equity capital |
| Inception | Cash | Subscriber to Memorandum | 3,000 | 10 | 10 | Negligible | Negligible |
| February 02,2005 | Cash | Allotment | 2,68,000 | 10 | 10 | 6.31% | |
| September 06,2007 | Cash | Transferred from Avinash Kumar Mishra | 213,000 | 10 | 10 | 5.02% | |
| March 31,2016 | Cash | Allotment | 97,476 | 10 | 13 | 2.30% | |
| February 02,2017 | Cash | Allotment | 11,45,369 | 10 | 14 | 26.97% | |
| March 03,2017 | Cash | Allotment | 5,84,993 | 10 | 14 | 13.77% | |
| July 20,2018 | Nil | Bonus Issue | 11,55,919 | 10 | 0 | 27.21% | |
| | | Total | 34,67,757 | | | 81.58% | % |

5) Details of Promoter's Contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations an aggregate of 20% of the post-issue capital, held by our 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 Promoter(s) **Mr. Alok Kumar Mishra**, have granted their consent to include such number of Equity Shares held by them as may constitute [] % 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 Draft prospectus until the completion of the lock-in period specified above. The details of such equity shares are as under:

| Alok Kumar Mishra | | | | | | | |
|--------------------------|----------------------|----------------------------|-----------------------------|-------------------|---------------------------------|--|---|
| Date of Allotment | Consideration | Nature of the issue | No. of equity shares | Face Value | Issue/ acquisition Price | % of Pre-Issue Paid up Equity capital | % of Post Issue Paid up Equity capital |
| | Cash | | | 10 | Nil | % | % |
| Total (A) | | | [·] | | | [·]% | [·]% |

We further confirm that the aforesaid minimum Promoter's Contribution of [·]% 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 Promoters 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. However, company has allotted bonus shares.
- The Equity Shares held by the Promoters and offered for minimum Promoter's Contribution are not subject to any pledge.
- 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 may 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 and pledge of specified securities is one of the terms of the sanction of loan.

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.

6) Details of share capital locked in for one year:

In addition to minimum 20.00% of the Post-Issue shareholding of our Company held by the Promoters (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 in the hands of transferees for the remaining period and compliance with the Takeover Regulations.

Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

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

7) Shareholding pattern of our company:

A. The table below represents the current Shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015:

| Category (I) | Category of Shareholder (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 Depository Receipts (VI) | Total No of Shares held (VII = IV + V + VI) | Shareholding as a % of total No. of Shares (calculated as per SCRR, 1957 (As a % of (A + B + C2) (VIII) | Number of Voting Rights held in each Class of securities (IX) | | No of underlying outstanding convertible securities (incl. Warrants) (X) | Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI=VII+X) | Number of Locked in shares (XII) | | No. of shares Pledged Or Otherwise Encumbered (XIII) | | No. of Equity shares held in De-mat Form (XIV) |
|--------------|--------------------------------|---------------------------|--|--|---|---|---|---|-----------------------|--|--|----------------------------------|---|--|---|--|
| | | | | | | | | Nos of voting Rights | Total as % of (A+B+C) | | | Nos of shares held (a) | As % of total number of shares held (b) | Nos of shares held (a) | As % of total number of shares held (b) | |
| A. | Promoter | 1 | 3,467,757 | 0 | 0 | 3,467,757 | 81.65% | 3,467,757 | 81.65% | 0 | 0 | 0 | 0 | 0 | 0 | |
| B. | Promoter Group | 4 | 446678 | | | 446,678 | 10.51% | 446678 | 10.51% | | | | | | | |
| C. | Public | 23 | 2,46,999 | | | 246999 | 5.81% | 246999 | 5.81% | | | | | | | |
| D. | Non-Promoter Non-Public | 1 | 85,713 | | | 85,713 | 2.02% | 85,713 | 2.02% | | | | | | | |
| C 1 | Shares Underlying DRs | | | | | | | | | | | | | | | |
| C 2 | Shares held by Employee Trusts | | | | | | | | | | | | | | | |
| | Total | 29 | 4,247,147 | | | 4,247,147 | 100.00% | 4,247,147 | 100.00% | | | | | | | |

Notes:

- The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- Our Company will file the shareholding pattern of our Company in the form prescribed under Regulation 31 of SEBI (LODR) Regulations, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of BSE Ltd. before commencement of trading of our Equity Shares.
- There are no Equity Shares against which depository receipts have been issued.
- Other than the Equity Shares, there is no other class of securities issued by our Company.

B. Shareholding Pattern of the Promoter and Promoter Group

| Category (I) | Category of Shareholder (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 Depository Receipts (VI) | Total No of Shares held (VII = IV + V + VI) | Shareholding as a % of total No. of Shares (calculated as per SCRR, 1957 (As a % of (A + B + C2) (VIII) | Number of Voting Rights held in each Class of securities (IX) | | No of underlying outstanding convertible securities (incl. Warrants) (X) | Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI=VII +X) | Number of Locked in shares (XII) | | No. of shares Pledged Or Otherwise Encumbered (XIII) | | No. of Equity shares held in De-mat Form (XIV) | |
|--------------|---|----------------------------|--|--|---|---|---|---|-----------------------|--|---|----------------------------------|--|--|---|--|--|
| | | | | | | | | Nos of voting Rights | Total as % of (A+B+C) | | | Nos of shares held (a) | As % of total number of shares held(b) | Nos of shares held (a) | As % of total number of shares held (b) | | |
| | Indian | | | | | | | | | | | | | | | | |
| | Alok kumar Mishra | 34,67,757 | 81.65% | 0 | 0 | 34,67,757 | 81.65% | 34,67,757 | 81.65% | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Nisha Mishra | 19,500 | 0.46% | 0 | 0 | 19,500 | 0.46% | 19,500 | 0.46% | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Manju Shukla | 4,500 | 0.11% | | | 4,500 | 0.11% | 4,500 | 0.11% | | | | | | | | |
| | Avinash kumar Mishra | 1,28,573 | 3.03% | | | 1,28,573 | 3.03% | 1,28,573 | 3.03% | | | | | | | | |
| | Sushma Shukla | 2,94,105 | 6.92% | | | 2,94,105 | 6.92% | 2,94,105 | 6.92% | | | | | | | | |
| | Sub Total (A) | 39,14,435 | 92.17% | | | 39,14,435 | 92.17% | 39,14,435 | 92.17% | | | | | | | | |
| | Foreign | | | | | | | | | | | | | | | | |
| | Individual (Non-Resident Individuals/ Foreign Individuals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Government | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Foreign Portfolio Investor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Any other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Sub-Total (A)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Total | 3914435 | 92.17% | | | 3914435 | 92.17% | 3914435 | 92.17% | | | | | | | | |

C. Shareholding Pattern of our Public Shareholders.

| Category (I) | Category of Shareholder (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 Depository Receipts (VI) | Total No of Shares held (VII = IV + V + VI) | Shareholding as a % of total No. of Shares (calculated as per SCRR,1957 (As a % of (A + B + C2) (VIII) | Number of Voting Rights held in each Class of securities (IX) | | No of underlying outstanding convertible securities (incl. Warrants) (X) | Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI=VII + X) | Number of Locked in shares (XII) | | No. of shares Pledged Or Otherwise Encumbered (XIII) | | No. of Equity shares held in De-mat Form (XIV) |
|--------------|--|----------------------------|--|--|---|---|--|---|-----------------------|--|--|----------------------------------|--|--|---|--|
| | | | | | | | | Nos of voting Rights | Total as % of (A+B+C) | | | Nos of shares held (a) | As % of total number of shares held(b) | Nos of shares held (a) | As % of total number of shares held (b) | |
| | Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Mutual Funds/ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Alternate Investment Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Foreign Venture Capital Investors | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Foreign Portfolio Investors | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Financial Institutions Banks | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Provident Funds / Pension Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Any Other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sub Total (B)(1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Central Government/ State Government(s)/ President of India | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sub Total (B)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Non-institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs. | 23 | 2,46,999 | 0 | 0 | 2,46,999 | 5.05% | 2,46,999 | 5.05% | 0 | 0 | 0 | 0 | 0 | 0 | |

| Category (I) | Category of Shareholder (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 Depository Receipts (VI) | Total No of Shares held (VII = IV + V + VI) | Shareholding as a % of total No. of Shares (calculated as per SCRR,1957 (As a % of (A + B + C2) (VIII) | Number of Voting Rights held in each Class of securities (IX) | | No of underlying outstanding convertible securities (incl. Warrants) (X) | Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI=VII +X) | Number of Locked in shares (XII) | | No. of shares Pledged Or Otherwise Encumbered (XIII) | | No. of Equity shares held in De-mat Form (XIV) | |
|-----------------|---|-------------------------------|---|---|--|--|---|---|-----------------------------|--|--|--|--|--|---|---|---|
| | | | | | | | | Nos of voting Rights | Total as % of (A+B+C) | | | Nos of shares held (a) | As % of total number of shares held(b) | Nos of shares held (a) | As % of total number of shares held (b) | | |
| | ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | NBFCs registered with RBI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Employee Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Overseas Depositories (holding DRs) (balancing figure) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Any other (Specify) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Hiranmayi Construction Pvt Ltd | 1 | 85713 | 0 | | 85713 | 2.02% | 85713 | 2.02% | | | | | | | | |
| | Sub Total (B)(3) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | Total | 24 | 332712 | 0 | 0 | 332712 | 7.06% | 332712 | 7.06% | 0 | 0 | 0 | 0 | 0 | 0 | | |

D. Statement showing shareholding pattern of the Non-Promoter –Non Public Shareholding

| Category (I) | Category of Shareholder (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 Depository Receipts (VI) | Total No of Shares held (VII = IV + V + VI) | Shareholding as a % of total No. of Shares (calculated as per SCRR,1957 (As a % of (A + B + C) (VIII) | Number of Voting Rights held in each Class of securities (IX) | | No of underlying outstanding convertible securities (incl. Warrants) (X) | Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C) (XI=VII + X) | Number of Locked in shares (XII) | | No. of shares Pledged Or Otherwise Encumbered (XIII) | | No. of Equity shares held in De-mat Form (XIV) |
|--------------|--|---------------------------|--|--|---|---|---|---|-----------------------|--|---|----------------------------------|---|--|---|--|
| | | | | | | | | Nos of voting Rights | Total as % of (A+B+C) | | | Nos of shares held (a) | As % of total number of shares held (b) | Nos of shares held (a) | As % of total number of shares held (b) | |
| 1) | Custodian/DR Holder | | | | | | | | | | | | | | | |
| | Name of the DR Holder (if available) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sub Total (C) (1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2) | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sub Total (C) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

B. Shareholding Pattern of Promoters and Promoter Group:

| Sr. No. | Name of the Shareholder | Pre-Issue | | Post-Issue | | Shares pledged or otherwise encumbered | | |
|---------|-------------------------|----------------------|--------------------------------|----------------------|--------------------------------|--|------------|---|
| | | No. of Equity Shares | As a % of Issued Share Capital | No. of equity shares | As a % of Issued Share Capital | Number | As a % | As a % of grand total (a)+(b)+(c) of Sub-clause (i) (a) |
| | Promoters: | | | | | | | |
| 1. | Alok Kumar Mishra | 34,67,757 | 81.65% | 34,67,757 | | Nil | Nil | NA |
| | Promoter Group | | | | | | | |
| 2. | Nisha Mishra | 19,500 | 0.47% | 19,500 | | Nil | Nil | NA |
| 3. | Manju Shukla | 4,500 | 0.11% | 4,500 | | Nil | Nil | NA |
| 4. | Avinash Kumar Mishra | 1,28,573 | 3.02% | 1,28,573 | | | | |
| 5. | Sushma Shukla | 2,94,105 | 6.92% | 2,94,105 | | | | |
| | Total | 39,14,435 | 92.17% | 39,14,435 | 100% | Nil | Nil | NA |

C. Shareholding Pattern of the persons belonging to the category “Public”:

There are Twenty Four (24) shareholders and holds 3,32,712 Equity Shares as on Draft Prospectus.

D. Except as mentioned below, there was no shares purchased or sold by the Promoter / Promoter Group, Directors and their immediate relatives during last six months.

| Date of Transfer | Name of the Transferee / Transferor | Category | No. of shares Allotted / Transferred | Face Value | Transfer / Issue Price | Nature of allotment |
|------------------|-------------------------------------|------------------------------|--------------------------------------|------------|------------------------|---------------------|
| July 19, 2018 | Shri Alok Kumar Mishra | Promoter & Managing Director | 11,55,919 | 10 | Nil | Bonus Issue |

8) 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 ₹) |
|---------|-----------------------|-------------------|------------------------------------|
| 1. | Alok Kumar Mishra | 34,67,757 | 12.08 |

9) None of our directors or Key Managerial Personnel hold equity shares in our company, other than as stated above.
10) Equity Shares held by Top Ten (10) shareholders as on September 28, 2018

| Sr. No. | Name of Shareholder | No. of Shares | % age of Post-Issue capital |
|---------|------------------------|---------------|-----------------------------|
| 1. | Alok Kumar Mishra | 34,67,757 | 81.6491% |
| 2. | Nisha Mishra | 19,500 | 0.4591% |
| 3. | Manju Shukla | 4,500 | 0.1060% |
| 4. | Avinash Kumar Mishra | 1,28,573 | 6.9248% |
| 5. | Sushma Shukla | 2,94,105 | 0.7568% |
| 6. | Shwetank Agarwal | 32,142 | 5.0454% |
| 7. | Shyam Kumar Srivastava | 214,287 | 2.0181% |

| Sr. No. | Name of Shareholder | No. of Shares | % age of Post-Issue capital |
|---------|--------------------------------|---------------|-----------------------------|
| 8. | Hiranmayi Construction Pvt Ltd | 85,713 | 0.4591% |
| 9. | Anoop Kumar Mishra | 45 | 0.0011% |
| 10. | Mahendra Kumar | 60 | 0.0014% |

- A. The Top Ten Shareholders and the number of Equity Shares held by them as on date of this Draft Prospectus are as under:

| Sr. No. | Name of shareholder | No. of Shares | % age of pre-Issue capital |
|---------|--------------------------------|---------------|----------------------------|
| 1) | Alok Kumar Mishra | 34,67,757 | 81.6491% |
| 2) | Nisha Mishra | 19,500 | 0.4591% |
| 3) | Manju Shukla | 4,500 | 0.1060% |
| 4) | Avinash Kumar Mishra | 1,28,573 | 3.0273% |
| 5) | Sushma Shukla | 2,94,105 | 6.9248% |
| 6) | Shwetank Agarwal | 32,142 | 0.7568% |
| 7) | Shyam Kumar Srivastava | 2,14,287 | 5.0454% |
| 8) | Hiranmayi Construction Pvt Ltd | 85,713 | 2.0181% |
| 9) | Vijay Kumar Soni | 30 | 0.0007% |
| 10) | Mahendra Kumar | 60 | 0.0014% |

- B. The Top Ten Shareholders and the number of Equity Shares held by them as on Ten days prior to this Draft Prospectus are as under:

| Sr. No. | Name of shareholder | No. of Shares | % age of pre-Issue capital |
|---------|--------------------------------|---------------|----------------------------|
| 1) | Alok Kumar Mishra | 34,67,757 | 81.64% |
| 2) | Nisha Mishra | 19,500 | 0.45% |
| 3) | Manju Shukla | 4,500 | 0.10% |
| 4) | Avinash Kumar Mishra | 1,28,573 | 6.92% |
| 5) | Sushma Shukla | 2,94,105 | 0.75% |
| 6) | Shwetank Agarwal | 32,142 | 5.04% |
| 7) | Shyam Kumar Srivastava | 214,287 | 2.01% |
| 8) | Hiranmayi Construction Pvt Ltd | 85,713 | 0.45% |
| 9) | Anoop Kumar Mishra | 45 | 0.0011% |
| 10) | Mahendra Kumar | 60 | 0.0014% |

- C. Our Company has only Five Shareholders and the number of Equity Shares held by them as on Two years prior to this Draft Prospectus are as under:

| Sr. No. | Name of shareholder | No. of Shares | % age of pre-Issue capital |
|---------|---------------------|---------------|----------------------------|
| 1) | Alok Kumar Mishra | 581476 | 77.53% |
| 2) | Nisha Mishra | 13000 | 1.73% |
| 3) | Manju Shukla | 3000 | 0.40% |
| 4) | Sumit Pandey | 85715 | 11.43% |
| 5) | Sushma Shukla | 66809 | 8.90% |

- 11) There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares offered through this Draft Prospectus.
- 12) The Equity Shares, which are subject to lock-in, shall carry the inscription "non-transferable" and the non-transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.
- 13) As on the date of this Draft Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.

- 14) We have not raised any bridge loans against the proceeds of the Issue.
- 15) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "*Issue Procedure - Basis of Allotment*" beginning on page no 191 of this Draft Prospectus.
- 16) The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.
- 17) Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Draft Prospectus except Issue of Bonus Shares.
- 18) In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
- 19) Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and the designated stock exchange.
- 20) An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
- 21) The Issue is being made through Fixed Price Method.
- 22) As on date of filing of this Draft Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
- 23) On the date of filing of this Draft Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
- 24) Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
- 25) Lead Manager to the Issue viz. Mark Corporate Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
- 26) Our Company has not revalued its assets since incorporation.
- 27) Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
- 28) There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
- 29) Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
- 30) There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
- 31) Except as disclosed in this Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares

(including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

- 32)** Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
- 33)** An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 34)** No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 35)** Our Company has 29 (Twenty Nine) Shareholders as on the date of filing of this Draft Prospectus.

OBJECTS OF THE ISSUE

The objects of the Issue are to finance our business expansion plans and achieve the benefits of listing on the SME Platform of BSE Ltd. We believe that listing will enhance our corporate image and brand name of our Company.

The objects of the Issue are as stated below:

- 1.) To meet working capital Requirement
- 2.) General Corporate Purposes
- 3.) To meet the Issue Expenses

We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main objects clause of our Memorandum of Association permits us to undertake our existing activities and the activities for which the funds are being raised by us, through the present Issue. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

The net proceeds of this issue after deducting Issue Expenses are estimated to be ₹[.]Lakhs (“**Net Proceeds**”).

Proposed Utilisation of Issue Proceeds:

The following table summarizes the total estimated fund requirement:

| (₹ in Lakhs) | | |
|--------------|-------------------------------------|----------------|
| Sr. No. | Particulars | Amount |
| 1) | To meet working capital Requirement | 931.00 |
| 2) | General Corporate Purposes | 300.00 |
| 3) | To meet the Issue Expenses | 130.00 |
| | Grand Total | 1361.00 |

Means of Finance:

The above mentioned fund requirement are to be financed as shown below:

| (₹ in Lakhs) | | |
|--------------|-------------------------------|----------------|
| Sr. No. | Particulars | Amount |
| 1) | Gross Proceeds from the Issue | 1330.00 |
| 2) | Internal Accruals | 31.00 |
| 3) | Total | 1361.00 |

Since the majority of the fund requirements are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 4(2) (g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

The fund requirement and deployment is 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 the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals.

However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilized for repayment of any Part of unsecured loan outstanding as on date of Draft Prospectus.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled 'Risk Factors' beginning on page no 15 of the Draft Prospectus.

The above cost estimates are based on the quotations received from the said overseas and domestic suppliers / vendors. We have considered the quotations for the budgetary estimate purpose and have not placed orders for any of the aforesaid plant and machinery. The actual expenditure incurred and actual supplier / vendor may vary from ones indicated above based on the time and cost, or tax or duty implications, involved in actual procurement. None of the suppliers / vendors are related to Our Company and our Promoters. All the above quotations are valid as on the date of this Draft Prospectus.

1. Funding working capital requirement of our Company

| Sr. No. | Particulars | As on 31 st March | |
|-----------|---|------------------------------|----------------|
| | | 2018 | March 2019 |
| | | Actual(Restated) | Estimated |
| A. | Current Assets | | |
| | Inventories | 290.36 | 783.00 |
| | Trade Receivables | 701.13 | 1208.00 |
| | Other Current Assets | 109.06 | 321.00 |
| | Total (A) | 1100.55 | 2312.00 |
| B. | Current Liabilities | | |
| | Trade Payables | 262.96 | 177.00 |
| | Other Current Liabilities including Provisions | 96.00 | 110.27 |
| | Total (B) | 358.96 | 287.27 |
| C. | Net Working Capital (A-B) | 764.75 | 2024.73 |
| D. | Bank Borrowings | 422.86 | 600.00 |
| E. | Total Current Liabilities (B+D) | 781.82 | 867.00 |
| | Working Capital Gap (A-E) | 318.73 | 1424.73 |
| | Incremental Impact | - | 1106.00 |
| | Less: Additional Limit sanctioned by Bank* | | 175.00 |
| | Net Incremental Impact | | 931.00 |

* Additional working Capital of Rs. 175 Lakhs have been sanctioned vide letter number RMME/RBO-II/CIE/2018-19/157 , dated: 20/08/2018 of State Bank of India, Cooperative Industrial Estate, Dada Nagar, Kanpur.

Justification:

| | |
|-------------|---|
| Debtors | Trade receivables are based on the average standard payment terms across our debtors. Our debtors general credit terms vary from customer to customer and our assumptions are based on the past trends. In current year cycle is of 4 Months and based on our assumptions it will remain unchanged in the March 2019. |
| Creditors | This is based on the average standard payment terms of our vendors. Our creditors are presently being paid in 1.65 Months. However we assumed based that the period for the creditors will be reduced to 0.75 Months. |
| Inventories | Our inventory currently holding period is 1.26 Months. We assumed that company gets more storage capacity and hence period of inventory will be increased to 2 Months. |

2. General Corporate Purposes

Our Company proposes to deploy an amount aggregating to ₹ 300.00 Lakhs towards general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations. The general corporate purposes for which our Company proposes to utilize the amount includes meeting exigencies faced, and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the amount towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilizing surplus amounts, if any

3. Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹130.00 Lakhs. The Issue expenses consist of underwriting fees, selling commission, fees payable to the Lead Managers, legal counsels, Bankers to the Issue including processing fee to the SCSBs for processing ASBA Bid cum Application Forms procured by the Syndicate Members and submitted to the SCSBs and Registrar to the Issue, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The break-up for the Issue expenses is as follows:

| Activity | Estimated Expenses (₹ in Lakhs) | As a % of the total estimated Issue expenses | As a % of the total Issue size |
|--|------------------------------------|--|-----------------------------------|
| Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Legal Advisors, Registrars, Bankers, etc. | [•] | [•] | [•] |
| Regulatory Fees | [•] | [•] | [•] |
| Marketing and Other Expenses | [•] | [•] | [•] |
| Total Estimated Issue Expenses | 130.00 | | |

The SCSBs would be entitled to a processing fee of [•] (excluding GST) per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to the SCSBs

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

Our fund requirements and deployment thereof are based on the estimates of our management. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs or in our financial condition, business or strategy. Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the

utilization of Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

Funds Deployed and Source of Funds Deployed:

Our Statutory Auditors, M/s. Shashi Dinesh & Co., Chartered Accountants vide their certificate dated September 28, 2018 have confirmed that as on date of 10.09.2018, the company has deployed funds amounting to ₹ 15.50 Lacs towards Issue Expenses.

APPRAISAL BY APPRAISING AGENCY

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 quotations received by us and 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 Objects of the issue will be met by way of internal accruals.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the issue proceeds. The issue proceeds of the issue pending utilization for the purposes stated in this section shall be deposited only in scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 26 of the Companies Act, 2013, our Company confirms that it shall not use the issue proceeds of the issue for any investment in the equity markets.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

Since the proceeds from the Fresh Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 16 of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board will monitor the utilisation of the proceeds of the Issue. The Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of SEBI (LODR) Regulations, our Company shall on a half-yearly basis disclose to the Audit Committee of the Board of Directors the uses and applications of the Issue Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors. Such disclosure shall be made only until such time that all the Issue Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32 of SEBI (LODR) Regulations, our Company shall furnish to the Stock Exchanges on a half-yearly basis, a statement including material deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

Other Confirmations

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel. No part of the proceeds of the Issue will be paid by us as consideration to our Promoter, our Directors or key managerial personnel or our Group Entities, except in the normal course of business and in compliance with the applicable laws.

BASIC TERMS OF THE ISSUE

The Equity Shares, now being issued, are subject to the terms and conditions of this Draft Prospectus, Application form, Confirmation of Allocation Note (CAN), the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, Stock Exchange, RBI, ROC and/or other authorities as in force on the date of the Issue and to the extent applicable. In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that maybe executed in respect of the Equity Shares. This Issue has been authorized by the Board of Directors pursuant to a Board Resolution dated August 02,2018 and by the Shareholders of our Company pursuant to a special resolution dated August 10,2018 passed at the EGM of Shareholders under Section 62 (1)(c) of the Companies Act, 2013.

| | | |
|-------------------------------------|---|---|
| Face Value | : | Equity Share shall have the face value of ₹10.00 each |
| Issue Price | : | Equity Share is being issued at a price of ₹[·] each and is at [·] times of Face Value |
| Market Lot & Trading Lot | : | The Market lot and Trading lot for the Equity Share is [·] and the multiple of [·], subject to a minimum allotment of [·] Equity Shares to the successful applicants. |
| Terms of Payment | : | 100% of the issue price of ₹[·] each shall be payable on Application. For more details please refer " <i>Issue Procedure</i> " on page no 181 of this Draft Prospectus |
| Ranking of the Equity Shares | : | The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividends with the existing Equity Shares of the Company. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see " <i>Main Provisions of Articles of Association</i> " on page no. 224 of this Draft Prospectus |

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond prescribed time after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

For further details, please refer to section titled "*Terms of the Issue*" beginning on page no 173 of this Draft Prospectus.

BASIS FOR ISSUE PRICE

The Issue Price of ₹ [·] per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors as described below. The face value of the Equity Share is ₹10 and Issue Price is ₹[·] per Equity Share i.e. [·] times of the face value.

Qualitative Factors

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

- 1) To grow the business of the container division
- 2) To compete with the existing market players.

For further details, refer sections entitled “*Risk Factors*”, “*Our Business*”, and “*Financial Statements*” on page no. 15, 78 and 123 respectively, to make an informed investment decision.

Quantitative Factors

The information presented below relating to the Company is based on the Restated Financial Statements of the Company for Financial Year 2017-18, 2016-17, 2015-16 & 2014-15 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations. Some of the quantitative factors, which form the basis for computing the price, are as follows:

Basic and Diluted Earnings per Share (EPS):

| Year Ended | EPS (₹)* | EPS (adjusted for Bonus Shares)** | Weight |
|----------------|----------|-----------------------------------|--------|
| March 31, 2016 | 0.66 | 0.78 | 1 |
| March 31, 2017 | 0.12 | 0.33 | 2 |
| March 31, 2018 | 3.74 | 3.74 | 3 |

** After giving effect of Bonus Shares issued in the ratio of One (Equity Share) against Two (Equity Share) (1:2 Bonus Equity Shares).

Note:

For the period ended March 31, 2018 the Basic & Diluted EPS (not annualized) was 3.74 & 3.74.

Basic EPS 3.74 has been calculated by dividing the Net Profit as restated by Restated Weighted Average number of Equity Shares outstanding during the year.

The face value of each Equity Share is ₹10.

Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [·] per Equity Share of face value of ₹10 each:

| Particulars | P/E Ratio |
|--|-----------|
| Based on Weighted Average EPS (FY 2015-16 to FY 2017-18), as restated | 0.49 |
| Based on Weighted Average EPS (After Bonus Shares) (FY 2015-16 to FY 2017-18), as restated | 0.47 |
| Industry P/E* | |
| Highest | 128.10 |
| Lowest | 6.70 |
| Industry Average | 27.20 |

* Source: Capital Market (Magazine), Issue: Volume:Aug 27-Sep 09,2018 ;Volume:XXXIII/14; Segment :Chemicals

1) Return on Net worth (RoNW) for the preceding three years as per restated financial statements:

| Year Ended | RoNW (%) | Weight |
|------------------|----------|--------|
| March 31, 2016 | 4.78% | 1 |
| March 31, 2017 | 0.85% | 2 |
| March 31, 2018 | 20.98 | 3 |
| Weighted Average | 11.57% | 6 |

Note:

(i) The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

2) Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2018 is [·]%

3) Net Asset Value (NAV):

| Particulars | Amount (₹) |
|---|------------|
| Net Asset Value per Equity Share as of March 31, 2018 | 17.84 |
| Issue Price per equity share | [·] |

Note:

(i) The Face Value of the Equity Shares ₹10.

(ii) NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares.

4) Comparison with other listed companies/Industry peers:

| Companies | Face Value (₹) | NAV (₹) | RoNW (%) | EPS (₹) (as on March 31,2018) | P/E Ratio |
|-------------------------|----------------|---------|----------|----------------------------------|-----------|
| Hindustan FlexLimited | 10 | 17.84 | 20.98% | 3.74 | 0.26 |
| <i>Peer Group:</i> | | | | | |
| DIC India Ltd(Dec-2017) | 10 | 315.68 | -4.28% | (13.48) | (40.96) |

(Source: Audited Financial Results for the year ending March 31,2018 as available on www.bseindia.com and for calculating P/E ratio and Market Price as closed 566.8 on BSE Ltd. dated December 29,2017 is considered)

Note:

(i) The figures of Our Company are based on the restated results for the period ended on March 31,2018.

(ii) The figures for the Peer group are based on Standalone Audited Results for the year ended on March 31,2018.

5) The Company in consultation with the Lead Manager believes that the issue price of ₹[·] per Equity Share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the “Risk Factors” beginning on page no. 15 of this Draft Prospectus and Financials of the company as set out in the “Financial Statements” beginning on page no 123 of this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹10 per Equity Share and the Issue Price is [·] times of the face value i.e. ₹ [·] per Equity Share.

STATEMENT OF TAX BENEFITS

Statement of possible tax benefits available to the company and its shareholders

The Board of Directors,
Hindustan Flex Limited
123/57, Saresh Bagh
Factory area,
Kanpur.

Dear Sir,

Sub: Statement of possible Special Tax Benefit Available to the Company and its Shareholders prepared in accordance with the requirement under Schedule VII - Clause (VII) (L) of the SEBI (ICDR) Regulations, 2009, as amended (the "Regulations").

We hereby report that the enclosed annexure prepared by Hindustan Flex Limited, states the possible Special Tax Benefits available to Hindustan Flex Limited ("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 Special Tax Benefits is dependent upon fulfilling such conditions, which is 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 Shareholders do not cover any General Tax Benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional Tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to specific tax implications arising out of their proposed initial public offering of equity shares ("the Offer") by the Company.

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

- i. Company or its Shareholders will continue to obtain these benefits in future, or
- ii. The conditions prescribed for availing the benefits has been/would be met with.

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

For Shashi Dinesh & Co.
Firm Reg. No. 004975 C
Chartered Accountants

Sudhir Kapoor
Partner
Membership No. 073456
Place : Kanpur
Date : 10.08.2018

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

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

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHODER

The shareholders of the company are not entitled to any special tax benefits under the Act.

Note:

- All the above benefits are as per the current tax laws relevant to the AY 2019-20 and will be available only to the sole/first name holder where the shares are held by joint holders.
- 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.
- Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant tax laws.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time.

We do not assume responsibility to update the views consequent to such changes. We shall be not 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 to this statement.

SECTION IV - ABOUT OUR COMPANY

OUR INDUSTRY

The information contained in this section is extracted from an industry report prepared by Brickwork India. Industry Report prepared by BrickWork India is for our division- Ink Division and Container Division in India and Outside India.” Neither we, nor 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 generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Prospectus, including the information in the sections "Risk Factors" and "Financial Information" on pages 15 and 123, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 15.

History of Hindustan Flex Limited

Our Company was incorporated as “Shriya ChemEnterprises Pvt Ltd” on March 23,2004, under the provisions of the Companies Act, 1956 in the State of Uttar Pradesh. Subsequently, our Company’s name was changed to “Vibrant Ink Pvt Ltd” on August 29, 2014 followed by an acquisition of Hindustan Mono Chem Industries on May 16, 2015. On September 29, 2016, “Vibrant Ink Pvt Ltd” changed its name to “Hindustan Flex Pvt Ltd” and on October 06, 2016, it was converted into a Public Limited Company. For further details of our Company, please refer “General Information” and “Our History and Certain Other Corporate Matter” beginning on page no 36 and 101 respectively of this Draft Prospectus.

Brief of Our Industry

1.1. Global Ink Industry

The global ink industry was valued US\$ 19 Billion in 2017, growing at a CAGR of around 4% during 2010-2017, according to IMARC Group.

In the past few years, the consumption of printing inks has increased due to the growth in letterpress, lithographic printing, publishing and packaging industries. Other factors like affordability, constant innovations and popularity of environment-friendly inks are also encouraging the growth of global ink market.

The different types of ink available in the market are oil based inks, solvent-based liquid inks and water-based liquid inks. Asia-Pacific region currently represents the largest market accounting for around one-third of the total global consumption. Asia Pacific is followed by North America and Europe.

Sun Chemicals currently represents the biggest manufacturer in this market. Other major players include Flint Group, Toyo Ink, Siegwark Group, Sakata INX and Huber Group

1.2. Global Ink Industry in 2017

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1.3. Global Ink Sales of the Major Players in 2017

Major ink manufactures of the world are as follows:

| S No. | Company | Global Ink Sales (Parent) (USD) | Ink Sale (INR Crores) |
|-------|---------------------------|---------------------------------|-----------------------|
| 1. | DIC/Sun Chemical | 4.42B | 30,312 |
| 2. | Flint Group | 2.30B | 15,773 |
| 3. | Toyo Ink | 1.30B | 8,915 |
| 4. | Sakata INX | 1.29B | 8,847 |
| 5. | Siegwerk Group | 1.10B | 7,544 |
| 6. | Huber Group | 935M | 6,412 |
| 7. | T&K Toka | 430M | 2,949 |
| 8. | Fujifilm North America | 400M* | 2,743 |
| 9. | Tokyo Printing Ink | 390M | 2,675 |
| 10. | SICPA | 375M* | 2,572 |
| 11. | ALTANA AG | 300M* | 2,057 |
| 12. | Dainichiseika Color | 251M | 1,721 |
| 13. | Yip's Chemical Holdings | 205M | 1,406 |
| 14. | EppleDruckfarben | 185M | 1,269 |
| 15. | Wikoff Color | 185M* | 1,269 |
| 16. | Royal Dutch Van Son | 130M* | 892 |
| 17. | Sanchez SA de CV | 101M | 693 |
| 18. | Marabu GmbH & Co. KG | 100M* | 686 |
| 19. | Uflex | 100M | 686 |
| 20. | Xinxiang WendeXiangchuan | 100M* | 686 |
| 21. | Zeller+Gmelin | 100M* | 686 |
| 22. | Daihan Ink | 85M | 583 |
| 23. | Letong Chemical | 70M* | 480 |
| 24. | Bordeaux Digital PrintInk | 60M* | 411 |
| 25. | RUCO Druckfarben | 40M | 274 |

*Ink World estimate

1USD = Rs. 68.58

The details of leading international companies in the market along with each company's share in the top 10 companies is mentioned below:

| SI No | Company | Ink Sale (USD) | Share in Top 10 |
|-------|------------------|----------------|-----------------|
| 1 | DIC/Sun Chemical | 4.42B | 34% |
| 2 | Flint Group | 2.30B | 18% |
| 3 | Toyo Ink | 1.30B | 10% |
| 4 | Sakata INX | 1.29B | 10% |
| 5 | Siegwerk Group | 1.10B | 9% |
| 6 | Huber Group | 935M | 7% |
| 7 | T&K Toka | 430M | 3% |

| | | | |
|----|------------------------|-------|----|
| 8 | Fujifilm North America | 400M* | 3% |
| 9 | Tokyo Printing Ink | 390M | 3% |
| 10 | SICPA | 375M* | 3% |

*Ink World estimate

1.4. Outlook for Global Ink Industry 2023

A growing demand from the publishing and packaging industry has resulted in an increase in the global demand for printing inks. Moreover, the increasing use of household printing devices has added to the growth of the global ink market. Some of the other factors such as growth in letterpress and lithographic printing, affordability, constant innovations, popularity of environment-friendly inks and a rising demand from emerging countries are further facilitating the growth of the global ink market. The market is expected to exhibit a steady growth with the total revenues reaching a value of US\$ 23 Billion by 2023, with a CAGR of 3.2% during 2018-2023, according to IMARC Group.

3. Global Printing Ink Industry

2.1. Global Printing Ink Industry in 2017

The global printing inks market size was valued at US\$ 16.46 billion in 2016. The market is driven by demand from applications and consumer-specific formulations. Applications such as commercial printing, publications, packaging, corrugated cardboards and others coupled with consumer specific need such as eco-friendly solutions have led the global demand for inks.

Global printing inks market is segmented as per product type into solvent-based printing inks, water-based printing inks, oil-based printing inks and other printing inks. In 2016, oil based printing inks dominated the global printing inks market followed by solvent based printing inks. However, water-based printing inks and bio based printing inks are expected to grow at a faster rate.

On the basis of application, the printing inks market is categorized into packaging, publication and commercial printing and other applications. In 2016, packaging segment accounted for the largest share of global printing inks market with more than 35% revenue share.

Global printing inks market is highly consolidated. Major players includes DIC Corporation, Flint Group, Royal Dutch Printing Ink, Sakata Inx., SiegwirkDruckfarben AG & Co. KGaA, Sun Chemical, T&K Toka, Toyo Ink S.C. Holdings, WikoffColor etc. Existing players are facing intense competition from the small/regional players as the market is highly price sensitive. The manufactures are investing in research and development to develop high quality, differentiated and cost effective products to increase their market penetration especially in key consuming economies.

Recent developments in the printing inks market include various product launches and strategic partnerships including M&A. Sun Chemical's acquired of Flint Group's European publication gravure ink business in Oct, 2016.

On the supply side, there have been huge billion-dollar deals. In early January, 2017, Evonik completed the acquisition of Air Product's Performance Materials Division for \$3.8 billion. Lanxess purchased Chemtura in April 2017. In May 2017, Clariant and Huntsman announced plans for a merger of equals. The largest of all mergers is nearing completion, as The Dow Chemical Company and DuPont are set to complete their own combination in August 2017, forming a company with combined sales of more than \$75 billion.

On the customer side, RR Donnelley successfully split into three companies. WestRock divested its Home, Health and Beauty business for about \$1 billion to Silgan, while acquiring Multi Packaging Solutions. On the substrate side, International Paper bought Weyerhaeuser's cellulose fibers pulp mills for \$2.2 billion.

2.2. Regions leading the Global Printing Ink Industry

In 2016, North America was the largest market for printing inks followed by Asia Pacific and Europe. Asia Pacific accounted for over 30% of the overall revenue in 2016 owing to strong presence of numerous big companies in the regions and growing demand from emerging countries. In the APAC region, China was the largest contributor in terms of consumption in with a market share of 35.8%. The overall growth of the Asia Pacific market will be above the global average during 2017-2025. Asia Pacific is expected to achieve highest

growth rate compared to other regions due to presence of countries such as China, India and Japan are observing significant growth in packaging and commercial printing industries. By 2022, APAC is expected to witness the highest growth rate of nearly 2%.

In 2017 also North America was the leading region for the global printing inks market, accounting for a market share of nearly 54% where the US was the largest contributor to the regional market. China was the major market in Asia-Pacific, whereas in Europe, Germany generated the highest revenue. Additionally, Turkey was the largest market in the Middle East and Africa, while in Latin America, Brazil emanated the maximum demand.

Of the four major types (lithographic inks, flexographic inks, digital inks, and gravure inks), the lithographic inks segment held the largest market share in 2017, accounting for nearly 43% of the market. The market share for this type is expected to decrease by 2022. The fastest growing type is digital inks, which will account for nearly 17% of the total market share by 2022.

2.3. Key Trends

The trends in global printing ink industry is as follows:

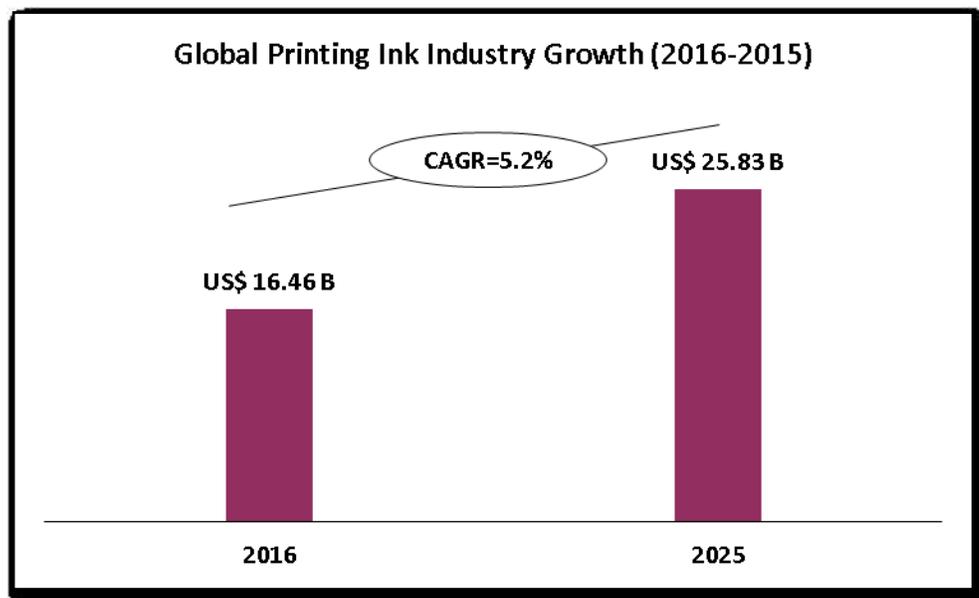
- Traditional Oil Based and Solvent Base Printing Inks are Rapidly Replaced by Environment Friendly Printing Inks
- Water Based Printing Inks is Expected to Register Highest CAGR
- Flexography Printing Process Gains Prominence
- Asia Pacific is likely to Drive the Printing Inks Market
- Steady demand from the Packaging Industry

2.4. Industry Outlook 2025

The global printing inks market is expected to reach US\$ 25.83B by 2025, at an estimated CAGR of 5.2% from 2016 to 2025.

With the increasing applications in end-use industries such as food and beverages, printing, packaging and publication industry, the global market for printing inks is expected to grow at a robust pace during the forecast period. The steady growth in the packaging industry in the US, China and India is expected to boost the demand of printing inks at a significant level during the forecast period. The US is expected to remain the largest market during the forecast period on account of growing penetration of eco-friendly inks comprising water-based and UV-cured printing inks, increasing demand in packaging sector backed by steady growth in consumer retail sales worldwide.

Chart1: Global Printing Ink Industry Growth rate (2016-2025)



2.5. List Major Players

Global printing inks market is highly consolidated. Major players are:

- DIC Corporation
- Flint Group
- Royal Dutch Printing Ink
- Sakata Inx.
- SiegwirkDruckfarben AG & Co. KGaA
- Sun Chemical
- T&K TokaCo.
- Toyo Ink S.C. Holdings
- Wikoff Color
- Huber Group
- AltanaEppleDruckfarben
- Zeller+Gmelin GmbH & Co. KG

4. Indian Ink Industry

3.1. Current Ink Industry

India is among the fastest growing printing ink markets, worldwide due to rapid expansion of domestic print markets. Backed by a strong demand from key end user segments such as packaging printing, newsprint, publishing and other commercial printing, the Indian printing ink market has registered strong growth in the recent years and expected to maintain its current healthy trend in future. The Indian printing ink industry is highly fragmented with more than 400 manufacturers and a large number of players in the unorganized sector.

Printing ink sector in India is estimated at 232 million tons in 2017, valued at about INR 54 billion (\$830 million), the Indian ink industry has grown at a CAGR of more than 8% in the past 10 years. Printed packaging is the largest sub-segment with around 40% of the demand. Ink consumption from this sub-segment has registered steady growth rate of 12% to 15% in each of the last five years.

India's packaging ink industry is expected to get a steady boost in the coming years as the overall packaging industry in India is expected to reach US\$73 billion in 2020 from US\$46 billion in 2016, according to Indian Federation of Indian Chambers of Commerce & Industry (FICCI) and Tata Strategic Management Group (TSMG). In the coming years, the Indian packaging industry is anticipated to register 18% annual growth, with flexible packaging and rigid packaging expected to grow annually at 25% and 15%, respectively.

Lightweight packaging with 20% to 25% less ink deposits have decreased ink consumption, which has had an effect on total volumes. However, demand of high quality printing inks has increased the total value of ink industry in this sub-segment. Despite a quantum jump in average prices from US\$ 2.75 per kg in 2015 to the current US\$3.17 per kg, India is far behind the global average prices of US\$4.25 per kg.

In terms of installed manufacturing capacity, Huber India has installed capacity of 203,000 metric tons per annum (MTPA) for printing inks, 67,600 MTPA for resins and varnishes, and 46,500 MTPA for pigments and flush colors at its four plants, two in Vapi and one each in Daman and Silvassa. DIC India, formerly Coates of India, produces 49,000 MTPA at its facilities in Noida, Kolkata, Bangalore and Ahmadabad. The packaging segment accounts for 30% of DIC India's sales value. Sakata INX India produces 48,000 MTPA, with gravure making up 28,000 tons and offset 20,000 tons at its plants in Bhiwadi and Panoli. Packaging forms two-thirds of Sakata India's revenue.

The printing ink sector witnessed consolidation during the last 10 to 15 years. Leading multinational ink producers have entered into Indian market via acquisitions and joint ventures. Some of the notable acquisitions/collaborations in recent years are Huber Group-Micro Inks; Dai Nippon-Coates of India; Siegwirk-SICPA and Flint Group-Incowax Market Drivers

The most important drivers of consumption in the Indian ink industry are:

- Growing packaging print market

- E-commerce packaging
- Food Packaging
- Changing lifestyle
- Rising disposable income
- Urbanization
- Increased consumerism with more choices to select
- Technological innovation such as Gecko ink system
- Emergence of multinational players.

3.2. Major players in the Indian Ink Industry

The Indian ink market is dominated by Huber India, DIC India, Sakata, Siegwirk, Flint Group and Toyo Ink.

3.3. Industry Outlook

Although the Indian economy seems to be coming out of the impact of the twin shocks of demonetization and GST implementation, the Indian printing industry is yet to adjust to the changing scenario. While much of this is linked with demonetization and GST, the rise in raw material costs is also playing a role. The ink industry faced a severe pressure on the costs. In the last three to four months, crude oil prices have been rising and are now at very high levels, the rupee too has depreciated sharply, whereas the industry players are not able to pass these on to the consumer by raising prices. All these factors have severely impacted the bottom-line as well as the top-line of the Indian ink industry in the financial year 2017. With the growth of India's packaging industry, ink players expect it will boost in printing ink demand.

Global Drum Market

The global market for drums was valued at US\$8.6 billion in 2016 and is expected to grow at the rate of approximately 4-5% until 2021, reaching US\$10.9 billion. Steel drum, currently contributes to 67% of the global demand. However, demand for plastic drums is expected to have the fastest growth, of 6-7%, increasing its market share from 19% in 2016 to 20% in 2021.

Steel drum is experiencing strong growth owing to its cost and logistic advantages over its steel counterpart. However, steel drums will continue to dominate the market. Fiber drums are 10-15% lighter and 20-25% cheaper than plastic/steel drums, and has better recycling options. However, the market is very much matured and almost stagnant in the developed regions.

As per a report released by Future Market Insights has recently published a report titled "Industrial Drums Market: Global Industry Analysis (2012 - 2016) & Opportunity Assessment (2017 - 2027)" stated that the preference for industrial drums is steadily rising owing to their convenience and inexpensive nature. The demand for industrial drums is substantially rising among several end-use industries, especially chemicals and materials and petroleum lubricants.

Market Segmentation by End-Use

Chemicals, agro-chemicals, and food and beverage industries are the major end-use segments driving the demand for industrial drums. APAC is witnessing the highest growth rate, around 6-7%.

The global industrial drums has been segmented on the basis of end user into food and beverages, chemicals and fertilisers, pharmaceuticals, petroleum and lubricants, building and construction, and paints, inks, and dyes, among others.

The adoption of industrial drums as a packaging solution has increased among industrial users. The industrial drums market has consistently reflected the improvements in product design and value creation for end users. From old design drums to new and improved designs, the global drums market is again witnessing a transition where not only the buyers from developed markets but also from high potential developing markets are posting demand for industrial drums. As the global trade of industrial products has also increased three fold during the past decade, it has necessitated non-traditional industries to use these drums. Some of these industries include bio-chemical manufacturers, food grade ingredient manufacturers, and paints and inks manufacturers.

Major Market Drivers

The major driver for the growth will be:

- The rising demand from chemical, and the food and beverage segments which make use of bulk packaging for storage and transportation of products.
- The chemical and fertilizers' industry is expected to emerge as the largest end user of industrial drums by the end of 2027 and is likely to account for a share of over 47% in the market in the same year. This growth can be attributed to the growing demand for chemicals and fertilizers' from several vertical industries; the expansion of manufacturing activities are further expected to trigger high use of industrial drums in this sector.
- Globally, chemical and pharmaceuticals manufacturers are demanding light weight, cost effective yet durable packaging solution for all their bulk liquid packaging needs. Henceforth, industrial drums finds major application in chemical and pharmaceutical sector due to these attractive attributes.
- The growing demand for paints, coating and adhesives across geographies is also a significant factor propelling the demand of the global industrial drums market across the geographies.

Market Trends

The market trends of global drum market is mentioned below:

- **Drum Reconditioning:** Reuse is a major trend in metal packaging because of the increased pressure to prolong the life cycle of finite resources through the reuse of containers. In contrast to consumer applications, many industrial packaging markets benefit from a highly effective and well-established infrastructure for products like reconditioned drums to maximize repeat use.

Using reconditioned drums is cheaper than using new drums and reduces the amount of drums being discarded as well as the amount of drums which need to be manufactured. Reconditioning also saves money, reduces waste, and conserves resources.

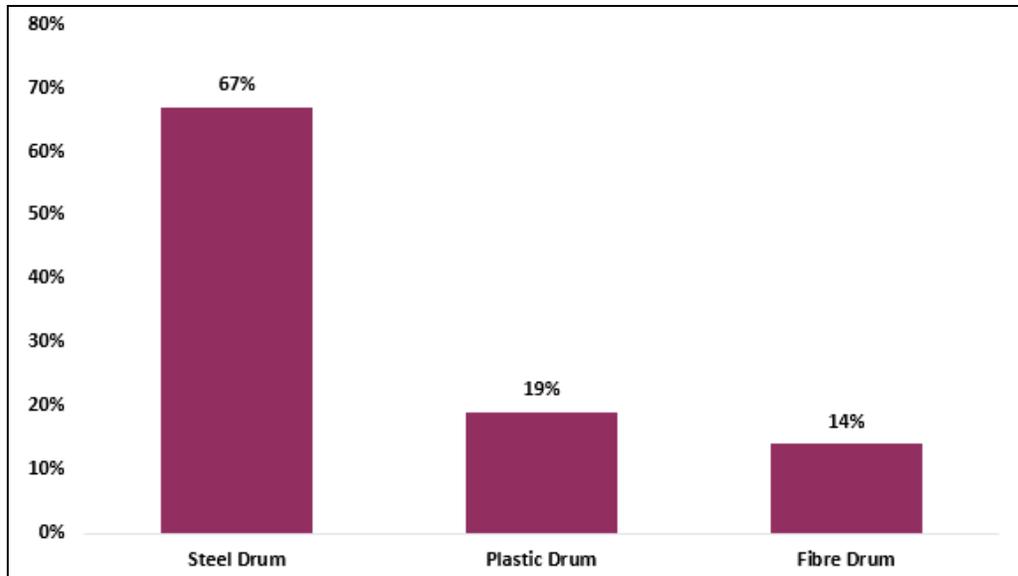
- **Solvent-less coating:** Solvent-less coating offers several advantages over the use of solvents by reducing the time and costs associated with drying liquid coatings.
 - **Innovative drum valve system:** The Drum Valve System is widely used for the safe packaging and dispense of chemicals. The use of Drum Valve prevents cross contamination of liquids, by using an innovative design of dry break coupler.
- Two layer plastic drums** – Two layer plastic drums are suitable for bulk packaging of all types of liquid chemicals, acids and other liquid food products.

Market Share

As per a report released by Future Market Insights has recently published a report titled "Industrial Drums Market: Global Industry Analysis (2012 - 2016) & Opportunity Assessment (2017 - 2027)" stated that the global industrial drums market is expected to exhibit a CAGR of 7.1% from 2017 to 2027. The market is expected to rise to a valuation of approximately US\$ 17,684 million by the end of the forecast period. On the basis of product type, steel drums are expected to account for a leading share of over 73% by the end of 2027.

Another research report stated that steel drums will continue to dominate the market with a market share of 67%; whereas plastic drums are expected to reach 20% in 2021.

Chart 1: Market Share of Drum by Type (2016)



Source: Beros - Drums Market Trend, Analysis & Forecast

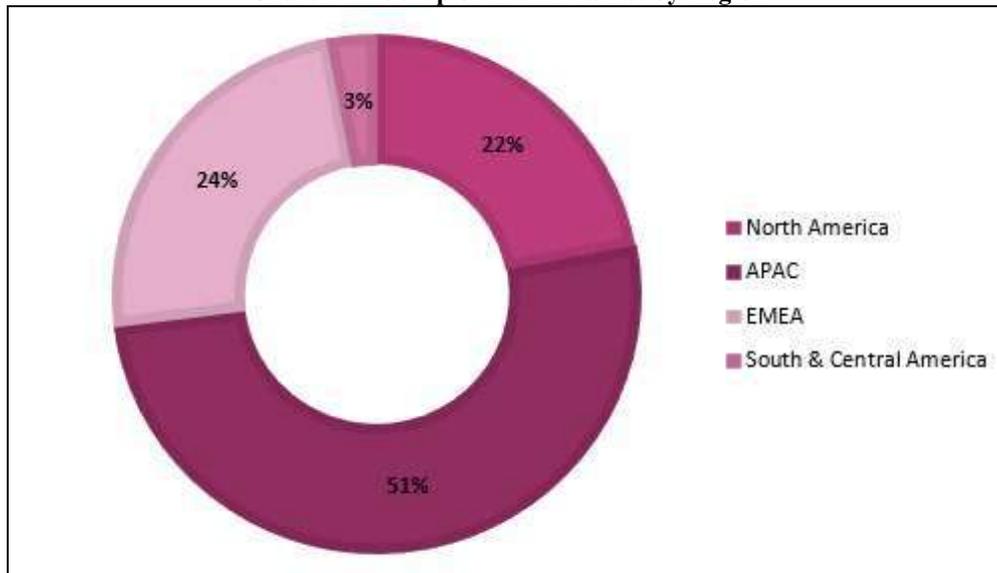
Insights:

- From the above chart we can see that steel drum constitutes 67% of the global drum market followed by plastic drum (19%) and Fibre drum (14%) in 2016.
- Plastic drum will have a fastest growth of 6-7% until 2021.

Regional Breakup of Drum Market

Drum demand in the developing regions of APAC and LATAM are expected to grow at 6-7% and 5-6% until 2021 due to the growth in end-use industries.

Chart 2: Breakup of Drum Market by Region



Source: Beros - Drums Market Trend, Analysis & Forecast

Insights:

- From the above chart we can see that APAC was the region with high demand of drum in 2016

Cost Structure for both Steel and Plastic Drums

CRC price is expected to increase in US, Europe and India by 2-3%, 7-8% and 11-12% in Q3/2017, thereby increasing the price of steel drums.

HDPE prices are expected to increase until July 2017 and again fall in all **region** by Dec 2017. The price of plastic drums is expected to be stable over the next few months.

Table 1: Cost Structure of Steel and Plastic Drums

| Cost Structure | | |
|--------------------------|-------------|---------------|
| Cost Parameters | Steel Drums | Plastic Drums |
| Profit | 7 – 10% | 5 – 8% |
| Labor | 9 – 10% | 5 – 7% |
| Utility | 15 – 16% | 5 – 10% |
| Fixed | 16 – 20% | 10 – 15% |
| Raw Material Cost | 60 – 65% | 75 – 80% |

Source:Beros - Drums Market Trend, Analysis & Forecast

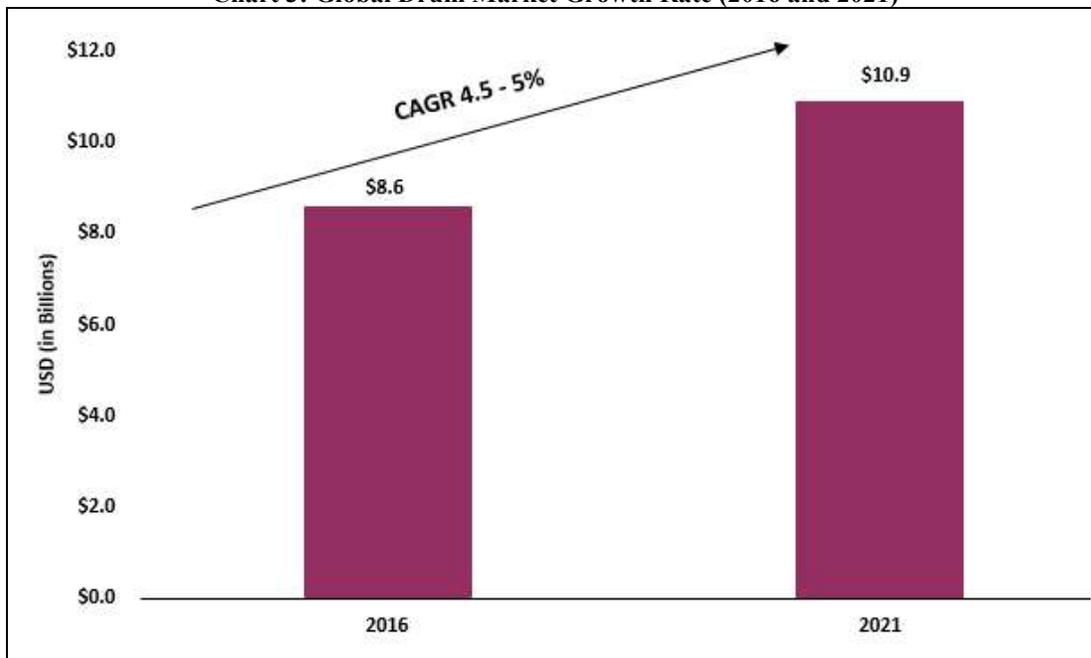
Insights:

- From the above chart we can see that the profit margin for steel drum (7-10%) is more compared to plastic drum (5-8%). This indicates that steel drum has potential to grow in future as the market is less competitive compared to plastic drum market.
- Raw material cost to manufacture steel drum (60 – 65%) is less than plastic drums (75 – 80%).
- Steel drum is more durable compared to plastic drum.

Market Outlook 2021

Global drums market is expected to grow at a CAGR of around 4.5-5% from 2016 to reach a value of \$ 10.9 billion in 2021. This is due to the high end-use demand from chemicals, pharmaceutical and, the food and beverage sector. Globally, the drums industry has an average utilization rate of 65-70% and the manufacturers are able to meet the demand without any supply constraints.

Chart 3: Global Drum Market Growth Rate (2016 and 2021)



Source:Beros - Drums Market Trend, Analysis & Forecast

Steel drums will continue to dominate the market with a market share of more than 65%; whereas plastic drums are expected to reach 20% in 2021.

Plastic drums contributed around 18% of the global demand for drums, and is experiencing strong growth owing to its cost and logistic advantages over its steel counterpart. However, steel drums will continue to dominate the market

Global demand for bulk packaging drums is projected to increase 4.6% annually to \$11.0 billion in 2021. Sustained growth in output of chemical products, particularly in fast-growing markets such as China, India, Indonesia, and Vietnam will boost demand for drums.

In spite of a generally favorable outlook as the global economy continues to expand, prospects for drums will be tempered by competition from larger-capacity IBCs, with fibre drums in particular expected to lose share both to other drum types and to alternative packaging formats. Drums will still remain widely used due to their relatively low cost, reusability, and a good reputation for safety in the transport of hazardous materials. Steel drums will continue to account for the largest share of the global drum market. However, plastic drums will experience the fastest growth through 2021. In general, greater interest in reusable packaging will continue to benefit steel and plastic drums.

Major Players in Global Metal Drum Market

Below is the list of major metal drum players in the global market

- **Mauser Group B.V.**

The MAUSER Group is a worldwide leading provider of industrial packaging, founded in 1896 and with headquarters in the German town of Bruehl.

<https://www.mausergroup.com/mauser-homepage/mauser-excellence-industrial-packaging-solutions>

- **Balmer Lawrie & Co. Ltd.**

Balmer Lawrie is the largest producer of steel barrels in India with 6 state of art and ISO certified barrel manufacturing plant located across the country. Major products includes: Plain steel drums, lacquer lined drum, composite drum, galvanized drum, aseptic drum, tall barrels, conical drums, necked-in drums and more. They also manufactures specialty greases & lubricants and leather chemicals.

<http://www.balmerlawrie.com/static/introduction>

- **Greif, Inc.**

Greif, Inc. is a global leader in industrial packaging products and services. The company produces steel, plastic, fibre, flexible, corrugated, and reconditioned containers, intermediate bulk containers, containerboard and packaging accessories, and provides filling, packaging and industrial packaging reconditioning services for a wide range of industries. The company is strategically positioned with more than 200 operating locations in more than 40 countries to serve global as well as regional customers.

<https://www.greif.com/>

- **Clouds Drums L.L.C.**

Founded in the year 2001 and based in the emirate of Dubai, Clouds Drums L.L.C. is one of the leading supplier and manufacturer of steel barrels, plastic drums, intermediate bulk containers and drums accessories in the Middle East. Clouds Drums L.L.C. can be contacted for selling one's used steel, plastic barrels and intermediate bulk containers (totes). The company has two plants for production of barrels and IBCs functioning in Dubai and Sharjah.

<http://cloudsdrums.com/>

- **The Metal Drum Company**

The Metal Drum Company have been manufacturing steel containers for the petro-chemical, resin and paint, dye stuff and construction industries for over 50 years. Their products range in size from 5 to 230 litres.

<http://www.metal-drum.co.uk/>

- **Con-Tech International Inc.**

Con-Tech International Inc. was founded in 1983 and is based in New Orleans, Louisiana. They provides contract manufacturing of high precision stainless steel, specialty metal and plastic components for steel drums and IBC parts. Manufacturing company offers Global Sourcing and Supply Chain Management of any custom manufactured metal & plastic parts for OEMs.
<https://con-techinternational.com/>

- **Eagle Manufacturing Company**

Eagle Manufacturing Company, a family owned business established in 1894, is a prime manufacturer of Safety Cans, Safety Cabinets, Secondary Spill Containment Products, Poly Drums, Material Handling Products and Cigarette Receptacles. Eagle offers a large selection of the industrial safety and material handling products for contractors, manufacturers, utilities, military, professional, government, printing, chemical, fabricators, transportation, textile mills, automotive, agricultural, medical, oil & gas, electrical and other industrial and commercial customers.
<http://eagle-mfg.com/default.aspx>

- **Kaplan Container Inc.**

Kaplan Containers is a major industrial supplier of plastic, metal, fiber, and glass containers throughout the United States and international markets. They sell both new and reconditioned containers, which include bottles, boxes, cans, drums, IBCs, pails, jars, and jugs. Depending on the application, these containers can be made of steel, plastic, fiber, stainless steel, polyethylene, or glass. They also stock accessories, closures, handling equipment, and industrial spill containment supplies.
<http://www.kaplancontainer.com/>

Industrial Container Services (ICS)

Industrial Container Services (ICS) was incorporated in 2001 and is based in Maitland, Florida with additional facilities in the United States. They are the largest provider of reusable container solutions in North America. The Company offers the most complete container management systems available including reconditioning, manufacturing, distribution, used container collection and recycling services for all major industrial packaging types. It offers new and reconditioned, and open and closed head steel drums; open and closed head plastic drums and pails; open head fiber drums for liquids or solids; and stainless steel, carbon steel, and composite IBCs intermediate bulk containers.
<http://iconserv.com/>

Major Players in Indian Drum Industry

Below is the list of drum manufacturers and suppliers in India, who stores the content in liquid or paste form.

- **Western Steel Drums Pvt. Ltd.**

Western Steel Drums is an ISO 9001:2008 Certified Company, established in 1981. They manufactures 5-100 Ltrs capacity drums as per Trade, Bureau of Indian Standards and UN Specifications.
<http://www.wsdpl.com/>

- **Tripura Containers Private Limited**

Tripura Containers Private Limited is engaged in manufacturing and supplying of an exhaustive range of Barrels, Containers & Drums.
<http://www.barrelindia.com/>

- **East India Drums & Barrels**

East India Drums & Barrels offer products such as the 200/210 litre capacity MS & GI Barrels and 20litre to 25 litre capacity of MS & GI Drums for packaging of Lubricating Oils & Greases, Additives, Transformer Oil, Chemicals & Agro Chemicals, Food & Fruit Products, Bitumen and Bitumen emulsion.
<http://eidb.in/products.php>

- **Anup Industries Ltd.**

Anup Industries Limited started its steel drums manufacturing unit in July, 1977 near Valsad in South Gujarat (India). They have developed the concept of Pilfer Proof Closures to counter pilferage and adulteration during transportation, which have now become industry standard. The exports of dyes, dyes intermediates, chemicals, pharmaceuticals, paints, textile auxiliaries, explosives and many other hazardous material from India is done safely and securely using ANUP steel drums. They are in the process of developing special drums for the exports of food products from INDIA.

<http://www.anupind.com/>

- **SHARDA containers**

SHARDA containers specializes in production of PE drums and containers, with extensive range of sizes from 0.5 litres to 250 litres in capacity. The drums are suitable for packaging and transportation of liquid, powder and semi-liquid substances.

<http://shardacontainers.com/>

- **Pyramid Technoplast Pvt. Ltd.**

Pyramid Technoplast Pvt. Ltd. is one of the leading companies engaged in manufacturing a wide range of HM-HDPE plastic drums, plastic barrels, plastic containers. Their plastic drums, plastic barrels are fabricated adopting advanced technologies and high production standards.

<http://www.yashbarrels.net/>

- **Premier Packaging**

Premier Packaging is the leading manufacturers of MS/GI Epoxy coated and zinc plated drums (from 10 Lit. to 100 Lit.) and Drums Accessories like DrumCapseals, Capsealing Machine, for packing of Chemicals, Adhesives, Pesticides, Printing Inks, Petroleum & Perfumery Products as per requirement of their customers.

<http://www.premierpackaging.co.in/>

OUR BUSINESS

Our Company was incorporated as “Shriya ChemEnterprises Pvt Ltd” on March 23, 2004, under the provisions of the Companies Act, 1956 in the State of Uttar Pradesh. Subsequently, our Company’s name was changed to “Vibrant Ink Pvt Ltd” on August 29, 2014 followed by an acquisition of Hindustan Mono Chem Industries on May 16, 2015. On September 29, 2016, the name of our company changed from “Vibrant Ink Pvt Ltd” to “Hindustan Flex Pvt Ltd” and on October 06, 2016, it was converted into a Public Limited Company. For further details of our Company, please refer “General Information” and “Our History and Certain Other Corporate Matter” beginning on page no 36 and 101 respectively of this Draft Prospectus.

Our Business

We are specialized in the manufacturing of high quality liquid printing inks for flexible packaging and metal containers for packing of liquid or powder-based materials, with a commitment to offer products & solutions optimally placed on Price Value Matrix. Our products and services are designed to provide reliable cost-effective solutions to industrial applications. Our prime objectives are quality, consistency and customer satisfaction. We ensure that all packaging needs are fulfilled with maximum ease and flexibility.

HFL combines Chemistry & Technology, ensures Quality & Consistency & assures pre & post Technical Support for establishing a longevity in business relationships with customers at affordable prices – thereby creating a robust “value chain” and a win-win situation for all the stake holders. Thus, with its high-value (quality and price competitive) products and intelligent solutions, HFL intends to carve out the important and long-lasting place for itself in the Indian and International markets.

Our portfolio for printing ink division ranges from Solvent Based Liquid Inks for packaging applications along with Water Based Inks. The company has put together a dedicated “Service Engineer Team” for providing “after sales service” to our customers (convertors).

Versatility of operations serves as another unique source of competitive advantage for the company as we manufacturers a wide variety of Metal Containers ranging from a base capacity of 10 liters to around 30 liters. We have commenced manufacturing of metal Containers from this Financial Year. Flexible operations facilitate the manufacture of various types of Containers such as – Lightweight drums, Inside Epoxy coated lacquer drums, and Open mouth drums as well as drums with different dimensions of Spouts as per customer demands.

Products manufactured by our company are of excellent quality that essentially serves as a sustainable and packaging medium fulfilling storage and transportation requirements of various powders and liquid items such as - petroleum products, lubricating oils, chemicals, pharmaceutical products, hazardous materials and so on. Our containers offer various advantages such as long storage capacity, ease of usability, low maintenance requirements and most importantly, great impact strength.

As per the requirements of our esteemed customers, our offered range can be custom designed wherein special packaging requirements could be met through suitable inner coating and lining mechanisms. This virtue of flexibility and adaptability enables our company to cater to varying degrees of demand across a range of market segments.

In addition to our own standards, Quality Management (ISO 9001:2015), OHSAS (18001:2007) and Environment Management Systems (ISO 14001:2015) are being constantly updated, upgraded & re-designed to follow globally accepted business & operating practices. Moreover, a strong & dynamic team of experienced professionals specializing in specific functions being Technical, Marketing, Manufacturing, Procurement, Finance and People Management, ensures value addition within functional & organizational level.

And above all, we offer a positive attitude towards customer queries coupled with culture of co-operation, understanding and customizing products with a resolve to blend with “value for money” products. Mainly engaged in the business of manufacturing of Printing Ink and metal containers, we emphasize on providing “complete packaging solutions” to our consumers and society at large.

Our progress in this business can be evaluated from the Restated Financial Statements given elsewhere in this Draft Prospectus. Our Total Income was ₹ 2061.76 Lakhs, ₹ 1566.26 Lakhs and ₹ 1181.41 Lakhs for FY 2017-18, 2016-17 and 2015-16 respectively. Our EBITDA was ₹ 243.54 Lakhs, ₹ 69.51 Lakhs and ₹ 77.86 Lakhs, for FY 2017-18, 2016-17 and 2015-16 respectively while our Profit After Tax, in such periods was ₹ 105.94 Lakhs, ₹ 3.39 lakhs and ₹ 4.98 Lakhs respectively.

OUR LOCATIONS

| Type | Address | Rented/Owned |
|-----------------------------|--|--------------|
| Registered Office & Unit –I | 123/57, Saresh Bagh, Factory area, Kanpur- 208012 | Owned |
| Unit –II | Plot no K-15, Industrial Area Jainpur, Distt. Kanpur Dehat | Leased |

Business Strategy

Further widening of our customer base

With the growing opportunities available in the market, we will endeavour to continue to grow our business by adding new customers in existing and new geographies and also new market segments & products.

Reduction of operational costs and achieving efficiency

Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. We focus on power reduction by use of latest technology and modification in production process. Wages control is another tool where we are using latest technology in machineries and aim to automate the production process, thus resulting in reduced man power requirement.

To build-up a professional organization

We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks etc. We have a blend of the experience and the sufficient staff for taking care of our day to day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business.

Focus on cordial relationship with our Suppliers, Customer and employees

We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets.

Optimal Utilization of Resources

Our Company constantly endeavours to improve our production process, skill up-gradation of workers, modernization of machineries to optimize the utilization of resources. We analyse our existing material procurement policy and engineering processes to identify the areas of bottlenecks and take corrective measure wherever possible. This helps us in improving efficiency and putting resources to optimal use.

OUR PRODUCTS:

Printing Ink Division

➤ **Gravure Inks**

1. Esterlam Plus Inks – Vinyl base ink for printing on PET and BOPP through rotogravure printing process. Suitable for Adhesive lamination only.
2. Starflex Inks – PU base ketone-toluene free ink specially designed for food packaging industry. Suitable of adhesive as well as extrusion lamination.
3. Unilam Inks – High performance, high pigmentation PU base inks for printing on PET and BOPP. Only suitable for adhesive lamination.
4. Ultralam Extrusion Inks – CPP base inks suitable for PP extrusion lamination with PP woven fabric.
5. Esterflex Inks – NC base ink common for both rotogravure and flexo printing process. Slip & scuff additive added for the latter application.

6. HR Paper SPL Inks – NC base inks for printing on paper where high heat resistance upto 250 degree C is required.
7. Shrink Wrap Inks – Modified acrylic base ink for printing on PVC Shrink films. Application – printing on water bottle wrappers.
8. Hi Print Foil Inks – Modified Acrylic base inks for printing on Aluminium foils. MEK-Toluene free food grade inks specially designed for printing on pharmaceutical medicines foils.
9. BOPP Label Inks – MEK-tol free inks specially designed to print on bottle labels like substrates Pearlized BOPP and HS BOPP.
10. BOPP tape Inks – Eva base high quality inks for printing on BOPP Adhesive tapes.

➤ **Flexo Inks**

1. Poly Premium Inks – Modified Polyamide base inks for surface printing on flexible films like LDPE, PP etc.
2. Two pack Inks - Inks supplied in 2 pack systems (A part 95 % Ink and B Part 5% Hardener) are optimally pigmented inks, for Gravure as well as Flexo printing, quality surface printing applications on LDPE Films. Application - Detergent, soap, oil and ghee packaging.
3. Monostar HDPE Inks - For surface printed application on treated or non-treated HDPE/PP fabric where tape-test and scratch/nail resistance is required.
4. Poly Fresh Inks – Modified Polyamide base inks specially designed to print on flexible films. Application – Deep freeze pouches, milk packaging.

➤ **Water-base ‘Hydra’ Inks**

1. Hydra Paper Flexo Inks – Modified acrylic base inks for printing on paper through flexo printing process. Application – coffee/tea cups, napkins etc
2. Hydra Paper GR Inks – Modified acrylic base inks for printing on paper through rotogravure printing process. Application – Gutkha pouches etc.
3. Hydra Aquacor Inks – Acrylic base inks for printing on corrugation board cartons through manual surface printing machine.

➤ **CI Flexo Inks**

1. CI Flexo BOPP Extrusion Ink – Modified CPP base high performance high pigmentation ink for printing on BOPP through CI Flexo process which further goes into extrusion with PP woven fabric.
2. CI Flexo Fresh Inks – NC base ink for surface printing on flexible films through CI flexo process.

Our portfolio ranges from Solvent Based Liquid Inks for packaging applications along with water Based Inks.

Considering the environment and threats offered by solvent-based inks, we think eco-friendly water-based inks are the future of flexible packaging. Water-based inks have no or very less odor and the volatile compounds which it emits are not harmful to humans or to the environment. But more importantly it is suitable for food packaging due to its non-toxic ingredients.

Container Division

Versatility of operations serves as another unique source of competitive advantage for HFL as it manufactures a wide variety of Metal Containers ranging from a base capacity of 10 Litres to around 30 litres. Flexible operations facilitate the manufacture of various types of Containers such as – Lightweight Containers, Epoxy coated lacquer drums, and Open mouth drums as well as drums with different dimensions of Spouts as per customer demands.

Products manufactured by our company are of excellent quality that essentially serves as a sustainable packaging medium fulfilling storage and transportation requirements of various powders and liquid items such as - petroleum products, lubricating oils, chemicals, pharmaceutical products, hazardous materials and so on.

As per the requirements of our esteemed customers, our offered range can be custom designed wherein special packaging requirements could be met through suitable inner coating and lining mechanisms. This virtue of

flexibility and adaptability enables our company to cater to varying degrees of demand across a range of market segments.

Even being a freshest entrant in the Indian market of manufacturing metal containers, we commit to offer products that are a benchmark for others. Our facility has machineries and equipment which are up to date and personnel that are highly experienced making it the best combination of power and knowledge. Not only have we achieved the art of manufacturing the best quality containers, but also we have a constant focus on the Quality check of each and every container produced which is what gives us the edge over others.

Details of products

25 Litre

Mouth Closure type – 2-inch plastic Spout

Weight (with mouth closure) – 1.800 Kg,2.200 Kg,2.350 Kg ,2.500 Kg etc.

External Height – 460 mm

Outside Diameter (top) – 277 mm

Recommended Application – Inks & Coatings



22 Liter

Mouth Closure type – 2-inch Flange & Bunk

Weight (with mouth closure) – 2.000 Kg

External Height – 420 mm

Outside Diameter (top) – 277 mm

Recommended Application – Inks & Coatings and Adhesives



20 Liter

Mouth Closure type – 4-inch lid with cap seal

Weight (with mouth closure) – 1.500 Kg

External Height – 380 mm

Outside Diameter (top) – 277 mm

Recommended Application – Paints & Thinner



12 Litre

Mouth Closure type – 2-inch Spout

Weight (with mouth closure) – 1.600 Kg

External Height – 230 mm

Outside Diameter (top) – 277 mm

Recommended Application – Paints & Thinner and Adhesives



10 Litre

Mouth Closure type – 4-inch lid with Capseal

Weight (with mouth closure) – 1.500 Kg

External Height – 207 mm

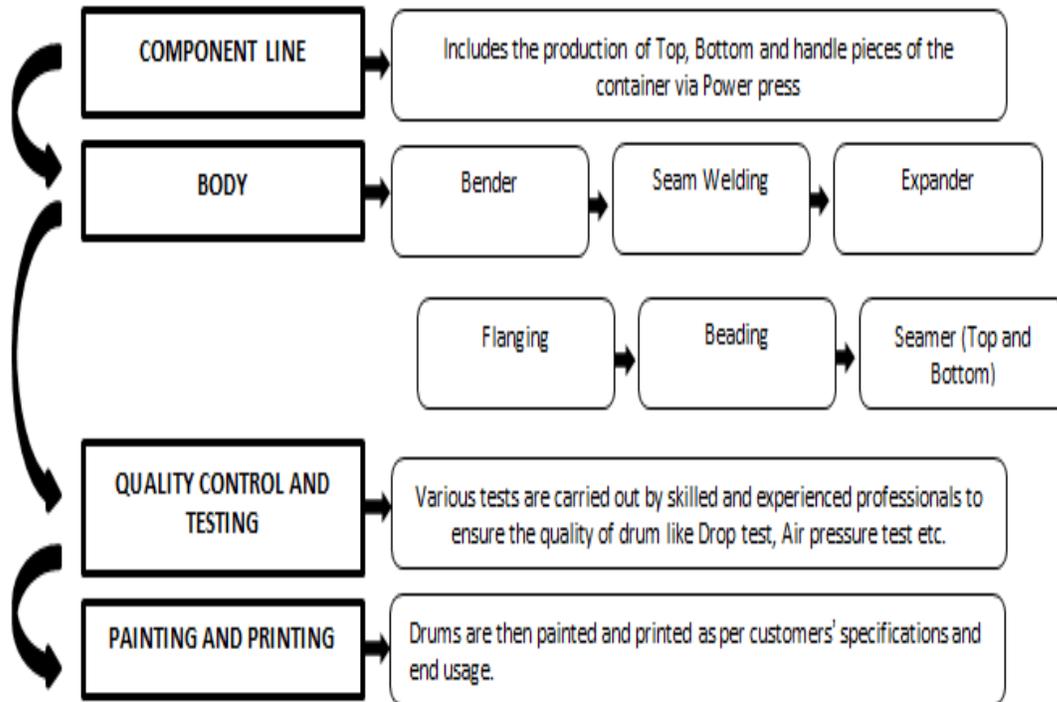
Outside Diameter (top) – 277 mm

Recommended Application – Paints & Thinner and Adhesives



Manufacturing Process of Container:

A State of art manufacturing unit, located at Jainpur, Kanpur Dehat for the manufacturing of metal containers ranging from 10 to 30 litres. The project is being implemented by a team of technical and commercial experts to design and manufacture drums to the highest quality of standards. Containers are made out of cold rolled closed annealed sheet and can be manufactured with or without inside epoxy inner coating.



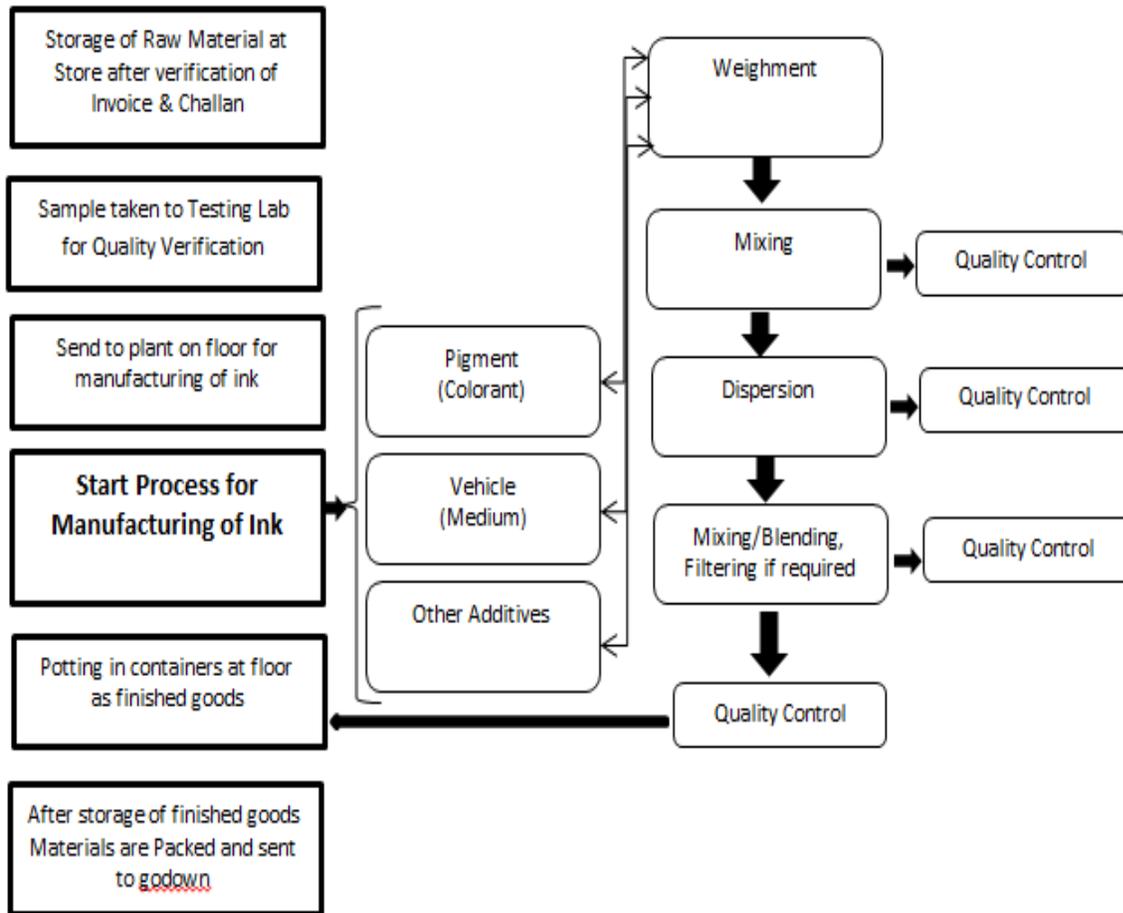
- a) **Component Line** – This phase involves production of bottom and top pieces of the container via cutting and embossing process in the power press ranging from 100 MT to 40 MT. Different Power press are used depending on the embossed template, design and shape. Because both bottom and top have different die sets, each of them is produced at a time in bulk production.
- **Power Press 100 MT** – Metal comes in the roll form which is unwinded and then stamped down in 100 MT pressing machine and cut in spherical shape with semi-finished embossing on it.
 - **Power Press 40 MT** – 40 MT pressing machine is used to cut and shape the mouth of top piece. These holes/mouth will hold flanges to be inserted. These openings will later be the point at which drum contents are poured into or out of the container.
For bottom, usually a 40 MT pressing machine is not required as embossing and cutting is not that typical and can be performed in one press.
 - **Handle Welding** – Handles are created separately using handle making machines which are then welded on the top components using projection/spot welding machine.
- b) **Body making** – This is the most important phase which involves body making and then connecting it to the top and bottom.
- **Bender** - The steel sheets enter a bender, which has a cylindrical mould, proceeding to curve and bend the metal.
 - **Seam Welding Machine**- Once the metal is bent , it is fed by a worker into seam welding which joints the two ends of container spotlessly through wire welding technique.
 - **Expander** – A bead expander takes the drum horizontally and expands beads or rolling hoops around the circumference of the container.
 - **Flanging machine** - Once the basic body of the drum has been created, it undergoes a rigorous manipulation process. The flanging operation includes feeding the drum into flange insertion machine to create rim indentations and edges on the top and bottom of the container.
 - **Beading machine** – To provide strength and durability, drums undergo beading process which create parallel ridges on both up and down part of the body.
 - **Seamer (Bottom)** – The bottom of the drum is now connected to the body using a seamer which rotates and presses the two pieces together. For better bonding of the two, a water-base adhesive can be applied at the rim of components.

- Seamer (Top) – Another in line seamer connects the top to the body in the same way. The now-seamed item prevents leakage of material that the container will eventually hold.
- c) **QC & Testing** – Various tests are carried out by skilled and experienced professionals to ensure the quality of drum.
- Handle Pull Test - Drum rested in downward position on a bracket and weight loaded on the handle to check the strength.
 - Drop Test - Drum dropped from 1.28 Meter height (Filled with 98% water) and checked for any leakage. Only a few drums are checked on random basis.
 - Air pressure Test - Drum is immersed in water & air is passed from the mouth of the drum at a pressure of 0.40 Kg/cm² for 5 sec. Air Bubbles will come to show the leakage.
 - Scratch/Mar Resistance - Checked manually by scratching the paint with index & thumb finger. Formation of any scratches are then observed visually. This test is carried out after painting and printing.
 - Solvent Resistance – A mixture of specific hard solvents are poured and kept on the top for around 10 minutes to check abrasion of paint. Solvent resistance in body checked by rubbing the solvent soaked cotton for a multiple number of times. This test is carried out after painting and printing.
Note - Solvent resistance checked against a few solvents only.
- d) **Painting and Printing** – Drums are then painted and printed as per customers' specifications and end usage.
- Painting Booth – Each drum enters a paint booth machine, in which the drums are fed horizontally and rotated while the gun machine sprays and coats the drum exterior with paint.
 - Hot air oven - To complete the paint process, the container are cooked in an oven at around 130⁰ C for 10 minutes in a conveyor belt to help dry and bring the paint to the correct shade.
 - Screen printing – A specific art work (as approved by the customer) is screen printed on the circumference of the drum by semi-automated screen printing machine. Air drying screen ink is used for this application.

Manufacturing Process of Printing Ink:

Ink Comprises finely dispersed pigments in a vehicle (medium), which is made up of resins & additives dissolved in chemicals or water. In order to achieve a fine dispersion of pigment powder, grinding is the major manufacturing process in case of Flexo, Gravure inks, Wooven Sack inks and metal printing inks. Inks manufacturing process comprise premixing, grinding, filtration & packing.

The majority of Printing Inks consist of pigment in powder form dispersed into varnish and manufacturing is mainly concerned with the mechanical means of making these dispersions efficiently, economically and often very quickly, it is not a chemical reaction process.



The mechanical means of producing dispersions are generally classified in two main groups – mixing & milling (i.e. dispersion). Mixing is the mechanical agitation of pigment and vehicle together and is usually continued until no dry pigment is discernible. Milling is a process by which the pigment/vehicle mixture reaches a point suitable for its intended printing process.

The process of manufacture of printing inks essentially involves the mixing of the various ingredients in right proportion and subsequent dispersions of the mixture.

A mixing operation essentially consists of a pan in which a suitable agitator revolves and thereby mixing the ingredients with the vehicle. Various mixers are used for this purpose. After the mixing operation, the dispersion of the material is generally done on water – cooled in dyno mill or in bead mills until the pigments are thoroughly mixed in the vehicles. Little heat is usually generated or evolved during the operations. Water cooling of the equipment is required to remove this heat. After the required dispersion obtained, it goes to another mixer of final quality control check. Thereafter, it is potted off in different containers as per customer's requirements.

We are embedded with well-equipped State of Art plant & machineries along with high tech QA, R&D and Color Matching laboratories complimenting technically apt professionals to design, analyze & formulate products to meet exact requirements of customers. Currently involved in the segments of Gravure and Flexography inks, the plant caters to the customers based in India and outside India.

The Major Equipment's are:

❖ **Quality Control Lab**

1. **Vibroshaker** –Raw materials purchased are initially checked in QC for quality before taking into production. A vibroshaker ensures grinding and mixing of sample batches in lab. At a time 8 samples of 100 gm each can be grinded in less than an hour.
2. **Hot air oven** – For quality control, one of the technical specifications in the ‘Ink batch Report’ is the solid content of ink. Hot air ovens are used to calculate the same. There are electrical devices which use dry heat to sterilize the sample. Once the volatile part is vaporized remaining constitutes the solid portion in the ink.
3. **Barcoater & Pad** – A barcoater is one of the most traditional and easy ways to check ink for quality. Substrate is clamped on the pad and a drawdown is compared against the standard which is checked visually by the chemist.
4. **Pigment Muller** – Pigment Muller is a machine to test pigment for its properties like strength and tone. Pigment is wetter with linseed oil and then grinded between two roughned glass plates. Under identical circumstances, similar products could also be inspected. Mulling pigments serves to determine their consistency and/or their density or the color intensity of pigments.
5. **Ford Cup Viscometer** – A viscometer is an instrument used to measure the viscosity of ink. Every batch is checked for flow rate against standard. The values should fall within a range of set parameters to be passed from QC.

❖ **Color matching Lab**

1. **Color Matching Cabinet** – It offers a standardized visual evaluation of color. It allows a user to evaluate color sample under different light sources like filament light, artificial day light, tube light and ultraviolet light. This is the best way to spot and determine metamerism in ink which gives a justified and unbiased measure of color difference under different sources of light.
2. **Spectrophotometer** - In chemistry, spectrophotometry is the quantitative measurement of the reflection or transmission properties of light as a function of wavelength. Thus, the basic function of a spectrophotometer is to take in light, break it into its spectral components, digitize the signal as a function of wavelength, and read it out and display it through a computer.

This gives a quantified information to the user in the form of L^* a^* b^* values for color matching. L^* indicates lightness, a^* is the red/green coordinate, and b^* is the yellow/blue coordinate. Deltas for L^* (ΔL^*), a^* (Δa^*) and b^* (Δb^*) may be positive (+) or negative (-) which determines the color difference between sample and standard.

3. **RK Print Proofer** - The Print proofer has electronically engraved printing plates and variable printing speeds of up to 40m/min, this is an essential tool for R&D, computer color matching data using spectrophotometer, quality control and presentation samples. It is a simulation of rotogravure printing, thus provides real and more practical results in lab. Ink transfer at different cell engravings can also be evaluated which gives a better idea on halftone and full tone printing.
RK Print Proofer can also be used in QC for multiple sample evaluation at a single time.

❖ **R&D Lab – 1**

1. **Pneumatic Heat sealing machine** – Used to check heat Resistance of printed ink. Temperature ranging from 50°C to 300°C ; pressure 0.05Mpa to 0.7 Mpa and dwell time 0.01 sec to 9.99 sec. Heat Resistance is the property of ink which is essential during packaging of product. Poor heat resistance may result in ink shedding off the surface of the substrate.
2. **Tensile Bond tester** – used to calculate the bond strength of the laminate. Printed substrates are further laminated with adhesive for better durability and strength. Poor bond strength between the layers may result in de-lamination.
It holds each layer of the laminate with pneumatic grip and then tears them apart gradually. Computer software evaluates the tear strength in terms of values and displays in the screen.

3. **Karl fischer** - The Karl Fischer titration is a moisture determination method. When solvent is introduced into the titration cell and dissolved, reagent is released by the induction of an electrical current. The amount of current required to convert the water is the determinant of the amount of moisture in the solvent.
4. **Deep Freezer** – A specially designed deep freezer is used to test freezing property of inks which are used in the application of milk and water pouching. Temperature up to -10°C can be achieved.
5. **Pressure Bleeding Tester** – Ink blocking is an undesired adhesion between layers of substrate placed in contact under moderate pressure and/or temperature. After rewinding the printed substrate in roll form, due to extreme pressure, ink might bleed off to the layer which is in contact to it. To avoid this, ink should have sufficient blocking resistance. Bleeding tester checks blocking under extreme pressure and for a long duration of time.
6. **Water Emulsification Tester** – It is designed for determining the accurate percentage of water absorbency by pigment, resin or ink to ascertain and achieve proper ink water balance of ink formulation for perfect and consistent print quality.
7. **Auto Rub/Scuff tester** – It is used to accurately measure the rubproofness of prints on paper or board, color transfer from printed or coated materials during dubbing and the abrasion resistance of some plastic materials. Test speed carried out at 60 RPM.

❖ **R&D Lab – 2**

1. **Gas Chromatography (G C)**– A GC is used to evaluate the purity of solvents that are used in the printing ink. The gaseous compounds being analyzed interact with the walls of the column, which is coated with a stationary phase. This causes each compound to elute at a different time, known as the *retention time* of the compound. The comparison of retention times is what gives GC its analytical usefulness. Apart from evaluating the solvent purity, a GC can also be used to evaluate the solvent retention in a laminated structure.
2. **FTIR** - Fourier-transform infrared spectroscopy is a technique used to obtain an infrared spectrum of absorption or emission of a solid, liquid or gas. An FTIR spectrometer simultaneously collects high-spectral-resolution data over a wide spectral range.
3. **Offset Printability Tester** - The printability tester produces color strips which are suitable for many purposes, such as measuring color using color measuring systems/spectrophotometers, color matching systems, visual appraisal, density measurements, including establishing color and density tolerances and determination of coverage, wear resistance, scratch resistance, flexibility, adhesion and gloss, ink transfer (in g/m^2), light fastness and resistance to chemicals.
4. **UV Curing Machine** – Emits Ultraviolet rays which cures the UV coatings on the substrate.
5. **Glossometer** – A 60° angle glossometer is used to evaluate the gloss or shine of any coating or ink on any particular substrate. The unit is Gloss Units and it ranges from 0 to 100 GU.

COLLABORATIONS/TIE UPS/ JOINT VENTURES

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

UTILITIES & INFRASTRUCTURE FACILITIES

Our Registered office and Unit I (Printing Ink Division) is situated at 123/57, Saresh Bagh, Factory Area, Kanpur and Unit II (Container Division) is located at Jainpur, Kanpur Dehat , expanded over a Built up area of 8800 sq ft (Ink Division) and Built Up area of 12000 sq. feet (Container Division). Our office/units are well

equipped with computer systems, uninterrupted power supply, internet connectivity and other facilities, which are required for our business operations to function smoothly.

POWER

The requirement of power for our production units is for lighting, air conditioning and operating the machines. It is met through the local power distribution company where the units are located.

In ink division Power requirement for Ink Division 99 HP and in container division is 160 KVA and the same is met through Kanpur Electricity Supply Company Limited and Electricity Distribution Division, Rania ,Kanpur Dehat respectively

There are two Gensets installed at Saresh bagh having capacity of 45 KVA and 25 KVA

There is one Genset installed at Jainpur having capacity of 25 KVA

WATER

Water required for manufacturing process, human consumption and other purposes is fully met at the existing premises from ground water and regular supply from municipality. No additional connection is taken all water supply is to be done through water boring is used for both division.

Underwater tank 25000 Lt connected to a 1000 Lt Foam Tank at Saresh Bagh and tank of 12000 Lt at Jainpur Factory.

RAW MATERIAL

Raw Material used for our Ink Division is various types of resins, pigments, solvents and additives and for container Division is CRCA Steel Sheets,etc. It is readily available and procured from various dealers, manufacturers across india.

FIRE FIGHTING EQUIPMENTS

Such as Fire Extinguishers ,etc are already installed in the company premises.

In Saresh Bagh:

- Fire extinguishers installed (All Types like CO2, Foam , ABC etc) :- 22
- Fire sand Buckets :- 8

In Jainpur Premises:

- Fire extinguishers installed :- 10
- Fire and sand buckets :-8

●SOLVENT RECYCLING PLANT

Solvent recycling plant is installed at Saresh Bagh Unit. It is used to recover used/dirty Solvent.

Details of Capacity : 50 Kgs Per Batch

HUMAN RESOURCE

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We have developed a large pool of skilled and experienced personnel. Currently, our Company has a prudent mix of skilled /unskilled employees for, quality control and quality assurance assistants and helpers etc.

Department Wise Employee Break Up (For Printing Ink Division and Container Division) as on the date of Draft Prospectus.

| Department | Number of Employees |
|-------------------------------------|----------------------------|
| Management and Administration | 13 |
| Production and Operations | 8 |
| Other Employees (Skilled/Unskilled) | 40 |
| Total | 61 |

COMPETITION

We will adhere with Competition Commission of India Act, 2002 and will follow ethical practices.

CUSTOMERS

Top Ten Customers of the Company as on March 31,2018 are as under :

| Particulars | % of Total Sales |
|-----------------------------|------------------|
| Perfect one Marketing | 15.35% |
| Alka Traders | 11.64% |
| AM Traders | 7.67% |
| Radhika Poly Pack | 5.98% |
| Ocean Supplier | 4.61% |
| Agroha Marketing Pvt Ltd | 4.07% |
| Suman Ploymers Pvt Ltd | 3.67% |
| Latex Chemicals Pvt Ltd | 3.50% |
| Subh Multipack | 2.88% |
| Shri Siddivinayak Traders | 2.38% |
| Total Sales Turnover | 61.75% |

Capacity Utilisation: PRINTING INK DIVISION

| Capacity | No. of Shift (of 12 hours each) | F.Y. 2015-16 | F.Y. 2016-17 | F.Y. 2017-18 |
|-----------|------------------------------------|--------------|---------------|---------------|
| Installed | 2 | 2400 MTPA | 2400 MTPA | 2400 MTPA |
| Utilised | 1 | 886.222 MTPA | 1362.810 MTPA | 1614.433 MTPA |

Note :- Installed Capacity of Printing Ink Division has been ascertained on a presumed product mix and is variable with the change in product mix, in view of the fact that different varieties of products are produced using different machines and different time cycles.

Capacity Utilisation: CONTAINER DIVISION

| Capacity | No. of Shift (of 12 hours each) | F.Y. 2015-16 | F.Y. 2016-17 | F.Y. 2017-18 |
|-----------|------------------------------------|--------------|--------------|----------------------|
| Installed | 2 | NIL | NIL | 12,00,000 Containers |
| Utilised | NIL | NIL | NIL | NIL |

Customer Outreach

New customers would be solicited in order to enter newer markets and develop the company's portfolio. Outreach to existing customers would also be a major aspect in order to increase order-size.

SWOT Analysis

Strengths:

Our promoters have ample experience and knowledge in this sector. Our company has developed a reputed and reliable clientele. We have remained focused on our core strengths of low cost production, operational efficiency and successfully developing high value accretive projects. Apart from this, following factors contribute towards strength of the company:

- Technical Competence
- Long Operational Track Record
- Well established Manufacturing facility

Weakness:

It's a working capital intensive business hence huge requirement of working capital is there.

Threats:

There are several factors outside our control that may cause fluctuations to our revenues and operating results and/or prejudicially affect our business, financial condition and results of operations.

Political instability or changes in the Indian central government could adversely affect our business.

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

Economic slowdown may affect our ability to do business, increase our costs and negatively affect our stock price.

The overall demand for ink in India is closely linked to macro parameters like GDP growth, increase in literacy rates, increased consumerism and increase in population. Any slowdown in growth or adverse impact on any or all of the above factors in India or globally, may have an adverse impact on the demand for the Company's products and therefore on its growth potential.

Emergence of competition may have an adverse impact on the profitability of the company.

The global ink market is highly competitive. We may face global competition from countries. Our market position will depend on effective marketing initiatives and our ability to anticipate and respond to various competitive factors affecting the industry including pricing strategies. Any failure by us to compete efficiently, including in terms of pricing, could adversely effect our business, operations and profitability

The extent and reliability of Indian infrastructure could adversely affect our results of operations and financial condition.

Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity.

Any change or increase in taxes, levies etc. may lead to higher input cost and therefore may have an impact on the profitability of our company.

Adverse impact of changes in the domestic tax laws, fiscal laws and the regulatory environment Any changes in the tax laws in India particularly income tax might lead to increased tax liability of our Company thereby putting pressures on profitability. Also, any changes in the fiscal policies of the Government, more particularly those relating to banking policies, may result in variations in the existing interest rate structure, which if not to the advantage of our Company, can cause the finance costs of our Company to significantly rise, thereby affecting our finances and profitability

OUR PROPERTIES

We own properties which are disclosed above in this chapter.

PROPERTIES TAKEN ON LEASE

| Sr. No. | Location of the property | Lease Licence Period | Lease Rent | Area of the Property | Document Date | Leasor |
|---------|---|----------------------|---|----------------------|---------------|---|
| 1. | Plot no K-15, Industrial Area Jainpur, Distt. Kanpur Dehat, Pincode: 209311 | 64 Years | First 4 Years : ₹ 1800 Per Annum Next 30 Years : ₹ 4500 Per Annum Next 30 Years : ₹ 2925 Per Annum with a premium 7.812 Lakhs | 1800 Sq Mts. | Jan 02,2017 | U.P State Industrial Development Corporation Ltd. |

Insurance

| | |
|------------------------------------|---|
| Nature of Policy | Marine and Cargo Policy |
| Policy No. | 42040021180200000003 |
| Agency | The New India Assurance Company Limited |
| Location and Assets Covered | On Consignment Inward / Outward, Materials like Chemical/Ink/Solvent & Packaging Materials, Other Pertains to Trade |
| Sum Insured (Rs.) | 10,00,00,000 |
| Total Premium (Rs.) | 19,998 |
| From | 18.04.2018 |
| Valid upto | 17.04.2019 |

| | |
|------------------------------------|--|
| Nature of Policy | Standard Fire & Special Perils Policy (Unit I) (123/57, Saresh Bagh, Factory Area , Kanpur) |
| Policy No. | 42040011180100000005 |
| Agency | The New India Assurance Company Limited |
| Location and Assets Covered | <ul style="list-style-type: none"> • Building - Superstructure : 2,50,00,000 • Building – Plinth & Foundations : 25,00,000 • Plant, Machinery and Accessories : 2,50,00,000 • Furniture, Fittings , Fixtures & Other Content: 20,00,000 • Stocks & Stock-in-progress: 3,00,00,000 |
| Sum Insured (₹) | 8,45,00,000 |
| Total Premium(₹) | 1,30,525/- |
| From | 16.04.2018 |
| Valid upto | 15.04.2019 |

| | |
|------------------------------------|--|
| Nature of Policy | Standard Fire & Special Perils Policy (Unit II) (K-15, UPSIDC Industrial Area, Jainpur, Kanpur Dehat, Kanpur) |
| Policy No. | 42040011170100000166 |
| Agency | The New India Assurance Company Limited |
| Location and Assets Covered | Building - Superstructure : 1,25,00,000 Plant, Machinery and Accessories : 1,75,00,000 Stocks & Stock-in-progress: 2,00,00,000 |
| Sum Insured (Rs.) | 5,00,00,000 |
| Total Premium(Rs.) | 31241 |
| From | 16.12.2017 |
| Valid upto | 15.12.2018 |

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 the Company. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see chapter on "Government and Other Approvals" on page 155 of this Draft Prospectus. Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

A. INDUSTRY RELATED REGULATIONS

The following is an indicative list of industry related laws that are applicable to our Company:

Industrial Disputes Act, 1947 ("ID Act")

The ID Act provides the machinery and procedure for the investigation and settlement of industrial disputes. It also provides certain safeguards to workers and aims to improve the service conditions of industrial labour. When a dispute exists or is apprehended, the appropriate government is empowered to refer the dispute to an authority mentioned under the ID Act in order to prevent the occurrence or continuance of the dispute. Reference may be made to a labour court, tribunal or arbitrator to prevent a strike or lock-out while a proceeding is pending. Wide powers have been given to the labour courts and tribunals under the ID Act while adjudicating a dispute to grant appropriate relief such as modification of contract of employment or to reinstate workmen with ancillary relief.

The Factories Act, 1948 ("FA Act")

This Act came into force on April 01, 1949 and extends to the whole of India, including Jammu and Kashmir. It has been enacted to regulate working conditions in factories and to ensure the provision of the basic minimum requirements for safety, health and welfare of the workers as well as to regulate the working hours, leave, holidays, employment of children, women, etc. It ensures annual leaves with wages, provides additional protection from hazardous processes, additional protection to women workers and prohibition of employment of children. The FA Act defines a factory to cover any premises which employs ten (10) or more workers and in which the manufacturing process is carried on with the aid of power and any premises where there are at least twenty (20) workers even though there is no electricity aided manufacturing process being carried on. It was enacted primarily with the object of protecting workers from industrial and occupational hazards. Under this statute, an approval must be granted prior to the setting up of the factory and a license must be granted post the setting up of the same, by the Chief Inspector of Factories. In case of contravention of any provision of the Factories Act or rules framed there under, the occupier and the manager of a factory may be punished with the imprisonment for a term of up to two (2) years or with a fine of up to Rs. 100,000 or with both, and in case of a contravention continuing after conviction, with a fine.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

In India, the main legislation concerning foreign trade is the Foreign Trade (Development and Regulation) Act, 1992 ("FTA"). The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorized to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import ("EXIM") Policy. FTA read with the

Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce

The Legal Metrology Act, 2009 (“L.M. Act”)

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. Accordingly, Legal Metrology (General) Rules, 2011 is also applicable to the Company.

B.LABOUR RELATED REGULATION

The following is an indicative list of labour related laws that are applicable to our Company:

The Employees’ State Insurance Act, 1948 (“ESI Act”)

ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”)

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

The Payment of Bonus Act, 1965 (“POB Act”)

The POB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972 an employee in a factory is deemed to be in ‘continuous service’ for a period 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, or the employee has worked at least two hundred and forty (240) days in a period of twelve (12) months or one hundred and twenty (120) days in a period of six (6) months immediately preceding the date of reckoning. An employee, who after having completed at least five (5) continuous years of service in an

establishment resigns, retires, or is disabled due to an accident or disease, is eligible to receive gratuity. To meet this liability, employers of all establishments to which the legislation applies are liable to contribute towards gratuity.

Minimum Wages Act, 1948 (“MW Act”)

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. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule.

The Workmen Compensation Act, 1923 (“WCA”)

The WCA has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/ disablement/ loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Maternity Benefit Act, 1961

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It inter alia provides for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women.

The Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

The Employees Compensation Act, 1923 (“EC Act”)

EC Act provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees’ Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of receiving a notice.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 is a central legislation which applies to the persons employed in the factories and to persons employed in industrial or other establishments specified in sub-clauses (a) to (g) of clause (ii) of section 2 of the Act. This Act does not apply on workers whose wages payable in respect of a wage period average Rs. 1,600 a month or more. The Act has been enacted with the intention of ensuring timely payment of wages to the workers and for payment of wages without unauthorized deductions. A worker, who either has not been paid wages in time or an unauthorized deductions have been made from his/her wages, can file a claim either directly or through a Trade Union or through an Inspector under this Act, before with the Authority appointed under the Payment of Wages Act.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)

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

C. TAX RELATED LEGISLATIONS

The following is an indicative list of tax related laws that are applicable to our Company:

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its residential status and type of income involved. Under Section 139(1) every Company is required to file its Income Tax Return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

The Central Goods and Service Tax Act, 2017

Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2016, following the passage of Constitution 101st Amendment Bill. GST-registered businesses are allowed to claim tax credit to the value of GST they paid on purchase of goods or services as part of their normal commercial activity. Administrative responsibility rests with a single authority to levy tax on goods and services. Exports would be considered as zero-rated supply and imports would be levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which will not be subsumed in the GST.

Introduction of Goods and Services Tax (GST) is a significant step in the reform of indirect taxation in India. Amalgamating several Central and State taxes into a single tax mitigates cascading or double taxation, facilitating a common national market. The simplicity of the tax leads to easier administration and enforcement.

Uttar Pradesh Goods and Services Tax Act, 2017 and Uttar Pradesh Goods and Services Tax Rules, 2017

Uttar Pradesh Goods and Services Tax Act, 2017 are came into force w.e.f. July 01, 2017 which provides for the levy of GST on intra-state and interstate supply of goods or services or both. It was introduced as The Constitution (One Hundred and First Amendment) Act 2016, following the passage of Constitution 101st Amendment Bill. GST-registered businesses are allowed to claim tax credit to the value of GST they paid on purchase of goods or services as part of their normal commercial activity. Administrative responsibility rests with a single authority to levy tax on goods and services. The Uttar Pradesh Goods and Services Tax Rules, 2017 came into force w.e.f. June 29, 2017 which provides for the procedures relating to composite Levy and Registration for various categories of taxable person and the formats of the various forms to be submitted with the GST authority in prescribed time limit.

Micro, Small and Medium Enterprises Development Act, 2006 (“The MSMED Act”)

The MSMED Act (as amended from time to time) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty-five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (‘Council’). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

D. ENVIRONMENTAL RELATED LAWS

The following is an indicative list of environmental related laws that are applicable to our Company:

Environment (Protection) Act, 1986 & Environment Protection Rules

The Central Government has been vested with powers to lay down standards for the quality of environment in its various aspects, standards for emission or discharge of environmental pollutants from various sources and to restrict areas in which operations or processes cannot be carried out or shall be carried out subject to certain safeguards. In case of offences by companies, the person who was in charge at the time of the commission of the offence shall be deemed to be guilty.

Water (Prevention and Control of Pollution) Act, 1981

The Water (Prevention and Control of Pollution) Act, 1981 (Water Act) prohibits the use of any stream or well for disposal of polluting matter, in violation of standards set down by the State Pollution Control Board (SPCB). The Water Act also provides that the consent of the SPCB must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981

Air (Prevention and Control of Pollution) Act, 1981 (Air Act) under which any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any mining activity. The SPCB is required to grant consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

The Noise Pollution (Regulation & Control) Rules, 2000 (“The Noise Regulation Rules”)

The Noise Regulation Rules regulate noise levels in industrial (75 decibels), commercial (65 decibels) and residential zones (55 decibels). The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The Rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

Manufacture, Storage And Import Of Hazardous Chemicals Rules, 1989

This rules shall apply to an industrial activity in which a hazardous chemical, satisfies any of the criteria laid down in Part I of Schedule 1 and is listed in Column 2 of Part II of this Schedule is or may be involved; and

isolated storage in which there is involved a threshold quantity of a hazardous chemical listed in Schedule 2 in column 2 which is equal to or more than the threshold quantity specified in the Schedule for that chemical in column 3 thereof.

An occupier who has control of an industrial activity in terms of sub-rule (1) shall provide evidence to show that he has - identified the major accident hazards; and taken adequate steps to - prevent such major accidents and to limited their consequences to persons and the environment; provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety.

Hazardous Wastes

There are several legislations that directly or indirectly deal with hazardous wastes. The relevant legislations are: The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 and The Public Liability Insurance Act, 1991, Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 These rules require that the occupier and the operator of the facility, that treats hazardous wastes, must properly collect, treat, store or dispose the hazardous wastes without adverse effects on the environment. Schedule I of the said Rules lists out the primary and secondary production of aluminum as a process that generates hazardous waste and therefore requires compliance under these Rules.

Plastic Waste Management (PWM) Rules, 2016, India

The government of India, through the Ministry of Environment, Forest and Climate Change notified the new Plastic Waste Management Rules, 2016 (through a Gazette notification dated 18 March 2016). This supersedes the Plastic Waste 91 (Management and Handling) Rules, 2011 that governed such activities earlier. This provides the framework for plastic waste generators, local bodies, manufacturers, importers etc., to manage plastic waste

E. OTHER REGULATIONS

The following is an indicative list of other regulatory related laws that are applicable to our Company:

Property related laws

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

In addition, regulations relating to classification of land may be applicable. Usually, land is broadly classified under one or more categories such as residential, commercial or agricultural. Land classified under a specified category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into commercial or industrial purpose, by making an application to the relevant municipal or town and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states. Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process.

Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorized agencies and bodies such as the Ministry of Urban Development, State land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate. Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations and the urban arts commission.

Contractual Rights

The bulk of the transactions in trade, commerce and industry are based on contracts. In India, the Indian Contract Act, 1872 is the governing legislation for contracts, which lays down the general principles relating to formation, performance and enforceability of contracts.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, implement provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced. It only provides a framework of rules and regulations which govern formation and performance of contract. The rights and duties of parties and terms of agreement are decided by the contracting parties themselves. The court of law acts to enforce agreement, in case of non-performance.

The Transfer of Property Act, 1882 (the “TP Act”)

The TP Act establishes the general principles relating to transfer of property in India. It deals with the various methods in which transfer of property including transfer of immovable property or any interest in relation to that property, between individuals, firms and companies takes place. The TP Act stipulates the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The TP Act also provides for the rights and liabilities of the vendor and purchaser, and the lessor and lessee in a transaction of sale or lease of land, as the case may be. The TP Act also covers provisions with respect to mortgage of property.

The Indian Registration Act, 1908

The Indian Registration Act, 1908 (the “Registration Act”) details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, inter alia, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in the present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of Rs.100/- or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. The Registration Act also stipulates the time for registration, the place for registration and the persons who may present documents for registration. Any document which is required to be compulsorily registered but is not registered will not affect the subject property, nor be received as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance of a contract under the TP Act or as evidence of any collateral transaction not required to be effected by registered instrument), unless it has been registered.

Indian Stamp Act, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

F. Intellectual Property related Laws

The following is an indicative list of intellectual property related laws that are applicable to our Company:

The Trademarks Act, 1999 (“Trademarks Act”)

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

REGULATIONS REGARDING FOREIGN INVESTMENT

Foreign investment in companies in the wire and cables manufacturing industry is governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy (the “FDI Circular”) which consolidates the policy framework on Foreign Direct Investment (“FDI”), with effect from June 7, 2016. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till June 6, 2016. All the press notes, press releases, clarifications on FDI issued by DIPP till June 6, 2016 stand rescinded as on June 7, 2016. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through FIPB is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where FIPB approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. The Consolidated FDI Circular dated August 2, 2017 issued by the DIPP does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route. No approvals of the FIPB or the RBI are required for such allotment of equity Shares under this Issue. The Company will be required to make certain filings with the RBI after the completion of the Issue. RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2015 which is valid till June 30, 2016. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are 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. As mentioned above, 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

OUR HISTORY AND OTHER CORPORATE MATTERS

Our Company was incorporated as “Shriya ChemEnterprises Pvt Ltd” on March 23,2004, under the provisions of the Companies Act, 1956 in the State of Uttar Pradesh. Subsequently, our Company’s name was changed to “Vibrant Ink Pvt Ltd” on August 29,2014 followed by an acquisition of Hindustan Mono Chem Industries on May 16, 2015. On September 29,2016, the name of our company was change from “Vibrant Ink Pvt Ltd” to “Hindustan Flex Pvt Ltd” and on October 06,2016, it was converted into a Public Limited Company. For further details of our Company, please refer “General Information” and “Our History and Certain Other Corporate Matter” beginning on page no 36 and 101 respectively of this Draft Prospectus.

History of Hindustan Flex Limited

Our Company was incorporated as Shriya ChemEnterprises Pvt Ltd in March 23,2004, under the provisions of the Companies Act, 1956 in the State of Uttar Pradesh. The company started trading of products used in flexible packaging business. These products were printing inks, lamination adhesives, polyester films, poly films etc. The company continued to carry on these activities till 2006. After that the company continued to carry trading of above items except printing inks till the year May 16, 2015. The reason for the same was that the director of the company , Mr Alok Kumar Mishra started a new partnership firm under the name and style of M/S Hindustan Monochem Industries which was set up for manufacturing of printing inks as by that time the promoter of the company had sufficient experience in the field of printing inks by virtue of trading in the product. On August 29, 2014 the name of the company was changed to “Vibrant Ink Pvt Ltd” followed by a merger with HINDUSTAN MONO CHEM INDUSTRIES in May 16,2015. In September 29, 2016, the name of our company was change from “Vibrant Ink Pvt Ltd” to “Hindustan Flex Pvt Ltd” and later converted into a Limited company on October 06, 2016. There was no additional investment in plant and machinery except that the company had purchased sophisticated lab equipment’s in the year 2017. Now the company is having a state of art facility for testing of various raw materials and various parameters of finished ink produced by the company.

The company in the year 2017 conceived a dream of manufacturing metal containers which will help the company in streamlining its backward integration as well as a new product to be introduced in market for accelerating sales volumes. The project got fully commissioned in the Financial Year 2018-19 and is now under commercial production.

Main Objects of Hindustan Flex Limited

The main objects of our Company as contained in the Memorandum of Association of our Company are reproduced below:

1. To manufacture, trade and deal in polyester films, inks, adhesives, solvents, detergent powder & cake and allied products.
2. To manufacturer, process, treat, blend, refine, pack, buy, sell, distribute, import, export and to deal in mixtures, preoperational, pastes, powders, tablets, and other articles or things connected therewith.
3. To carry on a business of manufacturer, processor, buyer, seller, importers, exporters, distributors and dealers in compounds, concentrates and other articles of similar kinds or connected therewith.
4. To manufacture flexible packaging materials and metal and tin containers of all types and kinds and to establish units for their manufacturing.

Changes in our Registered Office:

Details of changes in the address of the Registered Office of our Company are set forth as under:

| Date of Change | From | To |
|---------------------------------|------------------------------------|--|
| As on the date of Incorporation | - | 119/449,Darshanpurwa,Kanpur-208012 |
| July 28,2014 | 119/449,Darshanpurwa,Kanpur-208012 | 123/57,Saresh Bagh, Factory Area, Kanpur |

Changes in the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since inception

| Date of shareholders resolution | Particulars |
|--|---|
| March 20,2015 | Increased in authorized capital from ₹ 50 Lakhs to ₹ 75 Lakhs |
| November 03, 2016 | Increased in authorized capital from ₹ 75 Lakhs to ₹ 200 Lakhs |
| January 02, 2017 | Increased in authorized capital from ₹ 200 Lakhs to ₹ 300 Lakhs |
| July 16,2018 | Increased in authorized capital from ₹ 300 Lakhs to 1000 Lakhs |

Major Events and Milestones

The table below sets forth the key events in the history of our Company:

| Year | Events and Milestones in the history of the company |
|-------------|--|
| 2004 | Incorporation of Shriya ChemEnterprises Pvt Ltd which dealt in trading of Micro Ink in distribution of Printing Ink along with other raw materials of flexible packaging |
| 2014 | Shriya ChemEnterprises Pvt Ltd name changed to Vibrant Ink Pvt Ltd |
| 2015 | Hindustan Mono Chem Industries was acquired by Vibrant Ink Pvt Ltd which dealt in manufacturing of printing ink since 2006 |
| 2016 | Name change of Vibrant Ink Pvt Ltd to Hindustan Flex Pvt Ltd, Under section 18 of companies act 2013, Hindustan flex turned into limited company |
| 2016 | HFL Certified as ISO 9001:2015, ISO 14001:2004 & OHSAS 18001:2007 Company |
| 2017 | HFL started establishment of Container manufacturing unit at Jainpur , Kanpur Dehat |
| 2018 | Commercial Production of Container Division started. |

Mission and Vision

Our Mission at Hindustan Flex is to be a trusted partner to every enterprise with flexible packaging needs with the help of our excellent Human resource, technology, and strong sense of ethics & business practices.

We Imagine, Believe and achieve in a way which allows us to remain profitable but also economical, enabling us to provide our customers with innovative Printing and Packaging solutions. Our goal is not only to meet, but exceed our customer's expectations.

Our Vision is to be one of the most trusted brand by supplying the right product which adds value to our clients business and our stakeholders.

Corporate Profile of our Company

For details regarding the description of our activities, including details of our business, geographical presence, growth, competition, products, technology, and managerial competence, please see sections entitled “*Our Business*”, “*Our Management*” and “*Industry Overview*” beginning on pages 78, 105 and 28 respectively.

Revaluation of Assets

Our Company has not revalued any of its assets till date.

Holding Company of our Company

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

Subsidiary & Group Company of our Company

There is no subsidiary & Group Company of our Company as on the date of filing of this Draft Prospectus.

Injunctions or Restraining Orders

There are no injunctions/ restraining orders that have been passed against our Company as on the date of filing of this Draft Prospectus.

Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation etc.

There are no mergers, amalgamation, etc. with respect to our Company and we have not acquired any business/undertakings as on the date of this Draft Prospectus.

Capital raising activities through Equity or Debt

For details of the equity capital raised by our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 42 of this Draft Prospectus. Our Company has not carried out any debt issuances or raised any long term debt except as describe in financial statements since incorporation till date of filing of this Draft Prospectus. .

Changes in the Management

For details of change in Management as given below .Please refer to “*Our Management*” on page 105 of this Draft Prospectus

| Name of the Director | DIN | Address | Date of Cessation |
|-----------------------------|------------|--|--------------------------|
| Mrs. Nisha Mishra | 00673782 | C-16, Sarvodaya Nagar, HansNagar, Kanpur 208012 | May 18,2018 |
| Mr. Shwetank Agarwal | 06363144 | House no 70, B- Block, Shyam Nagar, Kanpur, 208013 | February 03,2018 |
| Mrs. Sushma Shukla | 07186795 | 118/158, Kaushal Puri, Kanpur | August 01, 2016 |
| Mr. Vineet Dixit | 08136642 | 237, Newada Saina ,Kanpur- 209 205 | July 27,2018 |

| Particulars | DIN | Address | Date of Appointment |
|------------------------|------------|--|--|
| Mr. Vinod Dixit | 08191251 | 108/109 GandhiNagar,RK Nagar,Kanpur | July 27,2018 |
| Mr.Surya Prasad Pandey | 08182522 | 128/2/19,Yasoda Nagar,Kidwai Nagar,Kanpur- 208 011 | July 27,2018 |
| Mrs .Sapna Talerja | 08145835 | 120/500,A Lajpat Nagar, HariHar Nath Shastri, Kanpur-208 005 | June 12,2018 |
| Mr.Karan Katyan | 07186785 | 119/449,Darshan Purwa,Kanpur | June 25,2015 Appointed as an Additional Director in Vibrant Ink Private Ltd and Reappointed on August 10,2018 as an Whole Time Director |
| Mr Shewtank Agrawal | 06363144 | House no 70, B- Block, Shyam Nagar, Kanpur, 208013 | February 28,2016 Appointed as an Executive Director |
| Ms Sushma Shukla | 07186795 | Gumti no 5, Darshanpurwa, Kanpur- 208012 | June 25,2015 |
| Mr. Vineet Dixit | 08136642 | 237, Newada Saina ,Kanpur- 209 205 | May 30, 2018 |

Shareholders Agreements

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

Strikes and Lock-Outs

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs till date. As on the date of this Draft Prospectus, our employees are not unionized.

Other Agreements

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business as on the date of filing of this Draft Prospectus.

Collaboration

Our Company has not entered into any collaboration with any third party as per regulation (VIII) B (1) (c) of part A Schedule VIII of SEBI (ICDR) Regulations, 2009, as on the date of filing of this Draft Prospectus.

Strategic Partner

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

Financial Partner

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

Defaults or Rescheduling of Borrowings with Financial Institutions or Banks

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

Number of Shareholders

Our Company has Twenty Nine (29) shareholders as on date of this Draft Prospectus.

Guarantees provided by our Promoters

Our Promoters have given guarantees to bank that are outstanding as on the date of filing of this Draft Prospectus. For details of Guarantees provided by our Promoters Please refer to “*Risk Factors*” on page 15 of this Draft Prospectus

OUR MANAGEMENT

Board of Directors

As per the Articles of Association, our Company is required to have not less than three (3) Directors and not more than Fifteen (15) Directors. Our Company currently has Five Directors on Board. The following table sets forth current details regarding our Board of Directors:

| Name, Father's Name, Address, Occupation, Nationality, Term & DIN | Age | Other Directorships |
|---|-----|---------------------|
| <p>Mr. Alok Kumar Mishra</p> <p>Father's Name: Lt Kali Shankar Mishra</p> <p>Designation: Managing Director</p> <p>Date of Appointment: Appointed as First Managing Director under AOA and appointed on June 15,2018</p> <p>Term: 5 Years from the date of appointment June 14,2013</p> <p>Address: C-16, Sarvodaya Nagar, Hans Nagar Kanpur- 208005</p> <p>Occupation: Business</p> <p>PAN: ACWPM6507G</p> <p>Nationality: Indian</p> <p>DIN: 00490767</p> | 50 | Nil |
| <p>Mr. Karan Katyan</p> <p>Fathers Name: Mr. Alok Kumar Mishra</p> <p>Designation: Whole Time Director</p> <p>Date of Appointment: Appointed as an Additional Director in Vibrant Ink Private Ltd on June 25,2015 and thereafter he Reappointed on 10 August 2018 as an Whole Time Director</p> <p>Term: 5 Years</p> <p>Address: 119/449 Darshan Purwa, Ramkishan Nagar, Fazal Ganj , Kanpur- 208012</p> <p>Occupation: Business</p> <p>PAN: CBTPK5665H</p> <p>Nationality: Indian</p> <p>DIN: 07186785</p> | 26 | NIL |

| | | |
|---|----|-----|
| <p>Mrs. Sapna Talreja Fathers Name: Chandrabhan Mansharamani</p> <p>Designation: Independent Director</p> <p>Date of Appointment: June 12,2018</p> <p>Term: 5 Years</p> <p>Address: 120/500 A Lajpat Nagar,HariHar Nath Shastri,Kanpur-208005.</p> <p>Occupation: Business</p> <p>PAN: AAGPT5804P</p> <p>Nationality: Indian</p> <p>DIN: 08145835</p> | 48 | NIL |
| <p>Mr. Vinod Kumar Dixit</p> <p>Father's Name: Mr. Raghunath Prasad Dixit</p> <p>Designation: Independent Director</p> <p>Date of Appointment: August 10,2018</p> <p>Term: 5 Years from the date of appointment</p> <p>Address: 108 /109,GANDHI NAGAR, R K NAGAR, KANPUR</p> <p>Occupation: Advocate</p> <p>PAN: BTLPD3051R</p> <p>Nationality: Indian</p> <p>DIN: 08191251</p> | 67 | NIL |
| <p>Mr. Surya Prasad Pandey</p> <p>Father's Name: Raja Ram Pandey</p> <p>Designation: Independent Director</p> <p>Date of Appointment: July 19,2018</p> <p>Term: 5 Years from the date of Appointment</p> <p>Address: 128/2/19,Yasoda Nagar,Kidwai Nagar,Kanpur-208011</p> <p>Occupation: Retired from PSU Bank</p> <p>PAN: ADQPP9270N</p> <p>Nationality: Indian</p> <p>DIN: 08182522</p> | 68 | NIL |

Note:

As on the date of this Draft Prospectus:

- 1) None of the above mentioned Directors are on the RBI List of willful defaulters.
- 2) Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing this Draft Prospectus or (b) delisted from the stock exchanges.
- 3) None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

Brief Biographies of Our Directors

Mr. Alok Kumar Mishra, aged 50 years is the Promoter and Managing Director of the company. He has pursued Bachelor in Technology (Chemical Technology) in the year 1990 from HBTI, Kanpur. He is having experience of over 20 years in the field of trading and manufacturing of various types of flexible packaging materials. He had started the business initially under the name of M/S Ashawari oil mills pvt ltd in the year 1992. In the year 1997, He joined Karan textiles and the firm had distributorship of Micro Inks (now known as huber group). In the year 2003 he formed a partnership firm under the name and style of M/S Hindustan Monochem Industries for manufacturing of detergents, which later on started manufacturing of printing inks in the year 2006. In the mean while in the year 2004 he also incorporated a company named as M/S Shriya Chem Enterprises Pvt Ltd and started trading of packaging material like ink, polyester films of various grades, adhesives etc. In the year 2014 the name of the company was changed to Vibrant Inks Pvt. Ltd followed by a merger of Hindustan Monochem Industries in the said company. The name of the company was again changed to Hindustan Flex Pvt Ltd and then subsequently to M/S Hindustan Flex Ltd in the year 2016. He has the capabilities to ensure materialization of innovative ideas at par with the customer expectation or beyond. He is advising his whole team on strategic matters and policies.

Mr. Karan Katyan, aged 26 years is son of Mr. Alok Kumar Mishra and he was inducted in the company as a Director in the year 2015. He has pursued his B. Tech in Printing Technology with specialization in the Ink Field from Manipal Institute of Technology in the year 2015. He is currently working as a Whole Time Director and looks after entire management including Procurement, Production & Marketing with the help of his team. He is a young and dynamic person having enthusiasm to meet challenging opportunities.

Mrs. Sapna Talreja, aged 48 years is an Independent Director of the company. She is a Graduate (Hons) in Psychology & Economics from university of Kanpur in the year 1991. She has been successfully running a business in the field of Fashion designing for the past 10 years.

Mr. Vinod Kumar Dixit, aged 67 Years is M. A (Economics), M. Com, B.ED & L.L.B form Kanpur University. He has been practicing as an advocate in Civil Court (Kanpur Nagar) for the last 40 Years. He has been teaching Company accounts for the past 30 Years and is associated with Top Schools & Colleges in Kanpur like Chitra Degree College Kanpur, Sanatam Dharm inter College, JKMK Inter College Kanpur & D N College Fatehgarh. His vast knowledge in law and accounts has guided him to advise corporates in and around Kanpur regarding Financial Matters.

Mr. Surya Prasad Pandey: aged 68 years is an Independent Director of the company. He has completed his master graduation in Physics from Kanpur University in the year 1972. After that he joined Bank of India and was responsible for managing bank branches till the year 1997. After that he was sent on deputation as Vigilance officer and General Manager of Farrukhabad Gramin Bank. Lastly, he was Lead District Manager in BOI at Kannauj. He took voluntary retirement in the year 2000.

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 Extraordinary General Meeting held on September 01, 2017 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 25 Crore.

Confirmations

There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.

The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.

None of the Directors is or was a director of any listed company during the last five years preceding the date of filing of this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in any such Company.

None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such Company.

Nature of Family Relationship among Directors

As on date, none of the key managerial personnel is having family relation with each other excepting for the relationships given below and hence they are relatives within the meaning of section 2(77) of the Companies Act, 2013.

| Name of Key Managerial Personnel | Relationship | Designation |
|----------------------------------|--------------------------|---------------------|
| Mr.Alok Kumar Mishra | Father | Managing Director |
| Mr.Karan Katyan | Son of Alok Kumar Mishra | Whole Time Director |

Remuneration to our Directors

Details of remuneration paid to our Directors during fiscal year 2018 are set for the in the table below:

| Sr. No. | Name of Director | Remuneration (₹ in Lakhs) |
|---------|----------------------|---------------------------|
| 1) | Mr.Alok Kumar Mishra | ₹48.00 Per Annum |
| 2) | Mr. Karan Katyan | ₹18.00 Per Annum |

Terms of Appointment of our Directors

Executive Directors

The following Executive Directors were appointed by our Board and by passing shareholders resolution in the EGM respectively :

| Name | Designation | Period | Date of Appointment | Remuneration |
|----------------------|-------------------|-----------------------------------|---------------------|-------------------------|
| Mr.Alok Kumar Mishra | Managing Director | Appointed for a period of 3 years | June 15,2018 | ₹ 48.00 lakhs per annum |

| | | | | |
|------------------|---------------------|--------------------|----------------|----------------------|
| Mr. Karan Katyan | Whole-Time Director | Retire By Rotation | August 10,2018 | ₹ 18 lakhs per annum |
|------------------|---------------------|--------------------|----------------|----------------------|

There is no definitive and /or service agreement that has been entered into between our Company and the directors in relation to their appointment.

Non-Executive Directors

Currently, non-executive Directors are not being paid any remuneration apart from payment of sitting fees. We also confirm that no remuneration being paid to Independent Directors apart from payment of sitting fees.

Shareholding of Directors in our Company

Other than the following, none of our Directors holds any Equity Shares as of the date of filing this Draft Prospectus:

| Name of Director | Number of Equity Shares held | Percentage of pre-Issue capital |
|-----------------------|------------------------------|---------------------------------|
| Mr. Alok Kumar Mishra | 3,467,757 | 81.65% |

Our Directors do not hold any outstanding vested options, pursuant to the employee stock option scheme implemented by our Company.

Our Articles of Association do not require our Directors to hold any qualification shares.

Changes in our Board of Directors during the last three (3) years.

There is a change in our Board of Directors during last three years and the details are as under:

| Particulars | DIN | Address | Date of Resignation | Resignation |
|----------------------|----------|--|---------------------|---|
| Mrs. Nisha Mishra | 00673782 | 119/449 Darshan Purwa, Ramkishan Nagar, Fazal ganj , Kanpur-208012 | May 18,2018 | On account of Personal Commitments and other Pre-Occupation |
| Mr. Shwetank Agarwal | 06363144 | House no 70, B- Block, Shyam Nagar, Kanpur, 208013 | February 03,2018 | On account of Personal Commitments and other Pre-Occupation |
| Mr. Vineet Dixit | 08136642 | 237, Newada Saina ,Kanpur-209 205 | July 27,2018 | On account of Personal Commitments and other Pre-Occupation |
| Mrs. Sushma Shukla | 07186795 | Gumti no 5, Darshanpurwa, Kanpur-208012 | August 01, 2016 | On account of Personal Commitments and other Pre-Occupation |

| Particulars | DIN/PAN | Address | Designation | Date of Appointment |
|---------------------|----------|--|----------------------|---------------------|
| Mr. Vinod Dixit | 08191251 | 108/109 GandhiNagar,RK Nagar,Kanpur | Independent Director | July 27,2018 |
| Surya Prasad Pandey | 08182522 | 128/2/19,Yasoda Nagar,Kidwai Nagar,Kanpur- | Independent Director | July 27,2018 |

| | | | | |
|----------------------|----------|--|----------------------|---|
| | | 208 011 | | |
| Vineet Dixit | 08136642 | 237,Newada Saina,Kanpur - 209205 | Independent Director | May 30,2018 |
| Mr. Shwetank Agarwal | 06363144 | House no 70, B-Block, Shyam Nagar, Kanpur, 208013 | Executive Director | July 28,2016 |
| Sapna Talerja | 08145835 | 120/500,A Lajpat Nagar, HariHar Nath Shastri, Kanpur-208 005 | Independent Director | June 12,2018 |
| Karan Katyan | 07186785 | 119/449,Darshan Purwa,Kanpur | Whole Time Director | June 25,2015 he Appointed as an Additional Director in Vibrant Ink Private Ltd and Reappointed on 10 August 2018 as a Whole Time Director |

Interest of Directors

Our Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our Directors, please refer “*Remuneration to our Directors*” above.

Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

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 this Issue.

Except as stated in the chapter titled “*Related Party Transactions*” on page 121 of this Draft Prospectus, our Directors do not have any other interest in the business of our Company.

Bonus or Profit Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit sharing plan.

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 Five [5] Directors.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- 1.) Audit Committee;
- 2.) Nomination and Remuneration Committee;
- 3.) Stakeholders' Relationship Committee;

Details of each of these committees are as follows:

1.) Audit Committee;

Our Audit Committee was Re- constituted pursuant to resolution of our Board dated August 20,2018. The Audit Committee comprises of the following:

| Sr. No. | Name of Director | Designation | Independent / Non-Independent |
|---------|-----------------------|-------------|-------------------------------|
| 1. | Mr. Vinod Kumar Dixit | Chairman | Independent |
| 2. | Ms. Sapna Talreja | Member | Independent |
| 3. | Mr. Alok Kumar Mishra | Member | Non- Independent |

The Company Secretary is the secretary to the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C SEBI (LODR) Regulations, 2015

The role of the audit committee shall include the following:

- (a.) 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;
- (b.) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (c.) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (d.) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (i.) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (ii.) changes, if any, in accounting policies and practices and reasons for the same;
 - (iii.) major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv.) significant adjustments made in the financial statements arising out of audit findings;
 - (v.) compliance with listing and other legal requirements relating to financial statements;
 - (vi.) disclosure of any related party transactions;
 - (vii.) modified opinion(s) in the draft audit report;
- (e.) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

- (f.) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (g.) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h.) approval or any subsequent modification of transactions of the listed entity with related parties;
- (i.) scrutiny of inter-corporate loans and investments;
- (j.) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (k.) evaluation of internal financial controls and risk management systems;
- (l.) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (m.) 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;
- (n.) discussion with internal auditors of any significant findings and follow up there on;
- (o.) 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;
- (p.) 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;
- (q.) 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;
- (r.) to review the functioning of the whistle blower mechanism;
- (s.) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (t.) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The audit committee shall mandatorily review the following information:

- (a.) management discussion and analysis of financial condition and results of operations;
- (b.) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (c.) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (d.) internal audit reports relating to internal control weaknesses; and
- (e.) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (f.) statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) annual statement of funds

utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

2.) Nomination and Remuneration Committee

The Nomination and Remuneration committee was Re-constituted by a resolution of our Board dated August 20,2018 . The constitution of the Nomination and Remuneration committee presently is as follows:

| Sr. No. | Name of Director | Designation | Independent / Non-Independent |
|---------|-------------------------|-------------|-------------------------------|
| 1 | Mr. Surya Prasad Pandey | Chairman | Independent |
| 2 | Ms. Sapna Talreja | Member | Independent |
| 3 | Mr. Vinod Kumar Dixit | Member | Independent |

The Company Secretary is the secretary to the Nomination and Remuneration Committee.

The scope, functions and the terms of reference of the Nomination and Remuneration Committees 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.

The terms of reference of Nomination and Remuneration Committee shall include the following:

- (a.) 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;
- (b.) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (c.) Devising a policy on diversity of board of directors;
- (d.) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (e.) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

3.) Stakeholders' Relationship Committee

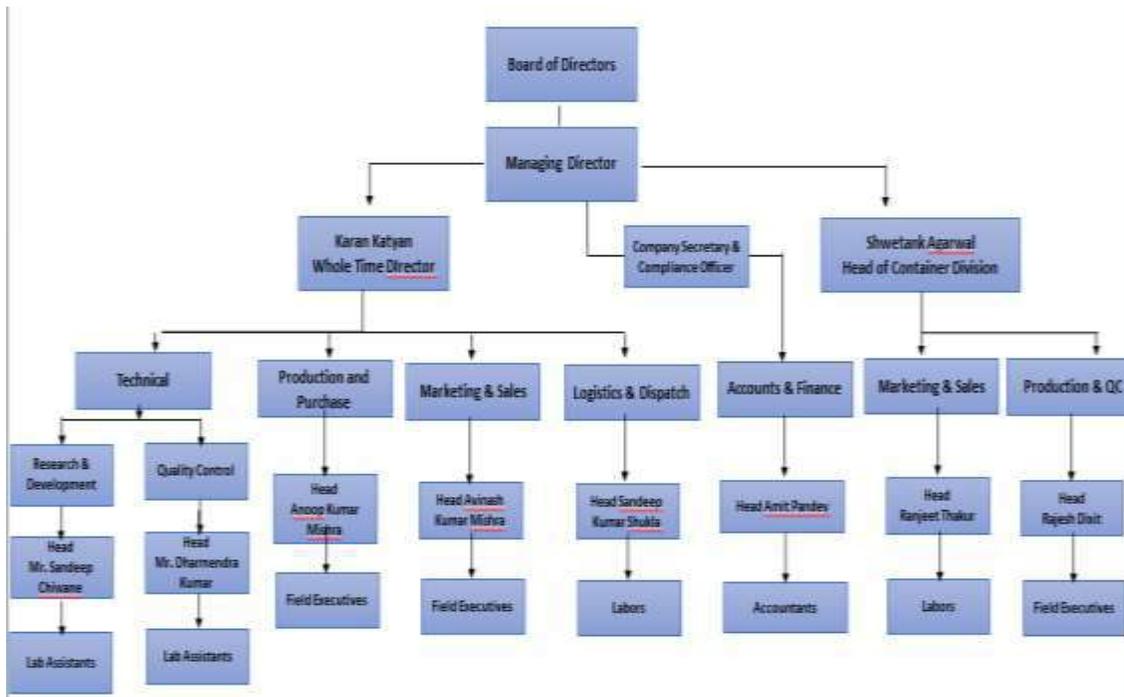
The Stakeholders' Relationship Committee was Re-constituted by a resolution of our Board dated August 20,2018. The constitution of the Stakeholders' Relationship committee is as follows:

| NAME | Independent / Non-Independent | Designation |
|-----------------------|-------------------------------|-------------|
| Mr. Vinod Kumar Dixit | Independent Director | Chairman |
| Ms. Sapna Talreja | Independent Director | Member |
| Mr. Alok Kumar Mishra | Non-Independent Director | Member |

The Company Secretary is the secretary to the Nomination and Remuneration Committee.

This Committee is responsible for the redressal of the grievances of the security holders including complaints relate to transfer of shares, non-receipt of annual report and non-receipt of dividend. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act read with Regulation 20 of the Listing Regulations.

MANAGEMENT ORGANIZATION STRUCTURE



Our Key Managerial Personnel

Our Company is managed by its Board of Directors, assisted by qualified professionals, in the respective field of administration / finance / distribution / marketing and corporate laws.

In addition to our Managing Director Mr. Alok Kumar Mishra , following key personnel assist the management of our Company:

Brief Profile of Key Managerial Personnel:

Mr. Alok Kumar Mishra

Mr. Alok Kumar Mishra aged 50 years is the Promoter and Managing Director of the company. He has pursued Bachelors in Technology (Chemical Technology) in the year 1990 from HBTI Kanpur.. He is having experience of over 20 years in the field of trading and manufacturing of various types of flexible packaging materials. He had started the business initially under the name of M/S Ashawari Oil Mills Pvt Ltd in the year 1992. In the year 1997 he joined Karan textiles and the firm had distributorship of Micro Inks (now known as Huber Group). In the year 2003 he formed a partnership firm under the name and style of M/S Hindustan Monochem Industries for manufacturing of detergents, which later on started manufacturing of printing inks in the year 2006. In the mean while in the year 2004 he also incorporated a company named as M/S Shriya Chem Enterprises Pvt Ltd and started trading of packaging material like ink, polyester films of various grades, adhesives etc. In the year 2014 the name of the company was changed to Vibrant Inks Pvt Ltd followed by a merger of Hindustan Monochem Industries in the said company. The name of the company was again changed to Hindustan Flex Pvt Ltd and then subsequently to M/S Hindustan Flex Ltd in the year 2016. Mr. Alok has the capabilities to ensure materialization of innovative ideas at par with the customer expectation or beyond. He is advising his whole team on strategic matters and policies. With his efforts, the company has become a leading supplier of Printing Ink in the state of Uttar Pradesh.

Mr. Karan Katyan

Mr. Karan Katyan aged 26 years, is son of Mr Alok Kumar Mishra and he was inducted in the company as a Director in the year 2015. He has pursued his B. Tech in Printing Technology with specialization in the Ink Field from Manipal Institute of Technology in the year 2015 .He is currently working as a Whole Time Director and looks after entire management including Procurement, Production & Marketing with the help of his team. He is a young and dynamic person having enthusiasm to meet challenging opportunities.

Ms. Upasana Mishra

Ms. Upasana Mishra aged 27 years, has completed her graduation in commerce from Chhatrapati Shahu Ji Maharaj University, Kanpur and also completed her Masters In Commerce from Chhatrapati Shahu Ji Maharaj University, Kanpur. She has also worked with Company Secretaries' offices viz GSK & Associates, Kanpur. She joined as an Associate Company Secretary from 01.12.2016 to 31.03.2018. She is a sincere, honest and hardworking employee. Presently she has been appointed as a Company Secretary & Compliance Officer in our company. Her remuneration will be of ₹ 3 Lacs per annum. She is currently handling Secretarial work of the organisation

Status of Key Managerial Personnel

All our Key managerial personnel are permanent employees of our Company.

Family Relationship between Key Managerial Personnel

As on date, none of the key managerial personnel is having family relation with each other excepting for the relationships given below:

| Name of Key Managerial Personnel | Designation | Family Relationship |
|---|--------------------|---|
| Mr.Alok Kumar Mishra | Managing Director | Wife –Mrs.Nisha Mishra Son - Mr.Karan Katyan, Yashraj Katyan |
| Mr.Karan Katyan | Wholetime Director | Father- Mr.Alok Kumar Mishra Mother –Mrs. Nisha Mishra |

Arrangements and Understanding with major Shareholders

None of our key managerial personnel have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Shareholding of the Key Managerial Personnel

Except Mr.Alok Mishra , Managing Director and Mr.Karan Katyan, and Whole Time Director , of the Company holding Equity Shares and 1155919 3467757 Equity Shares and whereas Mr. Karan Katyan holds Nil Equity Shares, as on date, none of the key managerial persons are holding Equity Shares of our Company.

Bonus or Profit Sharing Plan for the Key Managerial Personnel

There is no profit sharing plan for the key managerial personnel. Our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

Loans to Key Managerial Personnel

There is no loan outstanding against key managerial personnel as on date of this Draft Prospectus.

Interest of Key Managerial Personnel

Except as disclosed in this Draft Prospectus, none of our Key Managerial Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Changes in Key Managerial Personnel of our Company during the Last Three (3) Years

For details of changes regarding our Promoter and Managing Director during last three years please refer chapter titled “*Our Management*” on page 105 of this Draft Prospectus.

There is change in the key managerial personnel of our Company during the last three (3) years

(₹ in Lakhs)

| Name of the Company Secretary | Date of Appointment | Annual Remuneration |
|-------------------------------|---------------------|---------------------|
| Ms. Upasana Mishra | July 25,2018 | 3.00 |

Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Draft Prospectus.

Payment or Benefit to our Officers

Except for the payment of normal remuneration for the services rendered in their capacity as employees of our Company, no other amount or benefit has been paid or given within the two (2) preceding years or intended to be paid or given to any of them.

Employees

The details about our employees appear under the Paragraph titled “*Our Business*” beginning on page 78 of this Draft Prospectus.

OUR PROMOTERS/PROMOTER GROUP

The Promoters of our Company are:

Mr. Alok Kumar Mishra

| | |
|---|--|
|  | <p>Mr. Alok Kumar Mishra aged 50 years is the Promoter and Managing Director of the company. He has pursued Bachelors in Technology (Chemical Technology) in the year 1990 from HBTI , Kanpur. He is having experience of over 20 years in the field of trading and manufacturing of various types of flexible packaging materials. He had started the business initially under the name of M/S Ashawari Oil Mills Pvt Ltd in the year 1992. In the year 1997, he joined Karan Textiles and the firm had distributorship of Micro Inks (now known as Huber group). In the year 2003, he formed a partnership firm under the name and style of M/S Hindustan Monochem Industries for manufacturing of detergents, which later on started manufacturing of printing inks in the year 2006. Simultaneously , in the year 2004 he also incorporated a company named as M/S Shriya ChemEnterprises Pvt Ltd and started trading of packaging material like ink, polyester films of various grades, adhesives etc. He has the capabilities to ensure materialization of innovative ideas at par with the customer expectation or beyond. He is advising his whole team on strategic matters and policies.</p> |
|---|--|

| | |
|---------------------------------|--|
| Address | C-16, Sarvodaya Nagar, Hans Nagar, Kanpur 208005 |
| Occupation | Business |
| Permanent Account Number | ACWPM6507G |
| Passport No | J3334436 |

Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, Bank account number and Passport number of the Promoters will be submitted to the SME Platform of BSE Ltd., where the equity shares of our Company are proposed to be listed at the time of submission of this Draft Prospectus.

Common Pursuits of our Promoters

None of our Promoters are engaged in the similar line of activities.

For more details please refer to our chapter titled “*Our Promoters and Promoter Group*” on page 113 of this Draft Prospectus respectively. We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Interest of the Promoters

Our promoters are interested in our Company to the extent that they have promoted the Company, to the extent of their shareholding, for which they are entitled to receive the dividend declared, and other distribution in respect of Equity Shares if any, by our Company. For details on shareholding of our Promoter in our Company, please refer sections “*Capital Structure*” and “*Our Management*” on pages 42 and 105 respectively of this Draft Prospectus.

Further, our Promoters who are also our Directors may be deemed to be interested to the extent of fees, remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, 2013, terms of the Articles and their terms of appointment.

Except as stated herein and as stated in “*Annexure- XXIX -Related Party Transactions*” appearing under section titled “*Financial Information*” of the Company beginning on page 139 of this Draft Prospectus, we have not

entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Interest in the property of Our Company

Our promoters have no interest in any property acquired or proposed to be acquired by our company within the two years from the date of this Draft Prospectus, or in any transaction by our company.

Payment amounts or benefit to our Promoters during the last two years

No payment made by company to any promoter(s) except those disclosed elsewhere in this Draft Prospectus.

Please refer the chapter titled “*Our Management*”, “*Financial Information*” and “*Capital Structure*” on page nos. 105, 123 and 42 respectively of this Prospectus. Further as on the date of this Draft Prospectus, there is no bonus or profit sharing plan for our Promoters.

For details of legal and regulatory proceedings involving our Promoter, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 149 of this Draft Prospectus. Our Promoters have not been declared willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

Other ventures of our Promoters

Save and except as disclosed in the chapter titled “*Our Promoters and Promoter Group*” and “*Group Companies / Entities*” beginning on page 117 & 119 respectively of this Draft Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” on page 149 of this Draft Prospectus.

Shareholding of the Promoters and Promoter Group in our Company

Except as disclosed in our chapter titled “*Capital Structure*”, none of the members of our Promoter Group hold any Equity Shares as on the date of filing of this Draft Prospectus.

Related Party Transactions

For the transactions with our Promoter Group entities, please refer to chapter titled “*Related Party Transactions*” on page 121 of this Draft Prospectus.

Except as stated in “*Related Party Transactions*” on page 121 of this Draft Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

Companies with which the Promoters are disassociated in the last three years

None of the promoter of the company have disassociated in the last three years.

Our Promoter Group

In addition to the Promoters of our Company, the following individuals and entities form a part of the Promoter Group.

1.) Individuals forming part of Promoter Group

In terms of SEBI (ICDR) Regulations, the following immediate relatives, due to their relationship with our Promoters are part of our Promoter Group in terms of Regulation 2(1) (za) & (zb) (ii) of SEBI (ICDR) Regulations

| Relationship | Alok Kumar Mishra |
|-----------------|---------------------|
| Father | - |
| Mother | Rani Devi Mishra |
| Spouse | Nisha Mishra |
| Brother | Avinash Mishra |
| | Sushil Kumar Mishra |
| Sister | Manju Shukla |
| | Saroj Shukla |
| | Sushma Shukla |
| Son | Karan Katyan |
| | Yashraj Katyan |
| Daughter in law | Krati Katyan |
| Daughter | Shriya Mishra |
| Spouse Mother | - |
| Spouse Father | - |
| Spouse Brother | Manoj Mishra |
| Spouse Sister | - |
| | - |
| | - |

2.) Entities forming part of the Promoter Group

The following entities form part of our Promoter Group pursuant to the terms of Regulation 2(1) (zb) (iv) of SEBI (ICDR) Regulations.

No, entities forming part of the Promoter Group.

3.) Payment of benefits to Promoter Group

No payment has been made or benefit given to our Promoter Group in the two years preceding the date of this Draft Prospectus except as mentioned / referred to in this chapter and in the chapter titled “*Our Management*”, “*Financial Information*” and “*Capital Structure*” on page nos. 105, 123 and 62 respectively of this Draft Prospectus.

Group Companies/Entities

Pursuant to the requirement of SEBI ICDR Regulations, the Group Companies includes entities covered under the applicable accounting standards, being AS 18 (as identified under the Restated Financial Statements) and also other entities as considered material by the Board of the Company.

There is no materiality policy with respect to Our Group Entities / company since we do not have any such entity or Company as on the date of this Draft Prospectus.

GROUP ENTITIES

No Group Entities created or acquired or demerged by our promoter or Promoter Group.

Related Party Transactions

For details on related party transactions please refer to '*Financial Statements, as Restated- Annexure XXIX- Restated Statement of Related Parties Transactions*' on page 139 of this Prospectus.

Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

For details, please see '*Financial Statements, as restated-Annexure XXIX- Restated Statement of Related Parties Transactions*' on page 139 of this Prospectus.

Unsecured Loans extended to our Company, by our Company

For details, please refer to the chapters titled *Financial Statements, as restated – Annexure XXIX– Restated Statement of Related Parties Transactions* on page 139.

Common Pursuits amongst the Group Companies with our Company

None

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to *Annexure XXIX* of *Restated Financial Statement* under the section titled '*Financial Statements*' beginning on page 139 of this Draft Prospectus.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The Shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The Dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous financial years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

SECTION V - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Independent Auditor's Report on Restated Financial Statements

Independent Auditor's Report as required by section 26 of the Companies Act, 2013 read with rule 4 of Companies (Red Herring Prospectus and Allotment of Securities) Rules, 2014

To,
The Board of Directors
Hindustan Flex Limited,
123/57, Saresh Bagh,
Kanpur

Dear Sir,

We have examined the attached restated summary statement of assets and liabilities of Hindustan Flex Limited (hereinafter referred to as 'the Company') as at March 31, 2018, 2017, 2016, 2015, and 2014, restated summary statement of profit and loss and restated summary statement of cash flows for the year ended on March 31, 2018, 2017, 2016, 2015 and 2014 and the summary of significant accounting policies, read together with the annexure and notes thereto and other restated financial information explained in paragraph 7 below (collectively, the "restated summary statement" or restated financial statement"), annexed to this report and initialed by us for identification purposes. These restated financial statements have been prepared by the management of the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) on SME Platform of BSE Ltd ("BSE").

1. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) Sub-clauses (i) and (iii) of clause (b) of - section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI")
2. We have examined such restated financial statements taking into consideration:
 - (i) The terms of reference to our engagement letter with the Company requesting us carry out the assignment, in connection with the Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Ltd. ("IPO" or SME IPO); and
 - (ii) The Guidance Note on Reports on Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. The restated financial statement of the Company have been extracted by the management from the audited financial statements of the Company for the year ended on March 31st, 2018, 2017, 2016, 2015 and 2014 and prepared in accordance with Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules 2014, and the other relevant provisions of the Act which has been approved by the Board of Directors at their Board Meeting held on 10.08.2018.
4. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- (i) The “restated statement of asset and liabilities “of the Company as on March 31st, 2018, 2017, 2016, 2015 and 2014 examined by us, as set out in Annexure I to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (ii) The “restated statement of profit and loss” of the Company for the year ended on March 31st, 2018, 2017, 2016, 2015 and 2014 examined by us, as set out in Annexure II to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (iii) The “restated statement of cash flows” of the Company for the year ended on March 31st, 2018, 2017, 2016, 2015 and 2014 examined by us, as set out in Annexure III to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
5. Based on our examination, we are of the opinion that restated financial statements have been prepared :
- a) Using consistent accounting policies for all the reporting periods.
 - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - d) There are no audit qualifications in the audit reports issued by the statutory auditors for the year ended on March 31st, 2018, 2017, 2016, 2015 and 2014 which would require adjustments in this restated financial statements of the Company.
6. Audit for the year ended on March 31st, 2018 was conducted by us and for the year ended on March 31st, 2017, 2016, 2015 and 2014 by M/s Mukesh Srivastava & Co., Chartered Accountants (FRN 004978 C). The financial report included for these period is based solely on the report submitted by them. Further financial statements for year ended on March 31, 2017 have been re-audited by us as per the relevant guidelines.
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the year ended on March 31st, 2018, 2017, 2016, 2015 and 2014 proposed to be included in the Prospectus / Prospectus (“Offer Document”).

Annexure to restated financial statements of the Company:-

1. Summary statement of Assets and Liabilities, as restated as appearing in *Annexure I*;
2. Summary statement of Profit and Loss, as restated as appearing in *Annexure II*;
3. Summary statement of Cash Flow, as restated as appearing in *Annexure III*;

4. Significant Accounting Policies, as restated as appearing in Annexure IV;
5. Details of share capital, as restated as appearing in *Annexure V* to this report;
6. Details of Reserves and Surplus, as restated as appearing in *Annexure VI*, to this report;
7. Details of long term borrowings, as restated as appearing in *Annexure VII*, to this report;
8. Details of deferred tax asset/liability, as restated as appearing in *Annexure VIII*, to this report;
9. Details of long term liabilities, as restated as appearing in *Annexure IX*, to this report;
- 10 Details of long term Provisions, as restated as appearing in *Annexure X*, to this report;
- 11 Details of short term borrowings, as restated as appearing in *Annexure XI*, to this report;
- 12 Details of trade payables, as restated as appearing in *Annexure XII*, to this report;
- 13 Details of other current liabilities, as restated as appearing in *Annexure XIII*, to this report;
- 14 Details of short term Provisions, as restated as appearing in *Annexure XIV*, to this report;
- 15 Details of fixed assets, as restated as appearing in *Annexure XV*, to this report;
- 16 Details of Long term Loans & Advances, as restated as appearing in *Annexure XVI*, to this report
- 17 Details of inventories, as restated as appearing in *Annexure XVII*, to this report
- 18 Details of trade receivables, as restated as appearing in Annexure XIII, to this report
- 19 Details of cash & cash equivalents, as restated as appearing in *Annexure XIX*, to this report
- 20 Details of short term loans and advances, as restated as appearing in *Annexure XX*, to this report
- 21 Details of revenue from operations, as restated as appearing in *Annexure XXI*, to this report
- 22 Details of other income, as restated as appearing in *Annexure XXII*, to this report
- 23 Details of Purchase/Consumption, as restated as appearing in *Annexure XXIII*, to this report
- 24 Details of Increase/decrease in WIP & Finished goods, as restated as appearing in *Annexure XXIV*, to this report
- 25 Details of Employee Benefit Expenses, as restated as appearing in *Annexure XXV*, to this report
- 26 Details of Finance Cost, as restated as appearing in *Annexure XXVI*, to this report
- 27 Details of Depreciation & Amortization Expenses, as restated as appearing in *Annexure XXVII*, to this report
- 28 Details of Other Expenses, as restated as appearing in *Annexure XXVIII*, to this report
- 29 Details of related party transactions, as restated as appearing in *Annexure XXIX*, to this report

- 30 Summary of significant accounting ratios as restated as appearing in *Annexure XXX*, to this report.
 - 31 Reconciliation of Restated Profit as appearing in *Annexure XXXI*, to this report
 - 32 Statement of tax shelters as restated as appearing in *Annexure XXXII* to this report.
8. The report should not in any way be construed as re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any the financial statements referred to therein.
 9. We have no responsibility to update our report for events and circumstances occurring after the date report.
 10. In our opinion, the above financial information contained in *Annexure I to XXXII* of this report read with the respective significant accounting policies and notes to restated summary statements as set out in *Annexure IV* are prepared after making adjustment and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not used, referred to or adjusted for any other purpose except with our consent in writing.

For Shashi Dinesh & Co.
Chartered Accountants
FRN 004975 C

Sudhir Kapoor
Partner
M NO. 073456
Place : Kanpur
Dated : 10.08.2018

**Annexure I
STATEMENT OF ASSETS AND LIABILITIES**
(₹ in lacs)

| Particulars | As at 31st March | | | | |
|--|------------------|----------------|---------------|--------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| I. EQUITY & LIABILITIES | | | | | |
| (1) Shareholder's Funds | | | | | |
| (a) Share Capital | 283.14 | 283.14 | 75.00 | 58.57 | 50.00 |
| (b) Reserves and Surplus | 221.95 | 115.99 | 29.34 | 18.77 | 14.54 |
| (2) Share Application Money Pending Allotment | 0.00 | 0.00 | 0.00 | 0.00 | 23.02 |
| (3) Non-Current Liabilities | | | | | |
| (a) Long Term Borrowings | 187.98 | 85.29 | 54.89 | 0.00 | 0.00 |
| (b) Deferred Tax Liability (Net) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (c) Other Long Term Liabilities | 232.50 | 9.45 | 192.75 | 0.00 | 0.00 |
| (d) Long Term Provisions | 1.95 | 0.90 | 0.00 | 0.00 | 0.00 |
| (4) Current Liabilities | | | | | |
| (a) Short Term Borrowings | 445.78 | 276.99 | 138.56 | 0.00 | 0.00 |
| (b) Trade Payables | 262.96 | 602.57 | 340.68 | 0.00 | 0.00 |
| (c) Other Current Liabilities | 38.03 | 11.76 | 11.90 | 4.47 | 0.35 |
| (d) Short Term Provisions | 34.81 | 5.34 | 3.72 | 0.65 | 0.00 |
| TOTAL | 1709.10 | 1391.43 | 846.84 | 82.46 | 87.91 |
| II. ASSETS | | | | | |
| (1) Non-Current Assets | | | | | |
| (a) Fixed Assets | | | | | |
| - Tangible Assets | 593.78 | 223.04 | 173.42 | 70.68 | 73.49 |
| - Intangible Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| - Capital Work in Progress | 5.20 | 43.52 | 0.00 | 0.00 | 0.00 |
| (b) Non-Current Investments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (c) Long Term Loans And Advances | 9.57 | 43.52 | 7.19 | 0.00 | 0.00 |
| (d) Deferred Tax Asset | 0.00 | 5.75 | 1.85 | 0.82 | 0.52 |
| (e) Other Non-Current Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (2) Current Assets | | | | | |
| (a) Inventories | 290.36 | 287.99 | 153.44 | 0.00 | 0.74 |
| (b) Trade Receivables | 701.13 | 699.18 | 465.64 | 0.00 | 0.00 |
| (c) Cash & Cash Equivalents | 49.20 | 49.48 | 34.10 | 3.01 | 1.97 |
| (d) Short-Term Loans And Advances | 59.86 | 38.95 | 11.20 | 7.95 | 11.19 |
| TOTAL | 1709.10 | 1391.43 | 846.84 | 82.46 | 87.91 |

**ANNEXURE II:
STATEMENT OF PROFIT AND LOSS AS RESTATED**
(₹ in lacs)

| Particulars | For the year ended on 31st March | | | | |
|---|----------------------------------|----------------|----------------|--------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| REVENUE: | | | | | |
| Revenue From Operations | | | | | |
| Sale of Manufactured Products (Net of Taxes) | 2048.62 | 1564.12 | 1177.41 | 0.00 | 0.00 |
| Sale of Traded Products (Net of Taxes) | 0.00 | 0.00 | 0.00 | 11.57 | 16.36 |
| Total Sales | 2048.62 | 1564.12 | 1177.41 | 11.57 | 16.36 |
| Other Income | 13.14 | 2.14 | 4.00 | 19.18 | 7.08 |
| Total Revenue | 2061.76 | 1566.26 | 1181.41 | 30.75 | 23.44 |
| Expenses: | | | | | |
| Cost of Material Consumed | 1654.89 | 1332.97 | 1063.40 | 8.76 | 14.71 |
| Change In Inventories of WIP and Finished Goods | -33.27 | -40.65 | -42.87 | 0.74 | -0.33 |
| Employee Benefit Expenses | 114.80 | 123.51 | 49.40 | 9.84 | 4.20 |
| Finance Costs | 46.22 | 27.85 | 47.09 | 0.02 | 0.02 |
| Depreciation & Amortization Expenses | 50.68 | 34.50 | 23.10 | 2.81 | 2.18 |
| Other Expenses | 81.80 | 80.92 | 33.48 | 7.43 | 2.09 |
| Total Expenses | 1915.12 | 1559.10 | 1173.60 | 29.60 | 22.87 |
| Profit Before Exceptional, Extraordinary Items and Tax | 146.64 | 7.16 | 7.81 | 1.15 | 0.57 |
| Less: Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit Before Extraordinary Items and Tax | 146.64 | 7.16 | 7.81 | 1.15 | 0.57 |
| Extraordinary Items | 0.00 | 0.00 | 0.14 | 0.00 | 0.00 |
| Profit Before Tax | 146.64 | 7.16 | 7.67 | 1.15 | 0.57 |
| Tax Expenses: | | | | | |
| Current Tax | 34.93 | 7.67 | 3.72 | 0.65 | 0.11 |
| MAT Credit Entitlement | 0.00 | 0.00 | 0.00 | 0.00 | -0.11 |
| Deferred Tax | 5.76 | -3.90 | -1.03 | -0.30 | 0.00 |
| Profit After Tax | 105.95 | 3.39 | 4.98 | 0.80 | 0.57 |
| No. of Equity Shares | 2831431 | 2831431 | 750000 | 585715 | 500000 |
| Earning per Equity Share: | | | | | |
| (1) Basic | 3.74 | 0.12 | 0.66 | 0.14 | 0.11 |
| (2) Diluted | 3.74 | 0.33 | 0.78 | 0.16 | 0.11 |

**ANNEXURE III:
CASH FLOW STATEMENT AS RESTATED**
(₹ in Lakhs)

| Sr.No. | Particulars | For the year ended on 31st March | | | | |
|----------|---|----------------------------------|-----------------|-----------------|---------------|--------------|
| | | 2018 | 2017 | 2016 | 2015 | 2014 |
| A | CASH FLOW FROM OPERATING ACTIVITIES | | | | | |
| | Net Profit Before Tax | 146.64 | 7.16 | 7.67 | 1.15 | 0.57 |
| | Adjustments for: | | | | | |
| | Depreciation | 50.68 | 34.50 | 23.10 | 2.81 | 2.18 |
| | Interest Expenses | 40.38 | 22.39 | 42.21 | 0.00 | 0.00 |
| | Deferred Tax | 5.76 | (3.92) | 1.03 | 0.30 | (0.00) |
| | Interest Income | 2.37 | 2.06 | (2.18) | 0.00 | 0.00 |
| | Profit on sale of Car | 7.10 | 0.00 | (0.24) | 0.00 | 0.00 |
| | Operating Profit before Working Capital Changes | 233.99 | 58.06 | 71.58 | 4.26 | 2.75 |
| | Adjustments for: | | | | | |
| | Inventories | (2.37) | (134.55) | (153.44) | 0.74 | (0.33) |
| | Trade Receivables | (1.95) | (233.55) | (465.64) | 0.00 | 5.63 |
| | Long Term Loans & Advances | 33.95 | (36.33) | (7.20) | 0.00 | 0.13 |
| | Short Term Loans & Advances | (21.04) | (27.76) | 138.56 | 0.00 | (0.39) |
| | Long Term Provisions | 1.05 | 0.90 | 8.94 | 0.72 | 0.00 |
| | Short Term Borrowings | 159.34 | 138.43 | 340.68 | 0.00 | (7.62) |
| | Trade Payables | (339.61) | 261.89 | 1.56 | 4.05 | (3.65) |
| | Other Current Liabilities | 26.26 | 1.49 | (3.25) | 3.24 | (4.48) |
| | Deffered tax Assets | (5.76) | 3.92 | (1.03) | (0.30) | 0.00 |
| | Cash generated from Operations | 83.87 | 32.50 | -69.24 | 12.71 | -7.95 |
| | Less: Income Tax Paid | 5.34 | 7.67 | 3.72 | 0.65 | 0.00 |
| | Net Cash flow from Operating Activities (A) | 78.53 | 24.83 | -72.96 | 12.06 | -7.95 |
| B | CASH FLOW FROM INVESTING ACTIVITIES | | | | | |
| | Purchase of Fixed Assets | (275.60) | (114.54) | (127.70) | 0.00 | 0.00 |
| | C.W.I.P. | (134.56) | (13.08) | 0.00 | 0.00 | 0.00 |
| | Sale of Fixed Assets | 34.16 | 0.00 | 2.10 | 0.00 | 0.00 |
| | Interest Income | 2.37 | 2.06 | 2.18 | 0.00 | 0.00 |
| | Net Cash used in Investing Activities (B) | (373.63) | (125.56) | (123.41) | 0.00 | 0.00 |
| C | CASH FLOW FROM FINANCING ACTIVITIES | | | | | |
| | Increase In Share Capital | 0.00 | 208.14 | 16.43 | 8.57 | 23.02 |
| | Securities Premium receipts | 0.00 | 83.26 | 5.60 | 3.43 | 0.00 |
| | Long Term Borrowings | 335.20 | (152.91) | 247.64 | (23.02) | (14.00) |
| | Other Long Term Liabilities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Interest Expenses | (40.38) | (22.38) | (42.21) | 0.00 | 0.00 |
| | Net Cash used in Financing Activities (C) | 294.82 | 116.11 | 227.46 | -11.02 | 9.02 |
| D | Net increase in Cash & Cash Equivalents (A+B+C) | -0.28 | 15.38 | 31.09 | 1.04 | 1.07 |
| E | Cash and cash equivalents at the beginning of the year | 49.48 | 34.10 | 3.01 | 1.97 | 0.90 |
| F | Cash and cash equivalents at the end of the year | 49.20 | 49.48 | 34.10 | 3.01 | 1.97 |

Annexure IV ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements

The restated summary statement of assets and liabilities of the Company as at March 31st 2018, March 31st 2017, March 31st 2016, March 31st 2015 and March 31st 2014 and the related restated statement of profit and loss and restated statement of cash flows for the year ending March 31st 2018, March 31st 2017, March 31st 2016, March 31st 2015 and March 31st 2014 (herein collectively referred to as ('restated summary statement') have been compiled by the management from the audited financial statement of the Company for the year ended on March 31st 2018, March 31st 2017, March 31st 2016, March 31st 2015 and March 31st 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) & (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 & 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 & 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.

2. Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and provisions of the Companies Act, 1956, as adopted consistently by the company.

The Company follows the Mercantile System of accounting and recognizes items of income and expenditure on accrual basis.

3. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses for the years presented. Actual results could differ from those estimates.

4. Recognition of Income and Expenditure

Sales are recognized when goods are supplied and are recorded net of returns/rebates and Sales Tax/VAT and inclusive of Excise Duty. GST has also been included in Sales in view of its introduction w.e.f 01.07.2017. Similarly, Purchases are also recognized inclusive of GST.

Expenses are accounted for on accrual basis and provision is made for all known losses and expenses.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

5. Fixed Assets and Depreciation

The Fixed Assets are stated at cost (Net of CENVAT and VAT where applicable) less accumulated depreciation.

Depreciation is provided on additions and deletions on pro-rata basis on Written down Method over the useful life of the asset in the manner specified in part C of Schedule II to the Companies Act, 2013. Costs related to repair and maintenance activities are expensed in the period in which they are incurred unless leading to an extension of the original lifetime or capacity which are capitalized.

6. Impairment of Assets

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from its ultimate disposal.

A provision for impairment loss is recognized where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset.

7. Inventories

Inventories are valued at lower of cost and net realizable value:-

| | | | |
|----|-----------------------------------|---|--|
| a. | Raw Materials | : | At Average Cost |
| b. | Finished Goods & Work in Progress | : | Includes conversion and other cost incurred in bringing the inventories to their present location and condition. |

8. Retirement Benefits

- a. The company contributes to the employees provident fund maintained under the Employees Provident Fund Scheme of the Central Government and the same is charged to Profit & Loss A/c.
- b. Gratuity is a post employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of Gratuity, is the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses. The defined benefit obligation is calculated at the close of the financial year on the basis of actuarial valuation by the independent Actuary, using Projected Unit Credit Method (PUC) and disclosures are in accordance with Ind AS 19. Actuarial gains & losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit & loss in the year in which such gains or losses arise.
- c. Liability arising out of Leave Encashment is provided in the books of accounts of the company in the year of its actual payment.

9. Insurance Claims

Insurance claims are accounted for at the time of lodging the claim with the Insurance company. In case claim amount is greater than the book value of the assets lost/damaged, the accounting of claim is restricted to the respective book values of the assets lost/damaged.

10. Taxation

Tax expense comprises of Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.

Deferred Tax is recognized, subject to the considerations of prudence, on timing differences, being the difference between taxable income that originate in one period and are capable of reversal in one or more subsequent periods.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which give futures economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the company.

11. **Foreign Currency Transactions**

All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

Monetary items in the form of Current Assets and Current Liabilities in foreign currency, outstanding at the close of the financial year are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.

12. **Contingent Liabilities**

Provision in respect of present obligation arising out of past events are made in accounts when reliable estimates can be made of the amount of the obligation. Contingent Liabilities, if material, are disclosed by way of Notes to Accounts.

13. **Borrowing Costs**

Borrowing costs attributable to acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the date when such asset is ready for its intended use. Other borrowing costs are charged to the Profit & Loss A/c.

14. **Current Vs non-current classification**

The Company presents its assets and liabilities in the balance sheet based on current/ non-current classification.

*** An asset is classified as current when it is**

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

*** A liability is current when :**

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities
Respectively.

15. **Capital Work in Progress**

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in

connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

16. Earnings Per Share

The earning considered in ascertaining the Company's earnings per Share (EPS) comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential diluted equity shares"

17. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferral or accruals of past or future cash receipts or payment. The cash flows from regular operating, investing and financing and activities of the Company are segregated.

18. Mat Credit Entitlement

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. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of Mat credit entitlement to the extent that there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

ANNEXURE V

Details of Share Capital

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|--|------------------|---------------|--------------|--------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| AUTHORIZED SHARE CAPITAL | 300.00 | 300.00 | 75.00 | 75.00 | 50.00 |
| Equity Share of ₹ 10.00 each | | | | | |
| Total | 300.00 | 300.00 | 75.00 | 75.00 | 50.00 |
| ISSUED, SUBSCRIBED & PAID UP SHARE CAPITAL | 283.14 | 283.14 | 75.00 | 58.57 | 50.00 |
| Equity Share of ₹ 10.00 each | | | | | |
| Total | 283.14 | 283.14 | 75.00 | 58.57 | 50.00 |

ANNEXURE VI

Details of Reserves & Surplus

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|--|------------------|---------------|--------------|--------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Securities Premium Reserve | | | | | |
| Balance brought forward | 92.29 | 9.02 | 3.43 | 0.00 | 0.00 |
| Add : Additions during the Year | 0.00 | 83.27 | 5.59 | 3.43 | 0.00 |
| Sub Total (A) | 92.29 | 92.29 | 9.02 | 3.43 | 0.00 |
| Surplus (Profit & Loss Account) | | | | | |
| Balance Brought Forward From Previous Year | 23.71 | 20.32 | 15.34 | 14.54 | 13.97 |
| Add: Profit for the year | 105.95 | 3.39 | 4.98 | 0.80 | 0.57 |
| Sub Total (B) | 129.66 | 23.71 | 20.32 | 15.34 | 14.54 |
| Total (A+B) | 221.95 | 115.99 | 29.34 | 18.77 | 14.54 |

**ANNEXURE VII
Details of Long Term Borrowings**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|------------------------------------|------------------|--------------|--------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Term Loan - from banks | | | | | |
| Term Loan (Bldg & P/M) | | | | | |
| Indusind Bank Loan A/c | 0.00 | 0.00 | 14.52 | 0.00 | 0.00 |
| SBI Bank (Term Loan A/c) | 157.67 | 50.59 | 0.00 | 0.00 | 0.00 |
| Total-(A) | 157.67 | 50.59 | 14.52 | 0.00 | 0.00 |
| Term Loan (Vehicle) | | | | | |
| Kotak Mahindra Car Loan – I | 0.00 | 27.44 | 33.26 | 0.00 | 0.00 |
| Indusind Bank (Rapid Car Loan) | 0.00 | 3.26 | 6.18 | 0.00 | 0.00 |
| HDFC Bank(Bolero Pickup Loan) | 0.00 | 0.00 | 0.93 | 0.00 | 0.00 |
| Kotak Mahindra Car Loan – II | 0.00 | 4.00 | 0.00 | 0.00 | 0.00 |
| Kotak Mahindra Bank (BMW Car Loan) | 30.31 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total-(B) | 30.31 | 34.70 | 40.37 | 0.00 | 0.00 |
| Grand Total-(A+B) | 187.98 | 85.29 | 54.89 | 0.00 | 0.00 |

**ANNEXURE VIII
Details of Deferred Tax Asset**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|---------------------------------------|------------------|-------------|-------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| <u>Deferred tax Liability (Asset)</u> | | | | | |
| Opening Balance | 5.75 | 1.85 | 0.82 | 0.52 | 0.52 |
| Due to depreciation | -5.75 | 3.92 | 1.03 | 0.30 | 0.00 |
| Total | 0.00 | 5.75 | 1.85 | 0.82 | 0.52 |

**ANNEXURE IX
Details of Other Long Term Liabilities**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|--------------------------------------|------------------|-------------|---------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Unsecured Loans from related parties | | | | | |
| Alok Kumar Mishra | 0.00 | 0.00 | 174.60 | 0.00 | 0.00 |
| Sushma Shukla | 0.00 | 0.00 | 18.15 | 0.00 | 0.00 |
| Karan Katyan | 107.50 | 9.45 | 0.00 | 0.00 | 0.00 |
| Total-(A) | 107.50 | 9.45 | 192.75 | 0.00 | 0.00 |
| Unsecured Loans others | | | | | |
| Satvik Polychem Pvt. Ltd. | 50.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Yug International A/c | 75.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total-(B) | 125.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total-(A+B) | 232.50 | 9.45 | 192.75 | 0.00 | 0.00 |

**ANNEXURE X
Details of Long Term Provisions**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|---------------------|------------------|-------------|-------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Retirement Benefits | 1.95 | 0.90 | 0.00 | 0.00 | 0.00 |
| Total | 1.95 | 0.90 | 0.00 | 0.00 | 0.00 |

**ANNEXURE XI
Details of Short Term Borrowings**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|---|------------------|---------------|---------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Indusind Bank C/C | 0.00 | -2.40 | 138.56 | 0.00 | 0.00 |
| Sbi C/C A/c | 422.86 | 279.39 | 0.00 | 0.00 | 0.00 |
| Total-(A) | 422.86 | 276.99 | 138.56 | 0.00 | 0.00 |
| Current Liabilities of Long Term Debt (Due within a year) | | | | | |
| SBI Bank (Term Loan A/c) | 12.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Kotak Mahindra Bank (BMW Car Loan) | 10.92 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total-(B) | 22.92 | 0.00 | 0.00 | 0.00 | 0.00 |
| Grand Total-(A+B) | 445.78 | 276.99 | 138.56 | 0.00 | 0.00 |

**ANNEXURE XII
Details of Trade Payables**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|----------------|------------------|---------------|---------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Trade Payables | 262.96 | 602.57 | 340.68 | 0.00 | 0.00 |
| Total | 262.96 | 602.57 | 340.68 | 0.00 | 0.00 |

**ANNEXURE XIV
Details of Other Current Liabilities**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|------------------------------|------------------|--------------|--------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Statutory Dues | 2.28 | 3.13 | 4.69 | 0.00 | 0.00 |
| Employee Expenses | 4.13 | 1.33 | 1.30 | 0.12 | 0.05 |
| Creditors for Other Expenses | 18.48 | 7.30 | 5.91 | 4.35 | 0.30 |
| Creditors for Capital Goods | 13.14 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 38.03 | 11.76 | 11.90 | 4.47 | 0.35 |

**ANNEXURE XIV
Details of Short Term Provisions**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|------------------------|------------------|-------------|-------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Retirement Benefits | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 |
| Provision for Taxation | 34.80 | 5.34 | 3.72 | 0.65 | 0.00 |
| Total | 34.81 | 5.34 | 3.72 | 0.65 | 0.00 |

**ANNEXURE XV
Details of Fixed Assets**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|--------------|------------------|---------------|---------------|--------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| FIXED ASSETS | 598.98 | 266.56 | 173.42 | 70.68 | 73.49 |
| Total | 598.98 | 266.56 | 173.42 | 70.68 | 73.49 |

**ANNEXURE XVI
Details of Long Term Loans & Advances**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|--|------------------|--------------|-------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Security Deposit in (Kesa) | 0.00 | 0.40 | 0.40 | 0.00 | 0.00 |
| Security Deposit in (Pidilite Industries Ltd.) | 0.41 | 0.41 | 0.41 | 0.00 | 0.00 |
| Security Deposit in (Nitrozen Cylindra) | 5.51 | 5.23 | 2.09 | 0.00 | 0.00 |
| Security Deposit in (Noida Depot) | 0.22 | 0.22 | 0.00 | 0.00 | 0.00 |
| Security Deposit of(Vat) | 0.00 | 0.50 | 0.00 | 0.00 | 0.00 |
| Cytech Coatings Pvt. Ltd. | 0.03 | 0.03 | 0.03 | 0.00 | 0.00 |
| Insurance Claim Receivable(Mercedes Car) | 0.00 | 4.26 | 4.26 | 0.00 | 0.00 |
| Security Deposit in (IOC) Container Div. | 0.00 | 32.47 | 0.00 | 0.00 | 0.00 |
| Security Deposit in (Kesco) Container Div. | 0.20 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 9.57 | 43.52 | 7.19 | 0.00 | 0.00 |

**ANNEXURE XVII
Details of inventories**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|------------------|------------------|---------------|---------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Raw Materials | 173.57 | 204.47 | 110.57 | 0.00 | 0.00 |
| Work-in-Progress | 14.95 | 9.29 | 2.40 | 0.00 | 0.00 |
| Finished Goods | 101.84 | 74.23 | 40.47 | 0.00 | 0.74 |
| Packing Goods | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 290.36 | 287.99 | 153.44 | 0.00 | 0.74 |

**ANNEXURE XVIII
Details of Trade Receivables**

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|--|------------------|---------------|---------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Outstanding for more than six months from due date | | | | | |
| a) Secured, Considered Good | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b) Unsecured, Considered Good | 293.63 | 298.86 | 29.08 | 0.00 | 0.00 |
| c) Doubtful | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Others | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| a) Secured, Considered Good | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b) Unsecured, Considered Good | 407.50 | 400.32 | 436.56 | 0.00 | 0.00 |
| c) Doubtful | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 701.13 | 699.18 | 465.64 | 0.00 | 0.00 |

ANNEXURE XIX
Details of cash & cash equivalents

(₹ in Lakhs)

| Particulars | As at 31st March | | | | |
|---|------------------|--------------|--------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Cash-in-Hand | 8.69 | 11.00 | 5.10 | 2.66 | 0.08 |
| Sub Total (A) | 8.69 | 11.00 | 5.10 | 2.66 | 0.08 |
| Bank Balances | | | | | |
| Balance with Scheduled Banks | 5.85 | 10.72 | 29.00 | 0.35 | 1.89 |
| FDR's with Banks held as Margin Money against Letter of Credit & Guarantees | 32.61 | 27.56 | 0.00 | 0.00 | 0.00 |
| Interest Accrued on FDR's | 2.05 | 0.20 | 0.00 | 0.00 | 0.00 |
| Sub Total (B) | 40.51 | 38.48 | 29.00 | 0.35 | 1.89 |
| TOTAL (A+B) | 49.20 | 49.48 | 34.10 | 3.01 | 1.97 |

ANNEXURE XX
Details of short term loans and advances

(₹ in Lakhs)

| Particulars | For the Year Ended at 31st March | | | | |
|------------------------|----------------------------------|--------------|--------------|-------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Advance to Suppliers | 6.64 | 23.95 | 2.44 | 0.00 | 0.00 |
| MAT Credit Entitlement | 0.00 | 0.13 | 0.13 | 0.13 | 0.13 |
| Advance to Staff | 0.95 | 0.71 | 0.00 | 0.00 | 0.00 |
| Other Current Assets | 52.27 | 14.16 | 8.63 | 7.82 | 11.06 |
| Total | 59.86 | 38.95 | 11.20 | 7.95 | 11.19 |

ANNEXURE XXI
Details of revenue from operations

(₹ in Lakhs)

| Particulars | For the Year Ended on 31st March | | | | |
|--------------------|----------------------------------|----------------|----------------|--------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Sales Trading | 0.00 | 0.00 | 0.00 | 11.57 | 16.36 |
| Domestic Sales | 2079.79 | 1754.03 | 1317.12 | 0.00 | 0.00 |
| Export Sales | 30.06 | 5.11 | 7.74 | 0.00 | 0.00 |
| Less : Excise Duty | (61.23) | (195.02) | (147.45) | 0.00 | 0.00 |
| Total | 2048.62 | 1564.12 | 1177.41 | 11.57 | 16.36 |

ANNEXURE XXII
Details of other income

(₹ in Lakhs)

| Particulars | For the Year Ended on 31st March | | | | |
|-------------------------------|----------------------------------|-------------|-------------|--------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Interest on FDR's | 2.06 | 1.91 | 2.09 | 0.00 | 0.00 |
| Other Interest | 0.00 | 0.15 | 0.09 | 0.00 | 0.00 |
| Rent received | 0.00 | 0.00 | 0.83 | 6.60 | 6.60 |
| Amount Written off | 0.00 | 0.00 | 0.00 | 11.27 | 0.00 |
| Interest on Security Deposits | 0.31 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other Receipts | 10.77 | 0.08 | 0.99 | 1.31 | 0.48 |
| Total | 13.14 | 2.14 | 4.00 | 19.18 | 7.08 |

**ANNEXURE XXIII
Details of Purchases Consumption**

(₹ in Lakhs)

| Particulars | For the Year Ended on 31st March | | | | |
|--|----------------------------------|----------------|----------------|-------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Op stock Of RM | 204.47 | 110.57 | 0.00 | 0.00 | 0.00 |
| Purchases (Net of Returns) | 1406.04 | 1405.44 | 1164.67 | 8.76 | 14.71 |
| Total | 1610.51 | 1516.01 | 1164.67 | 8.76 | 14.71 |
| Cl Stock of RM | 173.57 | 204.47 | 110.57 | 0.00 | 0.00 |
| Total | 1436.94 | 1311.54 | 1054.10 | 8.76 | 14.71 |
| Import Clearing Charges | 1.87 | 1.47 | 0.28 | 0.00 | 0.00 |
| Custom Duty Expenses | 0.37 | 1.80 | 0.00 | 0.00 | 0.00 |
| Freight & Forwarding Expenses | 23.51 | 18.02 | 8.92 | 0.00 | 0.00 |
| Loading & Unloading Charges | 0.35 | 0.14 | 0.10 | 0.00 | 0.00 |
| Consumption of RM | 1463.04 | 1332.97 | 1063.40 | 8.76 | 14.71 |
| Add : GST on RM purchase | 185.65 | 0.00 | 0.00 | 0.00 | 0.00 |
| ADD : GST on packing material purchase | 10.28 | 0.00 | 0.00 | 0.00 | 0.00 |
| Add : GST on Direct Expenses | 0.69 | 0.00 | 0.00 | 0.00 | 0.00 |
| Less : GST on RM purchase returns | 4.77 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 1654.89 | 1332.97 | 1063.40 | 8.76 | 14.71 |

**Annexure XXIV
Details of Increase/Decrease in WIP & Finished Goods**

(₹ in Lakhs)

| Particulars | For the Year Ended on 31st March | | | | |
|----------------------|----------------------------------|----------------|----------------|-------------|---------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Opening Stock | | | | | |
| (a) Finished Goods | 74.23 | 40.47 | 0.00 | 0.74 | 0.41 |
| (b) Work in Progress | 9.29 | 2.40 | 0.00 | 0.00 | 0.00 |
| Closing Stock | | | | | |
| (a) Finished Goods | 101.84 | 74.23 | 40.47 | 0.00 | 0.74 |
| (b) Work in Progress | 14.95 | 9.29 | 2.40 | 0.00 | 0.00 |
| Total | (33.27) | (40.65) | (42.87) | 0.74 | (0.33) |

**ANNEXURE XXV
Details of Employee Benefit Expenses**

(₹ in Lakhs)

| Particulars | For the Year Ended on 31st March | | | | |
|----------------------------|----------------------------------|---------------|--------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Salaries, Bonus, PF & ESIC | 76.01 | 56.46 | 25.90 | 1.44 | 0.60 |
| Director's Remuneration | 38.20 | 66.00 | 23.10 | 8.40 | 3.60 |
| Staff Welfare | 0.59 | 1.05 | 0.40 | 0.00 | 0.00 |
| Total | 114.80 | 123.51 | 49.40 | 9.84 | 4.20 |

**ANNEXURE XXVI
Details of Finance Cost**

(₹ in Lakhs)

| Particulars | For the Year Ended on 31st March | | | | |
|-----------------------|----------------------------------|--------------|--------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Interest Expenses | 40.38 | 22.39 | 42.21 | 0.00 | 0.00 |
| Other Borrowing Costs | 5.84 | 5.46 | 4.88 | 0.02 | 0.02 |
| Total | 46.22 | 27.85 | 47.09 | 0.02 | 0.02 |

**ANNEXURE XXVII
Details of Depreciation & Amortization Expenses**

(₹ in Lakhs)

| Particulars | For the Year Ended on 31st March | | | | |
|--------------|----------------------------------|--------------|--------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Depreciation | 50.68 | 34.50 | 23.10 | 2.81 | 2.18 |
| Total | 50.68 | 34.50 | 23.10 | 2.81 | 2.18 |

**ANNEXURE XXVIII
Details of Other Expenses**

(₹ in Lakhs)

| Particulars | For the Year Ended on 31st March | | | | |
|---|----------------------------------|--------------|--------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Auditor's Remuneration | 0.25 | 0.25 | 0.15 | 0.15 | 0.15 |
| Commission On Sale | 12.09 | 17.87 | 0.00 | 0.00 | 0.00 |
| Computer Expenses | 0.90 | 1.12 | 0.50 | 0.00 | 0.03 |
| Power & Fuel | 13.42 | 10.53 | 7.68 | 0.00 | 0.00 |
| Factory Expenses | 0.16 | 0.26 | 0.00 | 0.00 | 0.00 |
| Electricity Expenses | 0.00 | 0.00 | 0.00 | 0.27 | 0.25 |
| Freight & Cartage (Outward) | 14.21 | 10.40 | 1.56 | 0.00 | 0.00 |
| Godown & Office Rent Expenses | 5.53 | 4.20 | 2.00 | 0.96 | 0.96 |
| Insurance Expenses | 4.93 | 1.44 | 0.77 | 0.19 | 0.23 |
| Legal and Professional Charges | 1.28 | 6.57 | 2.03 | 1.27 | 0.10 |
| Lab Charges | 1.01 | 0.16 | 0.00 | 0.00 | 0.00 |
| Misc. Expenses | 2.54 | 1.36 | 0.24 | 0.26 | 0.00 |
| Packing Expenses | 1.55 | 2.29 | 0.00 | 0.00 | 0.00 |
| Postage & Telegram Expenses | 0.51 | 0.19 | 0.18 | 0.00 | 0.00 |
| Printing & Stationery Expenses | 1.13 | 0.84 | 0.57 | 0.00 | 0.00 |
| Repair & Maintenance Expenses | 9.49 | 3.23 | 3.61 | 2.25 | 0.00 |
| Sales Promotion Exp. | 0.22 | 0.81 | 6.09 | 0.00 | 0.00 |
| Sundry Balance W/Off | 0.00 | 3.88 | 0.00 | 0.00 | 0.00 |
| Statutory Expenses | 1.42 | 4.76 | 0.41 | 2.08 | 0.26 |
| Telephone Expenses | 2.11 | 1.60 | 1.02 | 0.00 | 0.00 |
| Travelling & Conveyance Expenses | 3.03 | 3.42 | 0.78 | 0.00 | 0.00 |
| Vehicles Running and Maintenance Expenses | 5.56 | 5.74 | 2.92 | 0.00 | 0.11 |
| Interest (Other) | 0.46 | 0.00 | 0.00 | 0.00 | 0.00 |
| Loss by fire | 0.00 | 0.00 | 2.97 | 0.00 | 0.00 |
| Total | 81.80 | 80.92 | 33.48 | 7.43 | 2.09 |

**Annexure XXIX
Details of Related Party Disclosures as Restated**

| Names of related parties and description of relationship | |
|--|--------------------------------------|
| A. | Key Management Personnel & relatives |
| | Alok Kumar Misra |
| | Nisha Misra |
| | Rani Devi Misra |
| | Avinash Kumar Misra |
| B. | Hindustan Monochem Industries |
| | Vibrant Inks Private Limited |

| Particulars | For the Year Ended on 31st March | | | | |
|---|----------------------------------|--------|--------|------|------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| <u>Directors Remuneration</u> | | | | | |
| <u>Alok Kumar Mishra</u> | | | | | |
| Remuneration credited | 36.00 | 36.00 | 12.00 | 6.00 | 3.00 |
| Remuneration Paid | 36.00 | 36.00 | 15.00 | 3.00 | 3.00 |
| <u>Directors Remuneration</u> | | | | | |
| <u>Nisha Mishra</u> | | | | | |
| Remuneration credited | 9.00 | 9.00 | 3.60 | 2.40 | 0.60 |
| Remuneration Paid | 9.00 | 12.06 | 1.74 | 1.20 | 0.60 |
| <u>Directors Remuneration</u> | | | | | |
| <u>Karan Katyan</u> | | | | | |
| Remuneration credited | 12.00 | 12.00 | 5.00 | 0.00 | 0.00 |
| Remuneration Paid | 11.90 | 12.10 | 5.00 | 0.00 | 0.00 |
| <u>Directors Remuneration</u> | | | | | |
| <u>Sushma Shukla</u> | | | | | |
| Remuneration credited | 0.00 | 1.00 | 2.50 | 0.00 | 0.00 |
| Remuneration Paid | 0.00 | 3.50 | 0.00 | 0.00 | 0.00 |
| <u>Salary</u> | | | | | |
| Karan Katyan Credited | 0.00 | 0.00 | 0.25 | 0.00 | 0.00 |
| Karan Katyan Paid | 0.00 | 0.00 | 0.25 | 0.00 | 0.00 |
| <u>Salary</u> | | | | | |
| Avinash Kumar Mishra Credited | 12.00 | 12.00 | 10.50 | 0.00 | 0.00 |
| Avinash Kumar Mishra Paid | 12.00 | 10.09 | 10.50 | 0.00 | 0.00 |
| <u>Rent Payable</u> | | | | | |
| Rani Devi Mishra Credited | 0.00 | 0.60 | 0.60 | 0.60 | 0.60 |
| Rani Devi Mishra Paid | 0.00 | 0.60 | 0.60 | 0.60 | 0.60 |
| <u>Hindustan Monochem Industries</u> | | | | | |
| Rent Debited | 0.00 | 0.00 | 0.83 | 6.60 | 6.60 |
| Rent Received | 0.00 | 0.00 | 0.83 | 6.60 | 6.60 |
| Advance given | 0.00 | 0.00 | 0.00 | 5.75 | 3.41 |
| Advance Recd. | 0.00 | 0.00 | 0.00 | 5.75 | 3.41 |
| Purchases | 0.00 | 0.00 | 7.70 | 0.00 | 0.00 |
| Payments | 0.00 | 0.00 | 7.70 | 0.00 | 0.00 |
| <u>Vibrant Inks Private Limited</u> | | | | | |
| Business Purchase | 0.00 | 0.00 | 316.24 | 0.00 | 0.00 |
| Business Purchase Payment | 0.00 | 0.00 | 316.24 | 0.00 | 0.00 |
| <u>Unsecured Loans recd.</u> | | | | | |
| Hindustan Monochem Industries | 0.00 | 0.00 | 0.00 | 5.75 | 2.75 |
| Alok Kumar Mishra | 19.36 | 91.66 | 391.50 | 3.80 | 0.60 |
| Karan Katyan | 112.20 | 10.15 | 2.12 | 0.00 | 0.00 |
| Sushma Shukla | 0.00 | 0.00 | 34.35 | 0.00 | 0.00 |
| Avinash Km Mishra | 0.00 | 0.00 | 1.20 | 0.00 | 0.00 |
| Nisha Mishra | 4.75 | 7.76 | 0.00 | 0.00 | 0.00 |
| <u>Unsecured Loans paid</u> | | | | | |
| Hindustan Monochem Industries | 0.00 | 0.00 | 0.00 | 5.75 | 2.75 |
| Alok Kumar Mishra | 19.10 | 24.01 | 204.23 | 0.00 | 4.40 |
| Karan Katyan | 14.15 | 0.70 | 2.02 | 0.00 | 0.00 |
| Sushma Shukla | 0.00 | 0.00 | 6.85 | 0.00 | 0.00 |
| Avinash Kumar Mishra | 0.00 | 0.00 | 3.11 | 0.00 | 0.00 |
| Nisha Mishra | 4.75 | 7.76 | 0.00 | 0.00 | 0.00 |
| <u>Equity Shares Issued</u> | | | | | |
| Alok Kumar Mishra | 0.00 | 242.25 | 12.67 | 0.00 | 0.00 |
| Sushma Shukla | 0.00 | 18.15 | 9.35 | 0.00 | 0.00 |

| Particulars | For the Year Ended on 31st March | | | | |
|--|----------------------------------|------|--------|------|------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| BALANCES AT THE END OF THE YEAR | | | | | |
| Unsecured Loan Payable | | | | | |
| Alok Kumar Mishra | 0.00 | 0.00 | 174.60 | 0.00 | 0.00 |
| Karan Katyan | 107.50 | 9.45 | 0.00 | 0.00 | 0.00 |
| Sushma Shukla | 0.00 | 0.00 | 18.15 | 0.00 | 0.00 |
| Advance Receivable | | | | | |
| Alok Kumar Misra | 0.00 | 0.00 | 0.00 | 0.00 | 3.80 |
| Nisha Mishra | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Avinash Kumar Misra | 0.00 | 0.00 | 1.91 | 0.00 | 0.00 |
| Payable | | | | | |
| Karan Katyan | 0.10 | 0.00 | 0.10 | 0.00 | 0.00 |
| Sushma Shukla | 0.00 | 0.00 | 2.50 | 0.00 | 0.00 |
| Alok Kumar Mishra | 0.26 | 0.00 | 0.00 | 3.00 | 0.00 |
| Nisha Mishra | 0.00 | 0.00 | 3.06 | 1.20 | 0.00 |

Annexure – XXX
Details of Accounting Ratios

| Particulars | For the Year Ended on 31st March | | | | |
|---|----------------------------------|---------|--------|--------|--------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Restated PAT as per P & L Account | 105.95 | 3.39 | 4.98 | 0.80 | 0.57 |
| Weighted Average number of Equity Shares at the end of the Year | 2831431 | 1028566 | 642541 | 500234 | 500000 |
| Number of Equity Shares outstanding at the end of the Year | 2831431 | 2831431 | 750000 | 585715 | 500000 |
| Net Worth | 505.09 | 399.13 | 104.34 | 77.34 | 64.54 |
| Earnings Per Share | | | | | |
| Basic | 3.74 | 0.12 | 0.66 | 0.14 | 0.11 |
| Diluted | 3.74 | 0.33 | 0.78 | 0.16 | 0.11 |
| Return on Net Worth (%) | 20.98 | 0.85 | 4.78 | 1.03 | 0.89 |
| Net Asset Value Per Share (Rs) | 17.84 | 14.10 | 13.91 | 13.20 | 12.91 |
| Nominal Value per Equity share (Rs.) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| <u>Ratios have been calculated as below</u> | | | | | |

| | |
|--------------------------------------|--|
| Basic Earnings Per Shares (EPS)(₹) | Profit after tax / Numbers of equity shares outstanding at the end of the year |
| Diluted Earnings Per Shares (EPS)(₹) | Profit after tax / Weighted numbers of equity shares outstanding at the end of the year |
| Return on Net Worth (%) | Restated Profit after Tax available to equity Shareholders / Restated Net Worth of equity Shareholders*100 |
| Net Asset Value Per Share (₹) | Restated Net Worth of equity Shareholders / Numbers of Equity Shares outstanding at the end of the year period |

ANNEXURE - XXXI
Reconciliation of Restated Profit:

| Particulars | For the Year Ended on 31st March | | | | |
|--|----------------------------------|-------------|-------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Net Profit/(Loss) after Tax as per Audited Profit & Loss Account | 105.04 | 4.30 | 4.98 | 0.80 | 0.57 |
| Adjustments for Gratuity Expense | | | | | |
| Add : Amt. included in Employee Benefit Expense | 1.95 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 106.99 | 4.30 | 4.98 | 0.80 | 0.57 |
| Less : Actual deductible as per The Co.' Act, 2013 | 1.04 | 0.91 | 0.00 | 0.00 | 0.00 |
| Net Profit/(Loss) after Tax as Restated | 105.95 | 3.39 | 4.98 | 0.80 | 0.57 |

ANNEXURE – XXXII
Statement of Tax Shelters

| Particulars | For the Year Ended on 31st March | | | | |
|---|----------------------------------|--------------|--------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Restated Profit before tax (A) | 146.64 | 7.16 | 7.67 | 1.15 | 0.57 |
| Tax Rate (%) | 27.55 | 29.87 | 30.90 | 30.90 | 30.90 |
| Mat Rate (%) | 20.39 | 19.06 | 19.06 | 19.06 | 19.06 |
| Adjustment: | | | | | |
| Add : 1) Permanent Differences | | | | | |
| Previous year amount | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Disallowance of Gratuity | 1.05 | 0.90 | 0.00 | 0.00 | 0.00 |
| Unabsorbed Depreciation | 0.00 | 0.00 | 0.00 | 0.00 | (0.56) |
| Total Permanent Difference (B) | 1.05 | 0.90 | 0.00 | 0.00 | (0.56) |
| Add : 2) Timing Differences | | | | | |
| Difference between tax Depreciation and book depreciation (C) | (20.92) | 12.68 | 3.34 | 0.95 | (0.01) |
| Net Total Taxable Income (A+B+C) | 126.77 | 20.74 | 11.01 | 2.10 | 0.00 |
| Restated Profit for the purpose of MAT | 146.64 | 7.16 | 7.67 | 1.15 | 0.57 |
| MAT Credit | 0.13 | 0.00 | 0.00 | 0.00 | 0.00 |
| Income Tax As Per MAT | 29.90 | 1.37 | 1.46 | 0.22 | 0.11 |
| Income Tax As Computed | 34.93 | 6.20 | 3.40 | 0.65 | 0.00 |
| Tax Paid As Per Normal or MAT | Income Tax | Income Tax | Income Tax | Income Tax | MAT |

MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and the years ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with the Companies Act, 1956 and Companies Act, 2013 and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in 'Financial Statements' beginning on page 123 of this Draft Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in 'Risk Factors' and 'Forward-Looking Statements' beginning on pages no's 15 and 14 respectively of this Draft Prospectus.

Business Overview

Our Company was incorporated as "Shriya ChemEnterprises Pvt Ltd" on March 23, 2004, under the provisions of the Companies Act, 1956 in the State of Uttar Pradesh. Subsequently, our Company's name was changed to "Vibrant Ink Pvt Ltd" on August 29, 2014 followed by an acquisition of Hindustan Mono Chem Industries on May 16, 2015. On September 29, 2016, the name of our company was changed from "Vibrant Ink Pvt Ltd" to "Hindustan Flex Pvt Ltd" and on October 06, 2016, it was converted into a Public Limited Company. For further details of our Company, please refer "General Information" and "Our History and Certain Other Corporate Matter" beginning on page no 36 and 101 respectively of this Draft Prospectus. The Corporate Identity Number U24243UP2004PLC028424.

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 March 31, 2018, March 31, 2017, 2016, 2015 and 2014 the components of which are also expressed as a percentage of total income for such periods:

(₹ in Lakhs)

| Particulars | For the Year Ended on 31st March | | | | |
|---|----------------------------------|----------------|----------------|---------------|---------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| REVENUE: | | | | | |
| Revenue From Operations | | | | | |
| Sale of Manufactured Products (Net of Taxes) | 2048.62 | 1564.12 | 1177.41 | 0.00 | 0.00 |
| Sale of Traded Products (Net of Taxes) | 0.00 | 0.00 | 0.00 | 11.57 | 16.36 |
| As a % of Total Revenue | 99.36% | 99.86% | 99.66% | 37.63% | 69.76% |
| Total Sales | 2048.62 | 1564.12 | 1177.41 | 11.57 | 16.36 |
| Other Income | 13.14 | 2.14 | 4.00 | 19.18 | 7.08 |
| As a % of Total Revenue | 0.64% | 0.14% | 0.34% | 62.37% | 30.24% |
| Total Revenue | 2061.76 | 1566.26 | 1181.41 | 30.75 | 23.44 |
| EXPENSES: | | | | | |
| Cost of Material Consumed | 1654.89 | 1332.97 | 1063.40 | 8.76 | 14.71 |
| Change In Inventories of WIP and Finished Goods | -33.27 | -40.65 | -42.87 | 0.74 | -0.33 |
| Employee Benefit Expenses | 114.80 | 123.51 | 49.40 | 9.84 | 4.20 |
| Finance Costs | 46.22 | 27.85 | 47.09 | 0.02 | 0.02 |

| Particulars | For the Year Ended on 31st March | | | | |
|--|----------------------------------|------------------|-----------------|-----------------|-----------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Depreciation & Amortization Expenses | 50.68 | 34.50 | 23.10 | 2.81 | 2.18 |
| Other Expenses | 81.80 | 80.92 | 33.48 | 7.43 | 2.09 |
| Total Expenses | 1915.12 | 1559.10 | 1173.60 | 29.60 | 22.87 |
| <i>As a % of Total Revenue</i> | 92.89% | 99.54% | 99.34% | 96.27% | 97.56% |
| Profit before Exceptional, Extraordinary Items and Tax | 146.64 | 7.16 | 7.81 | 1.15 | 0.57 |
| <i>As a % of Total Revenue</i> | 7.11% | 0.46% | 0.65% | 3.73% | 2.44% |
| Less: Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit before Extraordinary Items and Tax | 146.64 | 7.16 | 7.81 | 1.15 | 0.57 |
| Extraordinary Items | 0.00 | 0.00 | 0.14 | 0.00 | 0.00 |
| <i>As a % of Total Revenue</i> | 7.11% | 0.46% | 0.65% | 3.73% | 2.44% |
| Profit before Tax | 146.64 | 7.16 | 7.67 | 1.15 | 0.57 |
| <i>As a % of Total Revenue</i> | 7.11% | 0.46% | 0.65% | 3.73% | 2.44% |
| Tax Expenses: | | | | | |
| Current Tax | 34.93 | 7.67 | 3.72 | 0.65 | 0.11 |
| MAT Credit Entitlement | 0.00 | 0.00 | 0.00 | 0.00 | -0.11 |
| Deferred Tax | 5.76 | -3.92 | -1.03 | -0.30 | 0.00 |
| <i>As a % of Total Revenue</i> | 0.28% | -0.25% | -0.09% | -0.97% | 0.01% |
| Profit after Tax | 105.95 | 3.39 | 4.98 | 0.80 | 0.57 |
| <i>As a % of Total Revenue</i> | 5.14% | 0.22% | 0.42% | 2.60% | 2.44% |
| No. of Equity Shares | 28,31,431 | 28,31,431 | 7,50,000 | 5,85,715 | 5,00,000 |
| Earning per Equity Share: | | | | | |
| (1) Basic | 3.74 | 0.12 | 0.66 | 0.14 | 0.11 |
| (2) Diluted | 3.74 | 0.33 | 0.78 | 0.16 | 0.11 |

Overview on Result of Operations:

Comparison of Financial Year Ended March 31, 2018 with Financial Year Ended March 31, 2017

Revenue from Operations:

Our Revenue for the year of ₹ 2048.62 Lakhs as compared with ₹ 1564.12 Lakhs which shows 30.98% growth rate in sales is due to introduction of various varieties of printing inks in the market

Expenditure:

Cost of Material Consumed

Our Cost of Material Consumed in this year of ₹ 1654.89 Lacs against Our Revenue of ₹ 2048.62 Lacs as compared with ₹ 1332.97 Lacs against Our Revenue of ₹ 1564.12 Lacs shows increase by 24.15% due to corresponding increase in Revenue.

Finance Cost:

Our Finance Cost is increased in this year of ₹ 46.22 Lacs as compared with ₹ 27.85 Lacs shows increased in 65.96% due to increase in Borrowings to cover Working Capital Requirements and term loan for setting up of manufacturing of metal containers.

Other Expenses:

Our other Expenses in this year ₹ 81.80 as compared with ₹ 80.92 shows increased marginally due to company controls over other expenses which have resulted in stability in operations.

Profit before exceptional & extraordinary items and Tax:

Our company Profit before exceptional & extraordinary items and Tax in this year ₹ 146.64 Lacs as compared with ₹ 7.16 Lakhs is due to the different products being introduced by the company in the market having better margins and increase in higher sales throughout the year

Net Profit after Tax and Extraordinary items:

Our company Net Profit after Tax and Extraordinary items for the year ₹ 105.95 Lacs as compared with 3.39 Lacs due to increase in sales and introduction of different products having better margins.

Comparison of Financial Year Ended March 31, 2017 with Financial Year Ended March 31, 2016

Revenue from Operations:

Our Revenue of our company in this year of ₹ 1564.12 Lakhs as compared with ₹ 1177.41 Lakhs which shows 32.84% growth rate in sales is due to penetration of products in order to increase the market share.

Expenditure:

Cost of Material Consumed:

Our Cost of Material Consumed for the year of ₹ 1332.97 Lacs as compared with ₹ 1063.40 Lacs shows increased 25.34% due to purchasing of raw material frequently.

Finance Cost:

Our company Finance Cost is increased in this year of ₹ 27.85 Lacs as compared with ₹ 47.09 Lacs shows decreased to 40.86% due to repayment of Borrowings and other term loans.

Other Expenses:

Our Company other Expenses in this year ₹ 80.92 as compared with ₹ 33.48 shows increased to 141.70% due to company enhancement of turnover as compared with last year.

Profit before exceptional & extraordinary items and Tax:

Our company Profit before exceptional & extraordinary items and Tax in this year 7.16 Lacs as compared with ₹ 7.67 Lakhs which shows decreased in Profit before exceptional & extraordinary items and tax by 6.65% due to increase in various expenditures

Net Profit after Tax and Extraordinary items:

Our Company Net Profit after Tax in this year ₹ 3.39 Lacs as compared with ₹ 4.98 Lakhs which shows decreased in Net Profit After Tax by 31.93% due to increase in various expenditures

Comparison of Financial Year Ended March 31, 2016 with Financial Year Ended March 31, 2015

Revenue from Operations:

Our Revenue of our company in this year of ₹ 1177.41 Lakhs as compared with ₹ 11.57 Lakhs which shows 3741.98% growth rate due to acquisition of the partnership firm engaged in manufacturing printing inks.

Expenditure

Cost of Material Consumed:

Our Cost of Material Consumed in this year of ₹ 1063.40 Lacs as compared with ₹ 8.76 Lacs shows increased 11731.05% due to acquisition of the partnership firm engaged in manufacturing printing inks.

Finance Cost:

Our company Finance Cost is increased in this year of ₹ 47.09 Lacs as compared with ₹ 0.02 Lacs shows increased to 235350% due to the loan taken by the company .

Other Expenses:

Our Company other Expenses in this year ₹ 33.48 as compared with ₹ 7.43 shows increased to 350.61% due to increase in turnover of the company because of acquisition of the partnership firm engaged in manufacturing printing inks.

Profit before exceptional & extraordinary items and Tax:

Our company Profit before exceptional & extraordinary items and Tax in this year ₹ 7.67 Lacs as compared with ₹ 1.15 Lakhs which shows increased of Profit before exceptional & extraordinary items and Tax 566.96 % due to increase in turnover of the company because of acquisition of the partnership firm engaged in manufacturing printing inks.

Net Profit after Tax and Extraordinary items:

Our company Profit before exceptional & extraordinary items and Tax in this year ₹ 4.98 Lacs as compared with ₹ 0.80 Lakhs which shows increased of Net Profit after Tax and Extraordinary Items 522.50% due to increase in turnover of the company because of acquisition of the partnership firm engaged in manufacturing printing inks.

FINANCIAL INDEBTEDNESS

Our Company has availed following credit facilities as on September 10, 2018 from State Bank of India for conducting its business. Set forth is a brief summary of the Company's secured and unsecured borrowings together with a brief description of certain significant terms of such financing arrangements.

Date of Modification: - 20/08/2018

Charge Holder: - State Bank of India

FACILITY 1:- CASH CREDIT (CC)

| Particulars | |
|--|--------------------------------------|
| Facility Name | Cash Credit |
| Extent of Credit | Rs 600.00 Lacs (Sanctioned Limit) |
| Utilized as on September 10 th 2018 | Rs 567.33 Lacs |
| Purpose | To meet Working Capital requirements |

Terms & Conditions

| S.NO | Description of Security |
|-------------------|---|
| Primary | |
| 1. | -Hypothecation of stock and book debts. |
| Collateral | |
| 1. | Equitable mortgage of factory land and building at Premises No. 123/57, Plot No. 28, Block-P, Scheme No. 1, Factory Area, Saresh Bagh, Kanpur admeasuring 1014.70 square meters in the name of the Company. |

| | |
|-----------------------------|--|
| Margin | 25 % on Raw Material Domestic & Imported, SIP , Finished goods, 40 % on Receivables (Cover period 60 Days) |
| Age of Book Debts (In days) | 60 Days |
| Rate of Interest | Interest at the rate of 4 % above one year MCLR (MCLR is 8.25%) i.e. presently 12.25 % per annum |
| Repayment schedule | On Demand |

FACILITY 2:- Letter of Credit (ILC & FLC)

| Particulars | |
|--|---|
| Facility Name | Letter of Credit |
| Extent of Credit | 150.00 Lacs (Sanctioned Limit) |
| Utilized as on September 10 th 2018 | Rs 98.99 Lacs (Inland LC) and USD 7803(Foreign LC) |
| Purpose | To meet Working Capital Requirement |

Terms & Conditions

| S.NO | Description of Security |
|-------------------|---|
| Primary | |
| 1. | - Lien on FDR's (For LC margin) and title to goods through documents. |
| Collateral | |
| 1. | Equitable mortgage of factory land and building at Premises No. 123/57, Plot No. 28, Block-P, Scheme No. 1, Factory Area, Saresh Bagh, Kanpur Nagar admeasuring 1014.70 square meters in the name of the Company. |

| | |
|---------------|--------------------------|
| LC Margin | 25 % on Letter of credit |
| LC Commission | As per Card rate |

FACILITY 3:- TERM LOAN

| Particulars | |
|---------------|--------------------|
| Facility Name | Term Loan Facility |

| | |
|---|---|
| Extent of Credit | Rs 164.00 Lacs(Sanctioned Limit) |
| Balance as on September 10 th 2018 | Rs 162.04 Lacs |
| Purpose | For Acquisition of Plant , Machinery and Building |

Terms & Conditions

| S.NO | Description of Security |
|-------------------|--|
| Primary | |
| 1. | Equitable mortgage of the property situated at K-15, Industrial Area, Jainpur, Kanpur Dehat, and Hypothecation of plant and machinery procured by Term Loan. |
| Collateral | |
| 1. | Equitable mortgage of factory land and building at Premises No. 123/57, Plot No. 28, Block-P, Scheme No. 1, Factory Area, Saresh Bagh, Kanpur Nagar, admeasuring 1014.70 square meters in the name of the Company. |

| | |
|--------------------|--|
| Margin | 37 percent on Term Loan |
| Rate of Interest | Interest at the rate of 4 percent above One Year MCLR (MCLR is 8.25 percent) i.e. presently 12.25 percent per annum with monthly rests. |
| Repayment schedule | Repayable in 75 monthly Installments commencing from 01.01.2018 excluding moratorium of 11 months having the repayment schedule as under:- 10 installments of Rs 1.00 Lacs from 01.01.2018 to 31.10.2018 20 installments of Rs 1.05 Lacs from 01.11.2018 to 30.06.2020 10 installments of Rs 2.50 Lacs from 01.07.2020 to 30.04.2021 35 installments of Rs 3.00 Lacs from 01.05.2021 to 31.03.2024 Interest will be recovered as and when applied at monthly rests. |

Following are the personal Guarantors for the above facilities

| S.No | Name of the Guarantor | Relationship with the Company |
|------|-----------------------|-------------------------------|
| 1. | Alok Kumar Mishra | Managing Director |
| 2. | Karan Katyan | Whole-time Director |
| 3. | Nisha Mishra | Spouse of Managing Director |
| 4. | Shwetank Agarwal | Employee |

Financial Indebtedness from Kotak Mahindra Prime Limited

Date of Sanction:- 08.09.2017

Charge Holder:- Kotak Mahindra Prime Limited

FACILITY: - CAR FINANCE

| Particulars | |
|---|--------------------------------|
| Facility Name | Car Finance Agreement |
| Extent of Credit | Rs 45 Lacks (Sanctioned Limit) |
| Balance as on September 10 th 2018 | Rs 37.34 Lacks |
| Purpose | For Purchase of BMW Car |

Terms & Conditions

| S.NO | Description of Security |
|------|---|
| 1. | Loan is repayable in 60 monthly Installments of Rs 91,030/- |
| 2. | -Hypothecation on BMW 530-D |

| | |
|------------------|---|
| Margin | Rs. 11,33,000/- |
| Rate of Interest | Interest at the rate 7.93 percent per annum |

Following are the personal Guarantors for the above facility

| S.No | Name of the Guarantor | Relationship with the Company |
|------|-----------------------|-------------------------------|
| 1. | Karan Katyan | Director |

SECTION VI - LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors or Promoter. Our Board, in its meeting held on August 20, 2018, determined that outstanding legal proceedings involving the Company, Directors and Promoter: (a) the aggregate amount involved in such individual litigation exceeds Rs. 10,00,000/- (Rupees Ten Lakhs only) or 1% of profit after tax, whichever is higher, as per the last audited financial statements; or where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed Rs 10,00,000/-] (Rupees Ten Lakhs Only) or 1% of profit after tax, whichever is higher (b) any such litigation wherein the monetary liability is not quantifiable which is or is expected to be material from the perspective of the Company's business, operations, prospects or reputation. ("**Material Litigation**").

B. (i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company; or (vi) material frauds committed against our Company in the last five years

C. (i) outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on August 20, 2018, determined that outstanding dues to creditors in excess of the threshold limit of Rs 5,00,000/- (Rupees Five Lakhs only) and the credit period of up to 30 days as applicable in the law in case of SSI and Rs. 10,00,000/- (Rupees Ten Lakhs only) in the case of other outstanding creditors shall be considered as material dues ("**Material Dues**"). Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at <http://www.hindustanflex.com/>

Our Company, its Directors and Promoter are not willful defaulters and there have been no violations of securities laws in the past or pending against them.

A. LITIGATION INVOLVING OUR COMPANY

1. Litigation by our Company

1.1. Civil

NIL

1.2. Criminal

1.2.1. Our Company has on November 30, 2015 filed a Complaint (No. 500/2015) against (i) Mr. Biren Srivastav, Director of Cytech Coatings Private Limited; (ii) Mr. R.K. Shukla, Manager (collectively Accused therein) before the Hon'ble Court of Additional Chief Metropolitan Magistrate VII, Kanpur Nagar alleging offences under Section 420 and 406 of Indian Penal Code, 1860. The matter is pending before the said court and the next hearing date is listed for December 06, 2018

1.2.2. Our Company has on April 18, 2013 filed two Criminal Complaints (No. 1920/2014) and (No. 1921/2014) against one M/s V.R. Traders and another (collectively Accused therein), before Hon'ble Court of Additional Chief Metropolitan Magistrate II, Kanpur Nagar under

Section 138 of the Negotiable Instrument Act, 1881 for dishonor of two cheques issued by the Accused in favor of the Company for an aggregate sum of Rs. 3,16,000/- (Rupees Three Lakh Sixteen Thousand only). Non Bailable Warrant has been issued against M/s V. R. Traders The matter is pending before the said court and the next hearing date is listed for October 19, 2018.

1.2.3. Our Company has in November 2014 filed Criminal Complaint (No. 5811/2014) against one Girija Packagers Private Limited and others (collectively Accused therein), before Hon'ble Additional Chief Metropolitan Magistrate Court, Kanpur Nagar under Section 138 of the Negotiable Instrument Act, 1881 for dishonor of cheques issued by the Accused in favor of the Company for an aggregate sum of Rs. 2,27,848/- (Rupees Two Lacs Twenty-Seven Thousand Eight Hundred and Forty-Eight only). The matter is pending before the said court. The next date of hearing is September 29, 2018

1.2.4. Our Company has on July 05, 2018 lodged First Information Report no. 0078 before Fazalganj Police Station, Kanpur alleging offences under Sections 406, 420, 504 and 506 of Indian Penal Code, 1860 against Mr. Dishank Rastogi (Director of Shree Balaji Printopack Private Limited), Ms. Seema Rastogi and Mr. Mahesh Rastogi.

1.3. Taxation

1.3.1. Direct Tax Proceedings

NIL

1.3.2. Indirect Tax Proceedings

NIL

2. **Litigation against our Company**

2.1. Civil

NIL

2.2. Criminal

NIL

2.3. Taxation

2.3.1. Direct Tax Proceedings

NIL

2.3.2. Indirect Tax Proceedings

2.3.2.1. Our Company has received a notice dated May 03, 2017 under Section 28 of the Uttar Pradesh Value Added Tax Act, 2008 from the Deputy Commissioner of Commercial Tax Department, Kanpur, Uttar Pradesh in relation to assessment proceedings for the Assessment Year 2015-16. The Company has by its letter dated May 18, 2017 given its reply to the show cause notice along with supporting documents. There have been no further developments in the matter.

2.3.2.2. Our Company has received a notice dated March 15, 2016 under Rule 45 (13) of the Uttar Pradesh Value Added Tax Rules, 2008 from the Deputy Commissioner of Commercial Tax Department, Kanpur, Uttar Pradesh for not having filed *inter alia* VAT Audit Report, Form 23, Trading Account and Balance Sheet and Profit and Loss Account the Return Form 52 etc. as required by the provisions of the Uttar Pradesh Value Added Tax Act & Rules framed thereunder for the Assessment Year 2013-14. Based on the annexures of the consolidated details filed by our Company, self-assessment notice dated May 31, 2016 has been issued by Deputy Commissioner of Commercial Tax Department, Kanpur, Uttar Pradesh under Section 27(2) of Uttar Pradesh Value Added Tax Act for the Assessment Year 2013-14.

2.3.2.3. Our Company has received ex-parte tax assessment order No. 17347914000060 dated August 30, 2017 passed by the Joint Commissioner, Kanpur division under the provisions of Section 9 (2) of the Central Sales Tax Act, 1956. As per the said assessment order, the Joint Commissioner, Kanpur has raised a demand for Rs. 28,19,554/- along with applicable interest for the assessment year 2014-2015. By a separate ex- parte tax assessment order No. 1731794000001 dated August 30, 2017 under the provisions of Section 28 (2) (ii) of the Central Sales Tax Act, 1956, the Joint Commissioner, Kanpur division also disallowed the availment of Input credit amounting to Rs. 5,048/- to our Company and directed the same to be paid back along with applicable interest. Our Company has filed an application under Section 32 with Joint Commissioner, Kanpur division for setting aside aforesaid assessment orders and to re-open the case.

B. LITIGATION INVOLVING THE DIRECTORS

1. Litigation by our Directors

1.1. Civil
NIL

1.2. Criminal
NIL

1.3. Taxation

1.3.1. Direct Tax Proceedings
NIL

1.3.2. Indirect Tax Proceedings
NIL

2. Litigation against our Directors

2.1. Civil
NIL

2.2. Criminal
NIL

2.3. Taxation

2.3.1. Direct Tax Proceedings
NIL

2.3.2. Indirect Tax Proceedings
NIL

B. LITIGATION INVOLVING THE PROMOTER

1. Litigation by our Promoter

1.1. Civil
NIL

1.2. Criminal

1.2.1. Our Promoter , Mr. Alok Kumar Mishra has on July 17, 2014 filed a Criminal Complaint before the Hon'ble Additional Chief Metropolitan Magistrate, Kanpur Nagar against one Hari Shankar

Gupta, owner of M/s. M.G. Laminators having office at 480- Y- 1 Block, Kidwai Nagar, Kanpur, Uttar Pradesh alleging offences under Section 420, 406, 504, 506, 323, 147 & 148 of Indian Penal Code, 1860. By an order dated July 4, 2017, the Hon'ble Additional Chief Metropolitan Magistrate, Kanpur Nagar has allowed the application under section 156(3) of the Code of Criminal Procedure, 1973 and directed the police to issue notice and undertake investigation.

1.2.2.

1.3. Taxation

1.3.1. Direct Tax Proceedings

NIL

1.3.2. Indirect Tax Proceedings

NIL

2. Litigation against our Promoter

2.1. Civil

NIL

2.2. Criminal

2.2.1. A Criminal Complaint has been filed against Mr. Alok Kumar Mishra on May 26, 2014 by Mr. Hari Shankar Gupta before the Hon'ble Additional Chief Metropolitan Magistrate, Kanpur Nagar alleging offences under Sections 140, 148, 149, 504, 506, 392, 307, 452 and 323 of Indian Penal Code, 1860. Pursuant to an order passed by the Hon'ble Additional Chief Metropolitan Magistrate, Kanpur Nagar u/s. 156(3), the court has allowed the complaint and directed the police to under investigation and prepare report. After conducting the investigation, the Police has submitted its final report (No. 2019/14) dated 30.09.2014.

2.3. Taxation

2.3.1. Direct Tax Proceedings

NIL

2.3.2. Indirect Tax Proceedings

NIL

MATERIAL FRAUDS AGAINST OUR COMPANY

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Prospectus

PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

There have been no proceedings initiated against our Company for any economic offences.

NON PAYMENT OF STATUTORY DUES

Other than the cases disclosed above and in the chapter '*Financial Information*' beginning on page 123 , our Company has no outstanding defaults in relation to statutory dues consisting of service tax, value added tax, professional tax, employee state insurance, provident fund and tax deducted, dues payable to holders of any debentures (including interest) or dues in respect of deposits (including interest) or any defaults in repayment of loans from any bank or financial institution (including interest).

PAST CASES WHERE PENALTIES WERE IMPOSED

There are no past cases where penalties were imposed on our Company by concerned authorities/courts.

POTENTIAL LITIGATION INVOLVING OUR COMPANY

As on the date of this Draft Prospectus, except as disclosed above there is no potential litigation proceeding against our Company.

OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of this Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act 2013 or any previous company law in the last five years immediately preceding the year of this Draft Prospectus in the case of Company, Promoters and Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of this Draft Prospectus

Further, there is no legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoters during the last five years immediately preceding the year of the issue of the Draft Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

OUTSTANDING DUES TO CREDITORS

As per the Materiality Policy, our Board has approved the following:

- i. consolidated information on outstanding dues to small scale undertakings (SSI) and Micro, Small & Medium Enterprises (MSME), separately giving details of number of cases and amount involved if the same exceeds the threshold limit of ₹ 5,00,000/- (Rupees Five Lakhs Only) and the credit period of up to 30 days as applicable in the law.
- ii. Complete details about outstanding dues to other creditors (excluding banks and other financial institutions from whom Company has availed the financing facilities) if the amount due to any one of them exceeds ₹ 10,00,000/- (Rupees Ten Lakhs Only).

As of March 31, 2018, our Company, in its ordinary course of business, has an aggregate amount of ₹ 262.96 Lakhs which is due towards sundry and other creditors. As per the above policy, consolidated information of outstanding dues, owed to small scale undertakings, material dues to creditors, giving details of number of cases and aggregate amount for such dues is as under:

| Particulars | Number of cases | Amount Outstanding |
|----------------------------------|-----------------|--------------------|
| Dues to small scale undertakings | 4 | 43,56,816.38 |
| Material dues to creditors | 6 | 1,52,66,382.00 |

The details pertaining to net outstanding due by our Company towards small scale undertakings, material dues to creditors and other dues to creditors separately as per the Restated Financial Statements for the most recent financial year are available on the website of our Company <http://www.hindustanflex.com/>. It is clarified that such details available on our Company's website do not form a part of this Draft Prospectus Anyone placing reliance on any source of information including our Company's website would be doing so at their own risk.

MATERIAL DEVELOPMENTS

Except as disclosed in the chapter titled *“Management’s Discussion and Analysis of Financial Condition and Results of Operations”* beginning on page 143 of this Draft Prospectus, in the opinion of our Board, there have not arisen, since the filing of the Draft Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.

GOVERNMENT AND OTHER 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. COMPANY RELATED APPROVALS

| Sl. No. | Authorization Granted | Issuing Authority | Registration No:/ Reference No:/ License No: | Date of Issue/ Date of Renewal | Valid up to |
|---------|---|--------------------------------|--|--------------------------------|-----------------------|
| 1. | Certificate of Incorporation in the name of "Shriya Chem Enterprises Private Limited". | Registrar of Companies, Kanpur | U24243UP2004PTC028424 | March 23, 2004 | Valid until cancelled |
| 2. | Fresh Certificate of Incorporation consequent upon change of name to "Vibrant Ink Private Limited" | Registrar of Companies, Kanpur | U24243UP2004PTC028424 | August 29, 2014 | Valid until cancelled |
| 3. | Fresh Certificate of Incorporation consequent upon change of name to "Hindustan Flex Private Limited" | Registrar of Companies, Kanpur | U24243UP2004PTC028424 | September 29, 2016 | Valid until cancelled |
| 4. | Fresh Certificate of Incorporation consequent upon change of name to "Hindustan Flex Limited" on conversion to public limited company | Registrar of Companies, Kanpur | U24243UP2004PLC028424 | October 06, 2016 | Valid until cancelled |

II. APPROVALS FOR 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 August 02, 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 Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the extra ordinary general meeting held on August 10, 2018 authorized the Issue.
3. In-principle approval dated [●] from the BSE SME for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. The Company has entered into an agreement dated [●] with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent for the dematerialization of its shares.
5. Similarly, the Company has also entered into an agreement dated [●] with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, for the dematerialization of its shares.
6. Our Company's International Securities Identification Number ("ISIN") is [●].

III. BUSINESS RELATED APPROVALS

General approvals

| Sr. No. | Authorization Granted | Issuing Authority | Registration No./ Reference No./ License No. | Date of Issue/ Date of Renewal | Valid up to |
|---------|---|--|--|--------------------------------|-----------------------|
| 1. | Permanent Account Number (PAN) | Income Tax Department, GoI | AAICS2718N | March 23, 2004 | Valid until cancelled |
| 2. | Tax Deduction Account Number (TAN) | Income Tax Department, GoI | KNPS02379G | April 20, 2017 | Valid until cancelled |
| 3. | Certificate of Registration for Goods and Service Tax | Government of India | 09AAICS2718N1ZU | April 19, 2018 | Valid until cancelled |
| 4. | Importer-Exporter Code (IEC) | Foreign Trade Development Officer, Ministry of Commerce and Industry | 0615000908 | May 7, 2015 | Valid until cancelled |
| 5. | Certificate of Registration for Employee's Provident Fund | Employee's Provident Fund Organisation | UPKPNP0057106000 | August 29, 2014 | Valid until cancelled |
| 6. | Employees' State Insurance Corporation | Regional Office, Employees' State Insurance Corporation | 21000276590000899 | October 28, 2010 | Valid until cancelled |
| 7. | Certificate for Quality Management System (ISO 9001:2015) | LMS Certifications Private Limited | IN107055A | December 9, 2016 | December 8, 2019 |
| 8. | Certificate for | LMS Certifications | IN112860B | June 9, | June 8, |

| Sr. No. | Authorization Granted | Issuing Authority | Registration No./ Reference No./ License No. | Date of Issue/ Date of Renewal | Valid up to |
|---------|---|------------------------------------|--|--------------------------------|--------------|
| | Environmental Management System (ISO 14001:2015) | Private Limited | | 2018 | 2021 |
| 9. | Certificate for Occupational Health & Safety Management System (OHSAS 18001:2007) | LMS Certifications Private Limited | IN112860C | June 9, 2018 | June 8, 2021 |

Approvals related to factory situated at 123/57 Saresh Bagh, Kanpur - 208012, Uttar Pradesh

| Sr. No. | Authorization Granted | Issuing Authority | Registration No./ Reference No./ License No. | Date of Issue/ Date of Renewal | Valid up to |
|---------|--------------------------------|---|--|--------------------------------|-----------------------|
| 1. | Factory License | ADF Labour Department, District office, Kanpur Nagar | UPFA35003123 | December 29, 2017 | December 31, 2018 |
| 2. | MSME Udyog Aadhaar Memorandum | Distt. Industries Centre, Kanpur, Government of Uttar Pradesh | UP43B0016918 | February 01, 2007 | Valid until cancelled |
| 3. | Fire NOC | Uttar Pradesh Fire Service, Government of Uttar Pradesh | CFO/Bhav-Nirikshan/15 | December 25, 2015 | Valid until cancelled |
| 4. | Water Pollution Consent letter | Regional Officer, Uttar Pradesh Pollution Control Board | 32533/UPPCB/Kanpur Nagar (UPPCBRO)/CTO/water/KANPUR NAGAR/2018 | September 6, 2018 | December 31, 2021 |
| 5. | Air Pollution Consent letter | Regional Officer, Uttar Pradesh Pollution Control Board | 32532/UPPCB/Kanpur Nagar (UPPCBRO)/CTO/air/KANPUR NAGAR/2018 | September 6, 2018 | December 31, 2021 |

*

Approval related to Factory situated at K 15 UPSIDC, Jainpur, Kanpur Dehat- 209311, Uttar Pradesh

| Sl. No. | Authorization Granted | Issuing Authority | Registration No:/ Reference No:/ License No: | Date of Issue/ Date of Renewal | Valid up to |
|---------|--|--|--|--------------------------------|-----------------------|
| 1. | MSME Udyog Aadhaar Memorandum | Distt. Industries Centre, Kanpur, Government of Uttar Pradesh | UP43B0016754 | December 01, 2017 | Valid until cancelled |
| 2. | Factory License | ADF Labour Department, District office, Kanpur Nagar | UPFA35003123 | August 07, 2018 | December 31, 2018 |
| 3. | Environmental clearance/ NOC from Pollution Board | Department Of Deputy Commissioner of District Industries and Enterprise Promotion Centre, Kanpur Dehat | 27/GUK/KAD/NOC/2018-19 – | April 10, 2018 | Valid until cancelled |
| 4. | License under the Legal metrology Act, 2009 | Senior Inspector, Akbarpur, Kanpur Dehat, Department of Legal Metrology | 219192 | August 23, 2018 | Valid until cancelled |
| 5. | License under the Legal metrology Act, 2009 for factory situated at 123/57 Saresh Bagh, Kanpur - 208012, Uttar Pradesh | Senior Inspector, Sarojini Nagar, Kanpur, Department of Legal Metrology (Weights & Measures) Government of Uttar Pradesh | 275126 | August 02, 2018 | Valid until cancelled |

IV. Approvals obtained in relation to Intellectual property rights
Trademark

Our Company has applied for registration of the following trademark as on the date of this Draft Prospectus:

| Sr. No. | Trademark | Trade Mark Type | Class of Trademark | Application / License No. | Date of Application |
|---------|---|-----------------|--------------------|---------------------------|---------------------|
| 1. |  | Device (Logo) | 2 | 3869969 | June 25, 2018 |

Copyright

NIL

V. Approvals applied for but not yet received / Renewals made in the usual course of business:

| Sr. No. | Authorization Granted | Issuing Authority | Date of Application |
|---------|---|-----------------------------------|---------------------|
| 1. | Fire license for factory situated at K 15 UPSIDC, Jainpur, Kanpur | 2018/51944/KND Kanpur Dehat /850/ | September 26, 2018 |

| Sr. No. | Authorization Granted | Issuing Authority | Date of Application |
|--------------------|------------------------------|--------------------------|----------------------------|
| | Dehat- 209311, Uttar Pradesh | | |

VI. Material licenses / approvals for which our Company is yet to apply for / Statutory Approvals / Licenses required:

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue in terms of this Draft Prospectus has been authorized pursuant to the resolution passed by the Board of Directors dated August 02, 2018 and by the shareholders pursuant to the special resolution passed in Extra-Ordinary General Meeting dated August 10, 2018 under Section 62(1)(c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the BSE for using its name in the Draft Prospectus pursuant to an approval letter dated [●]

Prohibition by SEBI or other governmental authorities

We confirm that our Company, 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 authority.

None of our Directors are 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 director

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 willful 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 149 of the Draft 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 Chapter XB of the SEBI (ICDR) Regulations as amended from time to time, as we are an Issuer whose post issue face value paid up capital will be not more than ₹ 10 crores, 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 "BSE-SME")

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. For further details pertaining to said underwriting please refer to section titled "General Information – Underwriting" beginning on page 39 of the Draft Prospectus.

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 Draft Prospectus. Also, we shall ensure that our Lead

Manager submits a copy of the Draft Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft 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. For further details of the arrangement of market making please refer to section titled "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 40 of the Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 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.

The Net worth (excluding revaluation reserves) of the Company should be positive as per the latest audited financial results.

As on March 31, 2018, The Company had Net Worth of ₹ 5.05 Crores as per the restated financial results.

As on March 31, 2017, The Company had Net Worth of ₹ 3.99 Crores as per the restated financial results.

As on March 31, 2016, The Company had Net Worth of ₹ 1.04 Crores 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)

The Company should has positive cash accruals (Earnings Before Depreciation And Tax) from operations for at least 2 Financial Years preceding the application.

| Particulars | For F.Y. 2017-18 | For F.Y. 2016-17 | For F.Y. 2015-16 |
|---|------------------|------------------|------------------|
| Cash Accrual (Earnings Before Depreciation And Tax) as restated | 197.32 | 41.66 | 30.77 |

The Company's distributable profits in terms of sec. 123 of Companies Act, 2013 (as restated) in last three financial years are detailed below:

₹ in Lakhs

| Particulars | For F.Y. 2017-18 | For F.Y. 2016-17 | For F.Y. 2015-16 |
|-------------------------------|------------------|------------------|------------------|
| Net Profit (as per restated) | 105.95 | 3.39 | 4.98 |

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 Depository Services Limited (CDSL) dated [●]and National Securities Depository Limited dated [●]for establishing connectivity.

Our Company has a website i.e. <http://www.hindustanflex.com/>

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

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.

No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.

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.

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.

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 113 of the SEBI (ICDR) Regulations, with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)/ STOCK EXCHANGE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI/ STOCK EXCHANGE. SEBI/ STOCK EXCHANGE 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 MARK CORPORATE ADVISORS PRIVATE 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, MARK CORPORATE ADVISORS PRIVATE 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 MANAGER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 28, 2018 WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABOURATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE

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:

THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

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

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.

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.

WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.

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.

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.

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.

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

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.

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.

WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:

AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

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.

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.

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.

WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MANAGER 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.

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 WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE PROSPECTUS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MANAGER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME EXCHANGE

WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES 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.

WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.

WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.

WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISOR TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS.

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 the Draft 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 lead Manager any irregularities or lapses in the Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, Uttar Pradesh, Kanpur in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Mark Corporate Advisors Private Limited:

| Sr. No. | Issuer Name | Issue size (In 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.) | Madhya Pradesh Media Today Limited (NSE EMERGE) | 14.17. | 66.00 | September 29, 2017 | 70.00 | 37.73% | 95.38% | 91.36% |
| | | | | | | 5.87% | 6.74% | 3.32% |
| 2.) | Tasty Dairy Specialities Limited (BSE SME) | 24.44 | 45.00 | February 21, 2018 | 50.75 | (0.78%) | (4.44%) | -18.89% |
| | | | | | | (3.69%) | 2.38% | 13.10% |
| 3.) | Godha Cabcon & Insulation Limited (NSE EMERGE) | 9.90 | 33.00 | May 11, 2018 | 30.25 | -14.55% | -3.33% | N.A. |
| | | | | | | -0.36% | 6.90% | N.A. |
| 4.) | Sumit Woods Limited (NSE EMERGE) | 18.24 | 45.00 | September 10, 2018 | 45.00 | | | |
| | | | | | | | | |

Source: Price Information www.nseindia.com/emerge and www.bsesme.com; Issue Information from respective Prospectus.

Note:

- Based on date of listing.
- NIFTY has been considered as the benchmark index.
- Prices on BSE/ NSE are considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
- N.A. – Period not completed.

Disclaimer from our Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in the Draft 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 Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU entered between the Lead Manager and our Company on August 31, 2018 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager 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 centers or elsewhere.

The Lead Manager 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 Rs. 2,500.00 Lakhs and pension funds with a minimum corpus of Rs. 2,500.00 Lakhs, 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. The Draft 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 the Draft 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) 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 the Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft 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 LTD

BSE Limited ("BSE") has given vide its letter dated [..], permission to this Company to use its name in the Issue document as one of the stock exchange 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 for 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 Issue document; or ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company; and it should not for any reason be deemed or construed that this Issue document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities in this Company may do so pursuant to independent inquiry, investigations and analysis and shall not have any claim

against BSE whatsoever by reason of 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 Bids 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 Draft Prospectus is being filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001.

A copy of the Draft Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the Draft 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 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, Kanpur Uttar Pradesh

Listing

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE. Our Company has obtained in-principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of BSE.

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 the Draft 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, Our Statutory Auditor, Our Peer Review Auditor 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 under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Draft 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 Draft Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, Shashi Dinesh & Co., Chartered Accountants, Statutory Auditors of the Company have 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 the Draft 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 the Draft Prospectus .

Experts Opinion

Except for the reports in the section “*Financial Information*” and “*Statement of Tax Benefits*” on page 123 and page 64 of the Draft Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions. For the sake of clarity, 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 | Estimated Expenses (₹ in Lakhs) | As a % of the total estimated Issue expenses | As a % of the total Issue size |
|--|------------------------------------|--|--------------------------------------|
| Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Legal Advisors, Registrars, Bankers, etc. | [•] | [•] | [•] |
| Regulatory Fees | [•] | [•] | [•] |
| Marketing and Other Expenses | [•] | [•] | [•] |
| Total Estimated Issue Expenses | 130.00 | | |

Fees, Brokerage and Selling Commission payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the (i) Issue Agreement/MOU dated August 31,2018 with the Lead Manager, Mark Corporate Advisors Private Limited, (ii) the Underwriting Agreement dated [•]with the Underwriter, Mark Corporate Advisors Private Limited and (iii) the Market Making Agreement dated [•] 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 Draft 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 dated August 18, 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 the Draft 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 the Draft Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to section titled "*Capital Structure*" beginning on page 42 of the Draft Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the Initial Public Offering 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 370(1B) of the Companies Act, 1956 / 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 370(1B) of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, have 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

The Company does not have any subsidiary or group companies. Draft Prospectus Accordingly, the requirement to disclose details of previous issues by listed Group Companies or Subsidiaries does not apply.

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 the Draft Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing the Draft Prospectus.

Option to Subscribe

Equity Shares being issued through the Draft 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 Ms. Upasana Mishra , 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:

Name: Mrs. Upasana Mishra
Name of the Company: Hindustan Flex Limited
Tel No.: +91 -0512 -2222386
E-mail: info@hindustanflex.com
Website: www.hindustanflex.com/

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.

Change in Auditors during the last three (3) years

M/s Shashi Dinesh & Co., Chartered Accountants were appointed as the Statutory Auditors (“Auditor”) of the Company for period of FY 2017-18 at the Extra Ordinary General meeting held on May 5, 2018 due to the casual vacancy created by resignation of M/s. Mukesh Shrivastava & Co. Chartered Accountants of the Company.

Capitalization of Reserves or Profits

Except as disclosed under section titled "*Capital Structure*" beginning on page 42 of the Draft 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 the Draft 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 Tax Benefits*" beginning on page 64 of the Draft Prospectus.

Purchase of Property

Other than as disclosed under section titled "Our Business" beginning on page 78 of this Draft 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 Draft 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 Draft 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 Behavior

Except as stated in the Draft 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 pages 105 and 121 respectively of the Draft Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

SECTION VII - ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2009, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, BSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles. For further details, please refer to the section titled, '*Main Provisions of the Articles of Association of the Company*' beginning on page number 224 of this Draft Prospectus.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on August 02, 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 10, 2018

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled '*Dividend Policy*' and "*Main Provisions of the Articles of Association*" beginning on pages 122 and 224 of this Draft Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹10 each are being offered in terms of this Draft Prospectus at the price of ₹ [-] per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled '*Basis for Issue Price*' beginning on page 62 of this Draft 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. 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, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see ‘Main Provisions of Articles of Association’ beginning on page 219 of this Draft Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per the provisions of the Depositories Act, 1996 & regulations made thereunder and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [·] Equity Shares and the same may be modified by the BSE Ltd from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [·] Equity Shares subject to a minimum allotment of [·] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

Joint Holders

Where 2 (two) 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.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai, India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, 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 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 titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may, thereafter, withhold payment of all dividends, bonuses or other monies 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 respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in "*Capital Structure*" on page no. 42 of this Draft Prospectus, and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer "*Main Provisions of Articles of Association*" on page 224 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated here in above. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Withdrawal of the Issue

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the

newspapers in which the pre-Issue advertisements were published, within two (2) days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

Minimum Subscription

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹1,00,000 (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Migration to Main Board

Our company may migrate to the main board of BSE Ltd at a later date subject to the following:

- a) If the Paid up Capital of our 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), our Company shall apply to BSE Ltd 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 our company is more than ₹10 Crores but below ₹25Crores, our 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 shareholders other than promoter shareholders

against the proposal.

Market Making

The shares offered through this issue is proposed to be listed on the SME Platform of BSE Ltd wherein the Lead Manager to the issue shall ensure compulsory Market Making through registered Market Makers of the BSE Ltd for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the Market Making arrangement see chapter titled “*General Information-Details of the Market Making Arrangements for this Issue*” beginning on page 40 of this Draft Prospectus.

In accordance with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has decided to make applicable limits on the upper side for the Market Maker 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) |
|--------------------------------|---|---|
| Up to ₹20 Crores | 25% | 24% |
| ₹20 Crores to ₹50 Crores | 20% | 19% |
| Above ₹50 Crores to ₹80 Crores | 15% | 14% |
| Above ₹80 Crores | 12% | 11% |

Further, the following shall apply to market maker while managing their inventory during the process of market making:

- (i) The exemption from threshold shall not be applicable for the first three months of market making and the market maker shall be required to provide two way quotes during this period irrespective of the level of holding. Any initial holdings over and above such 5% of issue size would not be counted towards the inventory levels prescribed.
- (ii) Apart from the above mandatory inventory, only those shares which have been acquired on the platform of the exchange during market making process shall be counted towards the Market Maker's threshold. Threshold limit will take into consideration, the inventory level across market maker.
- (iii) The Market Maker shall give two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.
- (iv) 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.
- (v) Provided, where there is any SEBI debarment order against the company/its promoters/directors, while the SEBI debarment is in force against the company/its promoters/directors, it shall be mandatory for the company to appoint a trading member of BSE Ltd as a market maker even after the completion of mandatory period of three years. In case of any default during market making the penalties/actions will be imposed as per the existing guidelines.

Arrangements for disposal Of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [·] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Ltd.

Restrictions, if any, 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's minimum contribution in the Issue as detailed in the chapter '*Capital Structure*' beginning on page no. 42 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled '*Main Provisions of the Articles of Association*' beginning on page no. 224 of this Draft Prospectus. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Option to receive securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs.

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M) (1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is not more than ₹10 Crore, 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 Ltd). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 173 and 181 of this Draft Prospectus.

The Issue is being made by way of Fixed Price method.

Following is the Issue Structure:

Public Issue of [·] Equity shares of face value of ₹10 each fully paid (the 'Equity Shares') for cash at a price of ₹59 per Equity Share aggregating to ₹1330.00 Lakhs ('the Issue') by our Company. The Issue comprises a Net Issue to Public of [·] Equity Shares ('the Net Issue') and a reservation of [·] Equity Shares for cash at a price of ₹[·] per Equity Share aggregating of ₹ [·] Lakhs by the designated Market Maker ('the Market Maker Reservation Portion').

| Particulars of the Issue | Net Issue to Public* | Maker Reservation Portion |
|---|---|---------------------------|
| Number of Equity Shares available for allocation | [·] Equity Shares | [·] Equity Shares |
| Percentage of Issue Size available for allocation | [·] % of the Issue Size | [·]% of the Issue Size |
| Basis of Allotment | Proportionate basis, subject to minimum allotment of [·] Equity Shares each. For further details, please refer to the 'Issue Procedure- Basis of Allotment' on page no. 191 of this Draft Prospectus | Firm Allotment |
| Mode of Application | All the Applicants (online & physical) through ASBA process | Through ASBA process only |
| Minimum Application Size | <i>For QIB & HNI:</i> Such number of Equity Shares in multiples of [·] Equity Shares such that the application size exceeds ₹2,00,000 <i>For Retail Individuals:</i> [·] Equity Shares | [·] Equity Shares |
| Maximum Application Size | <i>For QIB & HNI:</i> Such number of Equity Shares in multiples [·] Equity Shares such that application size does not exceed [·] Equity Shares <i>For Retail Individuals:</i> Such number of Equity Shares in multiples of [·] Equity Shares such that application value does not exceed ₹2,00,000 | [·] Equity Shares |
| Mode of Allotment | Dematerialized form only | Dematerialized form only |
| Trading Lot | [·] Equity Shares | [·] Equity Shares |
| Terms of Payment | The entire bid amount will be payable at the time of submission of the Application Form | |

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

*As per Regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, the allocation in the net issue to public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to:
 - i) individual applicants other than retail individual investors; and
 - ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) the unsubscribed portion in either of the categories specified in clauses (a) or (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.

* In case of joint Application, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. 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.

Withdrawal of the Issue

The Company, in consultation with the LM, 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:

- 1) The final listing and trading approvals of BSE Ltd. for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment and
- 2) The final ROC approval of the Prospectus after it is filed with the ROC.

In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Lead Managers, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one 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 offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Bid/Issue Programme:

| | |
|---------------------------|-----|
| Issue Opening Date | [•] |
| Issue Closing Date | [•] |

Applications and any revision to the same (except that on the Issue Closing Date) will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing date application and revision to the same will be accepted between 10.00 a.m. and 3.00p.m. Applications will be accepted only on Working Days, i.e., all trading days of stock exchange excluding Sundays and bank holidays.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“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, 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 Obligation and Disclosure Regulations), 2015. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Final 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.

PART A

Fixed Price Issue Procedure

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the designated intermediaries such as SCSB or Registered Brokers of Stock Exchanges or Registered Registrars to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

As per the provisions of Section 29(1) of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialized form. The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchange.

Our Company or the Lead Managers will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Application Form

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

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

The prescribed color of the Application Form for various categories is as follows:

| Category | Color of Application Form |
|---|---------------------------|
| Resident Indians and Eligible NRIs applying on a non- repatriation basis (ASBA) | White |
| Eligible NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding under the QIB Portion), applying on a repatriation basis (ASBA) | Blue |

In accordance with SEBI circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft 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*")

| Sr. 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) |
| 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 a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of the Stock Exchange will be done by:

| | | |
|--|---|---|
| For applications submitted by investors to SCSB | : | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For applications submitted by investors to intermediaries other than SCSBs | : | After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and the Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Ltd i.e. www.bsesme.com

Who can apply?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian national's resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under the irrespective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicant's category;
- Alternative Investment Funds, Venture Capital Funds, Foreign Venture Capital Investors registered with SEBI;
- Portfolio Manager registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India

As per the existing regulations, OCBs cannot participate in this Issue.

Participation by Associates/Affiliates of Lead Manager and Syndicate Members

The Lead Manager and the Syndicate Member shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager and Syndicate Member, if any, may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion, as may be applicable to such applicants, where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the Lead Manager and the Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Option to Subscribe in the Issue

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

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 (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 HUF's applications shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

Applications by Eligible NRIs/RFPs on Repatriation Basis

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead Manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

- 1) Foreign Portfolio Investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
- 2) Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
- 3) In respect of investments in the secondary market, the following additional conditions shall apply:
 - (a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - (b) Nothing contained in clause (a) shall apply to:
 - (i) Any transactions in derivatives on a recognized stock exchange;
 - (ii) Short selling transactions in accordance with the framework specified by the Board;

- (iii) Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (iv) Any other transaction specified by the Board.
- (c) No transaction on the stock exchange shall be carried forward;
- (d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - (i) transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - (ii) Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (iii) Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - (iv) Sale of securities, in accordance with the Securities and Exchange Board of India (Buyback of securities) Regulations, 1998;
 - (v) Divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - (vi) Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - (vii) Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (viii) Any other transaction specified by the Board.
- (e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

- 4) The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5) The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6) In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7) A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;

(b) Such offshore derivative instruments are issued after compliance with know your client's norms:

Provided that those unregulated broad-based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Application by Mutual Funds

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 reject any application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of a 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.

Applications by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investor can invest only upto 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment Funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 33.33% of its corpus by way of subscription to an Initial Public Offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis for the purpose of allocation.

Applications by Limited Liability Partnerships

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA process.

Applications by Insurance Companies

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- 1) *Equity Shares of a Company*: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) *The entire group of the Investee Company*: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or re-insurer (25% in case of ULIPS); and
- 3) *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 ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors on December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

Application under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged 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 addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, 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 as signing any reasons thereof.
- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by Provident Fund with minimum corpus of ₹2,500 Lakhs (subject to applicable law) and Pension Fund with a minimum corpus of ₹2,500 Lakhs, a certified copy of a certificate from a Chartered Accountant certifying the corpus of the Provident Fund / Pension Fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the Power of Attorney along with the Application Form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the Power of Attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice /CANs/ letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The 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 Draft 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.

Applications by Banking Companies

In case of Applications 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 and the Selling Shareholders reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949 as amended is 30.00% of the

paid-up share capital of the investee company or 30.00% of the banks own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 01, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Applications by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such application.

Application by Provident Funds / Pension Funds

In case of applications made by Provident Fund/Pension Fund, subject to applicable laws, with minimum corpus of ₹ 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the Provident Fund/Pension Fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

Terms of Payment / Payment Instructions

The entire Issue price of ₹[.] 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.

- All Applicants are required to make use ASBA for applying in the Issue.
- Application Amount cannot be paid in cash, through money order, cheque or through postal order or through stock invest.
- Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- Applicants must specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- From one ASBA Account, a maximum of five Applications can be submitted.
- Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- 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.
- 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.
- 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 ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

Maximum and Minimum Application Size

a) For Retail Individual Applicants

The Application must be for a minimum of [·] Equity Shares and in multiples of ₹ [·] equity shares thereafter, so as to ensure that the Application amount payable by the Applicant does not exceed ₹2,00,000. In case of revision of applications, the Retail Individual Applicants have to ensure that the application amount does not exceed ₹2,00,000.

b) 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 ₹2,00,000 and in multiples of [·] 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 ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

Information for the Applicants

- 1.) Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
- 2.) Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
- 3.) Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
- 4.) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
- 5.) Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
- 6.) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
- 7.) Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be suspended for credit and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
- 8.) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

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 drafts intermediaries otherwise it will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/ mail their applications at their sole risk along with Demand payable at Mumbai.

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 Ltd i.e. www.bsesme.com.

Applicant’s Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as ‘Demographic Details’). Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs/ Allocation Advice. 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.

Basis of Allotment

Allotment will be made in consultation with the BSE Ltd. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. 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).
2. 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 in to the inverse of the oversubscription ratio).
3. For applications where the proportionate allotment works out to less than [·] shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted [·] Equity Shares; and
 - b) The successful applicants out of the total applicants for that category shall be determined by the draw l 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.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [·] Equity Shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [·] Equity Shares subject to a minimum allotment of [·] equity shares.
5. 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 nearest multiple of [·] equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.

6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - a) 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.
 - b) The balance net offer of shares to the public shall be made available for allotment to
 - i. Individual applicants other than retails individual investors and
 - ii. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c) The unsubscribed portion of the net offer to anyone of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

‘Retail Individual Investor’ means an investor who applies for shares of value of not more than ₹2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE Ltd.

The Executive Director / Managing Director of BSE Ltd– 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.

Payment by Stock Invest

In terms of the Reserve Bank of India circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

General Instructions:

Do’s:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act,1961;
- Ensure that the Demographic Details(as defined herein below) are up dated, 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.
- All Applicants should submit their application through ASBA process only.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a acknowledgement\
- Investors shall note that persons banned from accessing capital market are ineligible of investing in the offer.

Don’ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;

- Do not send Application Forms by post; instead submit the same to the Selected Branches/Offices of the Banker to the Issue;
- Do not fill 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.

Other Instructions

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father / husband's name to determine if they are multiple applications.
- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

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.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of 'Know Your Client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ('PAN') to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his / her PAN allotted under the IT Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the Lead Manager 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.

Grounds for Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [] Equity Shares
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of the irrespective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or in directly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹2,00,000 received after 3.00 pm on the Issue Closing Date;

Impersonation

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

Signing of Underwriting Agreement

Vide an Underwriting agreement dated [•] this issue is 100% Underwritten.

Filing of the Prospectus with the RoC

The company will file a copy of the Prospectus with the Registrar of Companies, Uttar Pradesh Kanpur in terms of Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Designated Date and Allotment of Equity Shares

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within two months from the date of allotment thereof or such extended time as may be approved by the National Company Law Tribunal under Section 56 of the Companies Act, 2013 or other applicable provisions, if any. Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates. After the funds are transferred from the SCSB's to Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the Allottees shall be within one working day of the date of approval of Basis of Allotment by Designated Stock Exchange. Investors are advised to instruct their Depository Participants to accept the Equity Shares that may be allocated/ allotted to them pursuant to this issue.

Payment of Refund

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager shall intimate Public Issue Bank and Public Issue Bank shall transfer the funds from Public Issue account to Refund Account as per the written instruction from Lead Manager and the Registrar for further payment to the beneficiary applicants.

Undertakings by our Company

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file afresh offer document with the ROC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;

4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working Days of Issue Closing Date or such time as prescribed;
5. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
6. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time; and
7. That no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Prospectus are listed.

Utilization of Issue Proceeds

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

Withdrawal of the Issue

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final RoC approval of the Prospectus after it is filed with the concerned RoC.
2. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment and if our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh prospectus with stock exchange.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) We have entered into tripartite agreement between NSDL, the Company and the Registrar to the Issue dated [·];
- (b) We have entered into tripartite agreement between CDSL, the Company and the Registrar to the Issue dated [·];

The Company's Equity shares bear an ISIN Number [·]

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository

Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness so this or her Demographic Details given in the Application Form Vis à Vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

Communications

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application 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.

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make the independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ('ASBA Account') is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful Applicants to the ASBA Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the Applicant shall submit the ASBA Application Format the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 01, 2010 all the investors can apply through ASBA process and after SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all investors must apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the Applicants from the respective ASBA Account in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective Applicants, would be required to be blocked in the respective ASBA accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA, as the case maybe.

PART - B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus /Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken inter-alia through Fixed Price Issues. The purpose of the -General Information Document for Investing in Public Issues| is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”). Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the

Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section ‘Glossary & Abbreviations’.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1. Initial Public Offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under chapter XB of the SEBI (ICDR) Regulations, wherein as per:

- Regulation 106M (1): An issuer whose post-issue face value Capital does not exceed Ten Crores 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 Crores rupees and upto Twenty Five Crores rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106(M) (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 the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least [·] % of the total issue size.
- (b.) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight
- (c.) 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
- (d.) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (e.) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (f.) The company should have track record of at least 3 years.
- (g.) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive.
- (h.) The post issue paid up capital of the company (face value) shall not be more than ₹10 Crores.
- (i.) The Net worth (excluding revaluation reserves) of the Company is positive per the latest audited financial results.
- (j.) The Company has track record of distributable profits in terms of section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months or has a Net Worth of ₹ 5 crore.
- (k.) The post-issue paid-up capital of the Company will be ₹ [·] lakhs.
- (l.) The Issuer shall mandatorily facilitate trading in demat securities.
- (m.) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (n.) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (o.) 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.
- (p.) The Company should have a website.
- (q.) There has been no change in the promoter of the Company in the one year preceding the date of filing application to BSE Ltd for listing on their SME platform.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106 M (·) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds ₹1,000 Lakhs but does not exceed Rs 2,500 Lakhs. Company also complies with the eligibility conditions laid by the BSE Ltd for listing of our Equity Shares.

2.3. Types of Public Issues-Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Issue (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4. Issue Period

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5. Migration to Main Board

Our company may migrate to the Main board of BSE Ltd on a later date subject to the following:

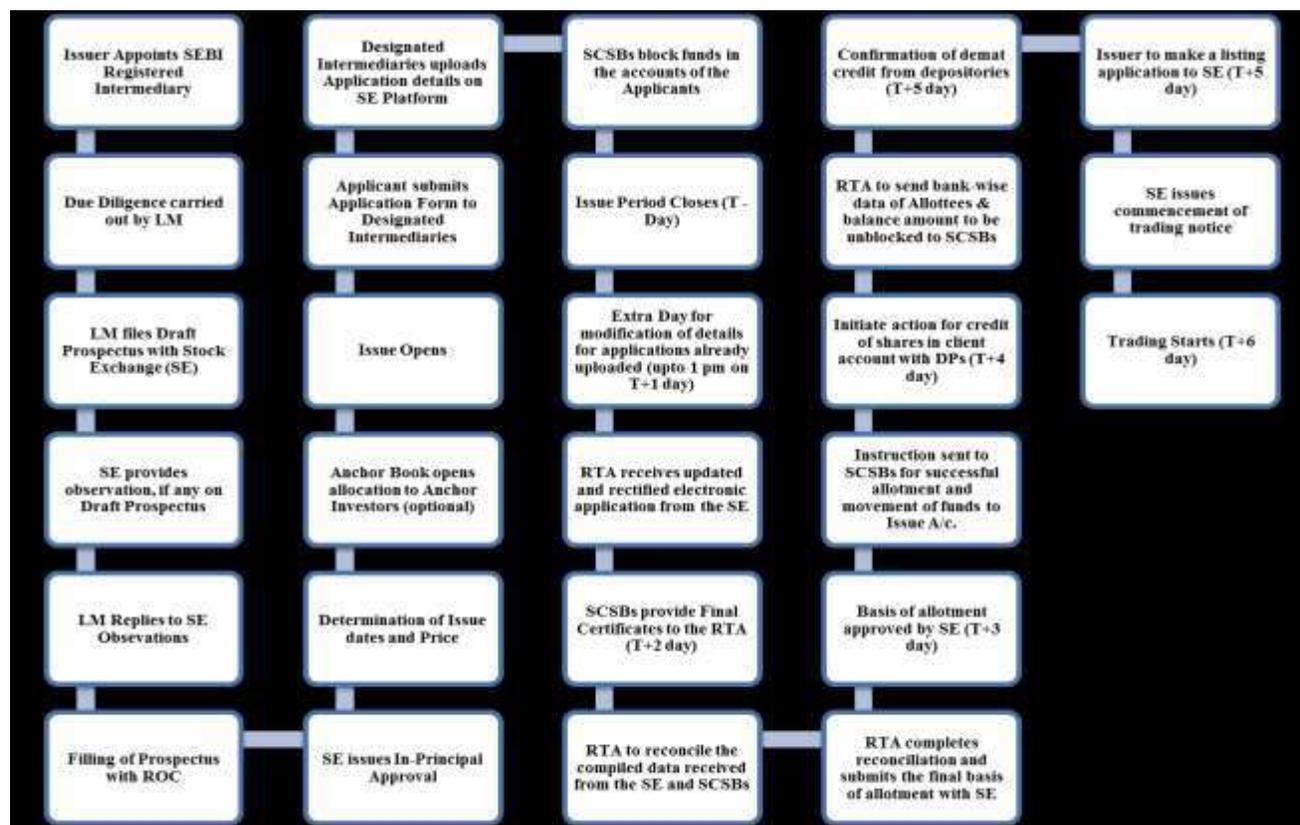
- (a.) If the Paid up Capital of our Company is likely to increase above ₹ 2,500 Lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc.(which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to BSE Ltd for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b.) If the Paid up Capital of our company is more than ₹ 1,000 Lakhs but below ₹ 2,500 Lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6. 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. Further, more certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- (i.) Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
- (ii.) Hindu Undivided Families or HUFs in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- (iii.) Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- (iv.) Mutual Funds registered with SEBI;
- (v.) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- (vi.) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- (vii.) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- (viii.) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- (ix.) State Industrial Development Corporations;

- (x.) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest inequity shares;
- (xi.) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- (xii.) Insurance Companies registered with IRDA;
- (xiii.) Provident Funds and Pension Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- (xiv.) Multilateral and Bilateral Development Financial Institutions;
- (xv.) 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;
- (xvi.) Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- (xvii.) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws. As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available Designated Branches of the SCSBs, at the registered office of the Issuer and at the registered office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

| Category | Color of the Application |
|---|---------------------------------|
| Resident Indian, Eligible NRIs applying on a non-repatriation basis | White |
| NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis | Blue |
| Anchor Investors (where applicable) & Applicants applying in the reserved category | Not Applicable |

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

1.1. Instructions for Filing the Application Form (Fixed Price Issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for Non-Resident Applicants are reproduced below:

Application Form-NR

| | | | |
|--|---|--|--|
| COMMON BID CUM APPLICATION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : _____ Contact Details: _____ CIN No _____ | For Eligible NRI, FI, FVCI, applying on Restriction Basis | |
| LOGO | TO, THE BOARD OF DIRECTORS XYZ LIMITED | FIXED PRICE OME ISSUE INE000000000 | |
| | | Bid cum Application Form No. _____ | |
| 2. SYNDICATE MEMBER'S STAMP & CODE | | 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER | |
| 3. BROKER/SCSB/DP/RTA STAMP & CODE | | Mr / Ms _____ | |
| 4. SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | | Address _____ | |
| 5. BROKER/SCSB/DP/RTA BRANCH STAMP & CODE | | Email _____ | |
| BANK BRANCH SERIAL NO. | | Tel. No (with STD code) / Mobile _____ | |
| SCSB SERIAL NO. | | 1. PAN OF SOLE / FIRST BIDDER | |
| 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL | | | |
| Loc. NSDL under 1 digit DP ID followed by 1 digit Client ID / Loc. CDSL under 16 digit Client ID | | | |
| 4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") | | 5. CATEGORY | |
| Bid Options | No. of Equity Shares Bid (In Figures) <i>(Do not use in multiples of Bid Lot as advertised)</i> | Price per Equity Share (₹) "Cut-off" <i>(Price in multiples of ₹ 2/- only) (In Figures)</i> | |
| | | Net Price | |
| Option 1 | | <input type="checkbox"/> Retail Investor Bidder | |
| (OR) Option 2 | | <input type="checkbox"/> Non-Institutional Bidder | |
| (OR) Option 3 | | <input type="checkbox"/> QIB | |
| 6. Investor Status | | | |
| <input type="checkbox"/> Non-Resident Indian (Repatriation Basis) NR | | | |
| <input type="checkbox"/> Foreign Institutional Investor FI | | | |
| <input type="checkbox"/> Foreign Venture Capital Investor FVC | | | |
| <input type="checkbox"/> FI Sub Account Corporate/Individual FISA | | | |
| <input type="checkbox"/> 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 HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE BID CUM APPLICATION FORM AND THE ATTACHED MEMBERS INFORMATION AND GENERAL INFORMATION DOCUMENT FOR DIVESTING IN PUBLIC ISSUES (TIFID) AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF I/WE) APPLICANTS, IF ANY; HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF. | | | |
| 8A. SIGNATURE OF SOLE / FIRST BIDDER | 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER (S) (AS PER BANK RECORDS) <i>(We authorize the SCSB to debit all such an amount to make the Application in the bid)</i> | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) | |
| | 1) _____ 2) _____ 3) _____ | | |
| TEAR HERE | | | |
| LOGO | XYZ LIMITED INITIAL PUBLIC ISSUE - NR | Acknowledgement Slip for Broker/SCSB/DP/RTA | |
| | | Bid cum Application Form No. _____ | |
| DPID / CIN | | 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 - INDIVIDUAL BIDS - NR | Option 1 | Option 2 | Option 3 |
| | No. of Equity Shares Bid | | |
| | Amount Paid (₹) | | |
| | ASBA Bank A/c No. | | |
| Bank & Branch | | | |
| | | Stamp & Signature of Broker / SCSB / DP / RTA | Names of Sole / First Bidder _____ |
| | | | Acknowledgement Slip for Bidder |
| | | | Bid cum Application Form No. _____ |

1.1.1. Field Number 1: Name and Contact Details of the Sole/First Applicant

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a.) *Mandatory Fields:* Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b.) *Joint Applications:* In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c.) *Impersonation:* Attention of the Applicants is specifically drawn to the provisions of sub section(1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities;
- or makes or abets making of multiple applications to a Company in different names or 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 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

1.1.2. Field Number 2: PAN 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 Applicant’s 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 [·] Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed ₹2,00,000, they can make Application for only minimum Application size i.e. for [·] 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 ₹2,00,000 and in multiples of [] 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 ₹2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.
- (c.) Multiple Applications: An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to any other Application Collecting Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (d.) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

- (i.) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - (ii.) For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e.) The following applications may not be treated as multiple Applications:
- (i.) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - (ii.) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - (iii.) Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

1.1.5. Field Number 5: Category of Applicants

- (a.) 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).
- (b.) 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.
- (c.) 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.

1.1.7. Field 7: Payment Details

Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

1.1.7.1. Payment instructions for Applicants

- (a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.
- (b) Applicants should specify the Bank Account number in the Application Form.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one Bank Account, a maximum of five Application Forms can be submitted.
- (f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained. In case Applicant applying through Application Collecting Intermediary other than SCSB, after verification and upload, the Application Collecting Intermediary shall send to SCSB for blocking of fund.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications a reliable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

1.1.8.Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application,(iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications,the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

1.1.8.1. Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.

- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

1.1.8.2. 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.

1.1.9. Field Number 8: Signatures and other Authorisations

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Applications, signature has to be correctly affixed in the authorisation/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.

1.1.10. Acknowledgement and Future Communication

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be addressed as under:
 - (i.) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.
 - (ii.) In case of applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - (iii.) Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
 - (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 And ASBA Account Number and Name.
 - (ii.) 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.

1.2 Instructions for filing the Revision Form

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise/withdraw their applications till closure of the Issue period
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.

- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

Revision Form-R

| | | | | | | |
|---|--|--|--|------------------------------------|---------------------|-----------------------------------|
| COMMON BID CUM APPLICATION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address: _____ Contact Details: _____ CIN No: _____ | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS | | | | |
| LOGO | TO, THE BOARD OF DIRECTORS XYZ LIMITED | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align:center;">FIXED PRICE GME ISSUE</td> <td style="text-align:center;">Bid cum Application Form No. _____</td> </tr> <tr> <td style="text-align:center;">INE000000000</td> <td></td> </tr> </table> | FIXED PRICE GME ISSUE | Bid cum Application Form No. _____ | INE000000000 | |
| FIXED PRICE GME ISSUE | Bid cum Application Form No. _____ | | | | | |
| INE000000000 | | | | | | |
| SYNCRGATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE | 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER | | | | |
| SUB-BRANCH / BRANCHES STAMP & CODE | CINNOV BANK/INM BRANCH STAMP & CODE | Mr / Ms _____ | | | | |
| BANK BRANCH SERIAL NO. | SCSB SERIAL NO. | Address _____ | | | | |
| | | Email _____ | | | | |
| | | Tel. No (with STD code) / Mobile _____ | | | | |
| | | 2. PAN OF SOLE / FIRST BIDDER | | | | |
| | | _____ | | | | |
| 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL | | 4. INVESTOR STATUS | | | | |
| <input type="checkbox"/> For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID | | | | | | |
| 5. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") | | <input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB | | | | |
| Bid Options | No. of Equity Shares Bid (In Figures) (This must be in multiples of Bid Lot as advertised) | | Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 0.01 only) (In Figures) | | | |
| | Bid Price | | Retail Discount | | | |
| | Net Price | | Cut-off (Please tick) (₹) | | | |
| Option 1 | | | <input type="checkbox"/> | | | |
| Option 2 | | | <input type="checkbox"/> | | | |
| Option 3 | | | <input type="checkbox"/> | | | |
| 7. PAYMENT DETAILS | | PAYMENT OPTION - FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/> | | | | |
| Amount paid (₹ in figures) _____ (₹ in words) _____ | | | | | | |
| ASBA Bank A/c No. _____ | | | | | | |
| Bank Name & Branch _____ | | | | | | |
| <small>WE ON BEHALF OF OUR APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE APPLICANT'S AMOUNTS, PROVISIONS AND THE OTHER INFORMATION EXCUSING FOR INVOLVING IN PUBLIC ISSUE (PII) AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVERSAY. WE (OR BIDDERS IF JONT) APPLICANT, IF ANY, HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILING OF THE BID CUM APPLICATION FORM GIVEN OVERSAY.</small> | | | | | | |
| 8A. SIGNATURE OF SOLE / FIRST BIDDER | 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>(We undertake to fill this field with an account number to make the application in the App.)</small> | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) | | | | |
| TEAR HERE | TEAR HERE | TEAR HERE | | | | |
| LOGO | XYZ LIMITED INITIAL PUBLIC ISSUE - R | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align:center;">Acknowledgement Slip for Broker/SCSB/DP/RTA</td> <td style="text-align:center;">Bid cum Application Form No. _____</td> </tr> <tr> <td></td> <td style="text-align:center;">PAN of Sole / First Bidder: _____</td> </tr> </table> | Acknowledgement Slip for Broker/SCSB/DP/RTA | Bid cum Application Form No. _____ | | PAN of Sole / First Bidder: _____ |
| Acknowledgement Slip for Broker/SCSB/DP/RTA | Bid cum Application Form No. _____ | | | | | |
| | PAN of Sole / First Bidder: _____ | | | | | |
| (DPID) / (CIN) | 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 | TEAR HERE | TEAR HERE | | | | |
| XYZ LIMITED - INITIAL PUBLIC ISSUE - R | Option 1 Option 2 Option 3 | Name of Sole / First Bidder | | | | |
| No. of Equity Shares | | | | | | |
| Bid Price | | | | | | |
| Amount Paid (₹) | | | | | | |
| ASBA Bank A/c No. _____ | Stamp & Signature of Broker / SCSB / DP / RTA | Acknowledgement Slip for Bidder | | | | |
| Bank & Branch _____ | | Bid cum Application Form No. _____ | | | | |

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 number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed ₹2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

1.2.3 Field 6: Payment Details

- (a) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

1.2.4 Fields 7: Signatures and Acknowledgements

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

1.3 Submission of Revision Form/Application Form

Applicants may submit completed application form / Revision Form in the following manner:

| Mode of Application Form | Submission of Application Form |
|---------------------------|---|
| All Investors Application | To the Application Collecting Intermediaries as mentioned in the Prospectus/ Application Form |

SECTION-5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

2. Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising blocking of funds that are available in the bank account specified in the Application Form only (‘ASBA Account’). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

3. Grounds of Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 (other than minor having valid depository accounts as per demographic details provided by the depository);
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [];
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number; Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or 'Qualified Institutional Buyers' as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹2,00,000 received after 3.00 p.m. on the Issue Closing Date, unless the extended time is permitted by BSE Ltd.
- 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 the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION-6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1. BASIS OF ALLOTMENT

Allotment will be made in consultation with BSE Ltd (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a.) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- (b.) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c.) For applications where the proportionate allotment works out to less than [] equity shares the allotment will be made as follows:
 - (i.) Each successful Applicant shall be allotted [] equity shares; and
 - (ii.) The successful Applicants out of the total applicants for that category shall be determined by the draw 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 [] equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of [] equity shares subject to a minimum allotment of [] equity shares.
- (e.) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [] 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 SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - (ii.) The balance net offer of shares to the public shall be made available for allotment to
 - Individual applicants other than retail individual investors and
 - Other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - (iii.) The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE Ltd.

The Executive Director / Managing Director of BSE Ltd-the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2. Designated Date and Allotment of Equity Shares

- (a.) Designated Date: On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

- (b.) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- (c.) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

- (d.) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 Completion of Formalities for Listing & Commencement of Trading

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 5 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 5 Working Days of the Issue Closing Date.

8.2 Grounds for Refund

8.2.1 Non Receipt of Listing Permission

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days pursuant to SEBI (ICDR) Regulations, 2009 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 40 of the Companies Act, 2013 and as disclosed in the Prospectus.

8.2.2 Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received.

8.2.3 Minimum Number of Allottees

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 Mode of Refund

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 Interest in Case of Delay in Allotment or Refund

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not done within the 4Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or Regulation as amended from time to time.

| Term(s) | Description |
|--|---|
| Allocation/Allocation of Equity Shares | The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants |
| Allotment/Allot/Allotted | Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants |
| Allottee(s) | Successful Applicants to whom Equity Shares of our Company shall have been allotted |
| Applicant | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Prospectus |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue |
| Application Supported by Blocked Amount/ASBA | The application (whether physical or electronic) by an Applicant to make an Application authorizing the relevant SCSB to block the Application Amount in the relevant ASBA Account 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 potential investors shall participate in the Issue only through ASBA process providing details about the bank account which will be blocked by the SCSBs |
| ASBA Account | Account maintained with an 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 |

| Term(s) | Description |
|---|---|
| | Applicant |
| ASBA Application Location(s)/Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs viz, Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat |
| ASBA Bid | A Bid made by an ASBA Bidder |
| ASBA Investor/ASBA Applicant | Any prospective investor(s)/applicant(s) in this Issue who apply (ies) through the ASBA process in terms of this Draft Prospectus. |
| Banker(s) to the Issue/Escrow Collection Bank | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case, being [·] Limited |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page no 181 of this Draft Prospectus |
| Bid | An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI Regulations |
| Bid Amount | Highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid |
| Bid Lot | [·] Equity Shares |
| Broker Centre’s | Broker Centre’s notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centre’s, along with the name and contact details of the Registered Brokers, are available on the website of the BSE on the following link www.bseindia.com |
| Broker to the Issue | All recognized members of the stock exchange would be eligible to act as the Broker to the Issue |
| CAN/Allotment advice | The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange i.e BSE Limited (“SME Platform of BSE Ltd.”) |
| Client ID | Client identification number of the Applicant’s beneficiary account. |
| Collecting Depository Participant/ 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 the SCSBs | Such branches of the SCSBs which co-ordinate applications under this Issue by the ASBA Applicants with the Lead Manager, Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details |
| Depository | A Depository registered with SEBI under SEBI (Depositories and Participant)Regulations, 1996 |
| Depository Participant/DP | A Depository Participant as defined under the Depositories Act. |
| Designated CDP Locations | Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and |

| Term(s) | Description |
|---|--|
| | contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.bseindia.com |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time |
| Designated Date | The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants |
| 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/Market Maker | In our case, [•] having its Registered office at [•] |
| Designated RTA Locations | Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange. |
| Designated Stock Exchange | BSE Ltd |
| Draft Prospectus | The Draft Prospectus dated September 28,2018 issued in accordance with Section 26 of the Companies Act, 2013 and filed with the BSE under SEBI (ICDR) Regulations, 2009 |
| Eligible NRIs | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein |
| Eligible QFIs | Qualified Foreign Investors 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 Draft Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialized accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI (Foreign Portfolio Investors) Regulations, 2014. |
| Public Issue Account(s) | Account(s) opened with the Public Issue Bank/Banker for the Issue |
| Public Issue Account/ Agreement | Agreement entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Public Issue Bank to the Issue for collection of the Application Amounts |
| 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 circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in “Issue Procedure” on page 181 of this Draft Prospectus. |
| Issue/Issue Size/ Initial Public Issue/ Initial | Public Issue of [•] Equity Shares of face value of ₹10 each fully |

| Term(s) | Description |
|---|---|
| Public Offer/Initial Public Offering/Initial Public Offering/ IPO | paid of Hindustan Flex Limited for cash at a price of ₹ [·] per Equity Share (including a premium of ₹ [·].00 per Equity Share) aggregating ₹1330.00 Lakhs. |
| Memorandum of Understanding/ MoU | The agreement dated August 31,2018 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue |
| Indian GAAP | Generally Accepted Principles in India |
| Independent Director | A non-executive & independent director as per the Companies Act,2013 and Listing Regulations |
| ISIN Number | International Securities Identification Number in this case being [·] |
| Issue Opening Date | The date on which Issue opens for subscription |
| Issue Closing Date | The date on which Issue closes for subscription |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application |
| Issue Price | The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹[·] per Equity Share of face value of ₹10 each fully paid up |
| Issue Proceeds | Proceeds from the fresh Issue that will be available to our Company, being ₹ 1330.00 Lakhs |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and BSE Ltd. |
| Lead Manager | Lead Manager to the Issue, in this case being Mark Corporate Advisors Private Limited, a SEBI Registered Merchant Banker |
| Market Making Agreement | Market Making Agreement dated [·] between Our Company, LM and Market Maker |
| Market Maker | Market Maker appointed by our Company, in this case being [·] who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time |
| Market Maker Reservation Portion | The Reserved Portion of [·] Equity Shares of face value of ₹ 10 each fully paid for cash at a price of ₹ [·] per Equity Share aggregating ₹ [·] Lakhs for the Market Maker in this Issue |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds)Regulations, 1996, as amended from time to time |
| Net Issue | The Issue excluding the Market Maker Reservation Portion of [·] Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ [·] Equity Share aggregating ₹ [·] Lakhs by our Company |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page no 56 of this Draft Prospectus |
| Non-Institutional Investors | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than ₹ 2,00,000 |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue |
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable. |

| Term(s) | Description |
|--|---|
| Person/Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires |
| Prospectus | The Prospectus to be filed with RoC containing, inter-alia, the issue opening and closing dates and other information |
| Public Issue Account | Account opened with the Banker to the Issue/Public Issue Bank i.e. [·] by our Company to receive monies from SCSBs from the bank accounts of the ASBA Applicants on the Designated Date |
| Qualified Institutional Buyers or QIBs | QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, Multilateral and Bilateral Development, Financial Institution, Venture Capital Fund registered with SEBI, Foreign Venture Capital Investor registered with SEBI, State Industrial Development Corporation, Insurance Company registered with Insurance Regulatory and Development Authority, Provident Fund with minimum corpus of ₹2,500 Lakhs, Pension Fund with minimum corpus of ₹2,500 Lakhs, NIF, Insurance Funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India |
| Refund Account (s) | Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur |
| Registered Brokers | Stock Brokers registered with the Stock Exchanges having nationwide terminals |
| Registrar/Registrar to the Issue | Bigshare Services Private Limited having Registered Office at 1stFloor, Bharat Tin Works Building, Opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai-400 059 |
| Retail Individual Investor | Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to ₹2,00,000 |
| Revision Form | The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s) |
| Self-Certified Syndicate Banker/ SCSB | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time |
| SME Platform of BSE/ | The SME Platform of BSE for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations |
| Underwriters | [·] Limited |
| Underwriting Agreement | The agreement dated [·] entered into between the Underwriters and our Company |
| Working Day | “Working Day” means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which |

| Term(s) | Description |
|---------|--|
| | 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 or a public holiday, 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 Limited, "Working Day" shall mean all trading days of BSE Ltd, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 |

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 26% under automatic route in our Company. India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular of 2016 with effect from June 07, 2016 ("Circular of 2016"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, this circular of 2016 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 FIPB or the RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and then on-resident shareholding is within the sectorial limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act") or any state securities laws in the United States and may not be offered within the United States or to or for the account or benefit of "U.S. Persons" (as defined in Regulations), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered only outside the United States in offshore transaction in reliance on Regulations under the U.S securities Act and the applicable laws of the jurisdiction where those offers occur. However, the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the 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 Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

**THE COMPANIES ACT, 2013 AND
THE COMPANIES ACT, 1956 (AS APPLICABLE)
(COMPANY LIMITED BY SHARES)**

**SECTION VIII -MAIN PROVISIONS OF ARTICLES OF ASSOCIATION
OF**

(THE COMPANIES ACT, 2013)

(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION

OF

HINDUSTAN FLEX LIMITED

Interpretation

- 1 (i) In these regulations-
 - (a) “the Act” means the Companies Act, 2013
 - (b) “the seal” means the common seal of the company.
- (ii) 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.

Share capital and variation of rights

- 2 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 times as they may from time to time think fit.
- 3 (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) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

- (iii) 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.
4. (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.
5. 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.
6. (i) The company may exercise the power of paying commissions conferred by sub section (6) of section 40, provided that the rate percent 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 thereunder.
- (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.
7. (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.
8. 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.
9. 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.

Lien

10. (i) The company shall have a first and paramount lien-
- (a) On every share (not being a fully paid share), for all months (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) On all shares (not being a fully paid share), 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.
11. 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.
12. (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 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.
- (iii) The purchaser shall be registered as holder of the shares comprised in any such transfer.
(Inserted vide Shareholder's resolution dated 16th July, 2018.)
13. (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

14. (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.

15. 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 instalments.

16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

17. (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 from the day appointed for payment thereof to the time of actual payment at ten percent. 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.

18. (i) Any sum which by the terms of issue of 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 purpose of these regulations, be deemed to be 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.

19. 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 percent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

20 (i) The instrument of transfer of any share in any 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.

21 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.

22 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.

23. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder, 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

24 (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) Noting 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.

25. (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.

26 (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.

27. 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.

Forfeiture of Shares

- 28 If a member fails to pay any call, or instalment 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 instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment 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 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 nonpayment 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 denominations;
- (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 the 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.

Capitalisation 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.

(iii) 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 capitalisation, 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) Subject to the provisions of the act and other applicable laws, the Company may, with the approval of shareholders in the General Meeting capitalise its profits by way of issue of bonus shares (*Inserted vide Shareholder's resolution dated 16th July, 2018.*)

Buy-back of shares

41 Notwithstanding anything contained in these articles but subject to the provisions of section 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 the Chairperson of the meeting.

Adjournment of meeting

48 (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

49 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; ad

(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.

50. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

51 (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.

52 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.

53 Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

54 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.

55 (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

56 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.

57 An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

58 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

59 The following shall be the first directors of the company:

- (i) SHRI ALOK KUMAR MISHRA
- (ii) SHRI AVINASH KUMAR MISHRA
- (iii) SMT. NISHA MISHRA
- (iv) SMT. MANJU SHUKLA

60 (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue form 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

61 The Board may pay all expenses incurred in getting up and registering the company.

62 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 think fit respecting the keeping of any such register.

63 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.

64 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.

Note: These articles have been adopted at Extra Ordinary Meeting held on October, 03, 2016 at the time of adoption of these articles following were directors of the company:-

1. Mr. Alok Kumar Mishra
2. Mrs. Nisha Mishra
3. Mr. Shwetank Agarwal
4. Mr. Karan Katyan

65 (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

66 (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.

67 (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.

68 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.

- 69 (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.
- 70 (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committee 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.
- 71 (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.
- 72 (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.
- 73 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 appointed and was qualified to be a director.
- 74 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.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

- 75 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 think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 76 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

- 77 (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

- 78 The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 79 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.
- 80 (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 to 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, think 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.
- 81 (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 where of 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 appointed 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.
- 82 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.
- 83 (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.

84 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.

85 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.

86 No dividend shall bear interest against the company.

Accounts

87 (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

88 Subject to the provisions of Chapter XX of the Act and rules made thereunder-

(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

89 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.

DEMATERIALIZATION OF SHARES

(Inserted vide Shareholder's resolution dated 16th July, 2018)

90. (i) *Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize or rematerialize its shares, debentures and other securities (both existing and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialized form pursuant to the Depositories Act and the Rules framed thereunder if any.*

(ii) Shares may be issued and held either in physical mode or in dematerialized state with a depository. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any

share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

(iii)All securities held by a Depository shall be in a fungible form. Nothing contained in Sections 89 of the Companies Act 2013 shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

(iv)Notwithstanding anything contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the Beneficial Owner. Save as otherwise provided by law or in these Articles, the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it.

(v)Every person holding securities of the Company and whose name is entered as a Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company and shall have the right to vote and other rights in respect of the securities.

(vi)Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form however subject to provisions of Depositories Act.

Note: The Articles shall be signed by each subscriber of the memorandum of association who shall add his address, description and occupation, if any, in the presence of at least one witness who shall attest the signature and shall likewise add his address, description and occupation, if any, and such signatures shall be form specified below:

SECTION IX - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus and will be delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at, from the date of filing the Prospectus with RoC to Issue Closing Date on working days from 11.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

- 1) Mandate Letters issued by Lead Manager, Mark Corporate Advisors Private Limited on May 21, 2018 to our Company.
- 2) MOU dated August 31, 2018 between Our Company and the Lead Manager.
- 3) Agreement dated August 18, 2018 between our Company and the Registrar to the Issue.
- 4) Public Issue Account Agreement dated [•] among our Company, the Lead Manager, the Public Issue Bank/Banker to Issue and the Registrar to the Issue.
- 5) Underwriting agreement dated [•] between our Company and Lead Manager, Mark Corporate Advisors Private Limited.
- 6) Market Making Agreement dated [•] between our Company, the Lead Manager and the Market Maker.
- 7) The Company has entered into tripartite agreement dated [•] amongst NSDL, the Company and Big Share Services Private Limited, the Registrar and Share Transfer Agent.
- 8) The Company has entered into tripartite agreement dated [•] amongst CDSL, the Company and the Registrar and Share Transfer Agent.

MATERIAL DOCUMENTS

- 1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
- 2) Resolution of the Board dated August 02, 2018 authorizing the Issue.
- 3) Special Resolution of the shareholders passed at the EGM dated August 10, 2018 authorizing the Issue.
- 4) Copies of Audited Financial Statements of our Company for the year ended March 31, 2018 March 31, 2017, 2016, 2015 and 2014.
- 5) Statement of Tax Benefits dated August 10, 2018 issued by Statutory Auditors & Peer Review Auditor M/s Shashi Dinesh & Co, Chartered Accountants.
- 6) Report of the Peer Review Auditor, M/s Shashi Dinesh & Co., Chartered Accountants, on the Restated Financial Statements for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 of our Company.
- 7) Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Secretarial Auditor, Bankers to our Company, the Lead Manager, Underwriter, Registrar to the Issue, Market Maker to the Issue, Legal Advisor, Banker to the Issue/Public Issue Bank to the Issue, to act in their respective capacities.
- 8) Copy of approval from BSE Ltd *vide* letter dated [•] to use the name of BSE Ltd in the offer document for listing of Equity Shares on the SME Platform of BSE.
- 9) Due Diligence Certificates dated September 28, 2018 issued by the Lead Manager i.e. Mark Corporate Advisors Private Limited.

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 other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the Directors, hereby certify and declare that, all relevant provisions of the Companies Act, 1956 and Companies Act, 2013, as amended from time to time and the guidelines issued by the Government of India or the Regulations/Guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by the Directors of our Company:

Alok Kumar Mishra
Managing Director
DIN: 00490767

sd/- _____

Karan Katyan

Whole Time Director

DIN : 07186785

sd/- _____

Mrs. Sapna Talreja

Independent Director

DIN: 08145835

sd /- _____

Surya Prasad Pandey
Independent Director
DIN: 08182522

sd /- _____

Vinod Kumar Dixit

Independent Director

DIN: 08191251

sd /- _____

Signed by the Company Secretary of our Company:

Ms. Upasana Mishra

Company Secretary & Compliance Officer

sd /- _____

Place : Kanpur

Date : September 28, 2018